

129th

ANNUAL REPORT

2023-2024

PNB FINANCE AND INDUSTRIES LIMITED

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BOARD OF DIRECTORS

ASHISH VERMA

INDEPENDENT DIRECTOR

GOVIND SWARUP

INDEPENDENT DIRECTOR

RAKESH DHAMANI

INDEPENDENT DIRECTOR

SAUMYA AGARWAL

INDEPENDENT DIRECTOR

SHWETA SAXENA

WHOLE-TIME DIRECTOR

VICTOR ALAN CARVALHO

ADDITIONAL DIRECTOR

*(DESIGNATED AS INDEPENDENT DIRECTOR)
(W.E.F. MAY 28, 2024)*

COMPANY SECRETARY

SHWETA SAXENA

CHIEF FINANCIAL OFFICER

VIVEKA NAND JHA

MANAGER

TARUN VERMA

AUDITORS

TANUJ GARG & ASSOCIATES

Chartered Accountants

Noida, Gautam Buddha Nagar,
Uttar Pradesh- 201301

REGISTRAR & SHARE TRANSFER AGENT

SKYLINE FINANCIAL SERVICES (P) LTD.

D-153/A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi - 110 020

Tel : +91-11- 26812682/83

E-mail : admin@skylinerta.com

REGISTERED OFFICE

CIN: L65929DL1947PLC001240

1st Floor, Express Building, 9-10,
Bahadur Shah Zafar Marg, New Delhi-110002

Tel : +91-7303495375

E-mail : pnbfinanceindustries@gmail.com

Website: www.pnbfinanceandindustries.com

NOTICE

NOTICE is hereby given that the 129th Annual General Meeting (AGM) of the members of PNB Finance and Industries Limited (the 'Company') will be held on Wednesday, July 10, 2024 at 10:30 A.M. IST through Video Conference (VC) to transact the following businesses:

Ordinary business:

1. To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) of the Company for the financial year ended March 31, 2024 together with the reports of the Board of Directors ('the Board') and auditors thereon.

Special business:

2. To amend the objects clause of Memorandum of Association (MOA) of the Company

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to provisions of Sections 4, 13 and 15 of the Companies Act, 2013 (the Act) and all other applicable provisions of the Act read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in accordance with the Table A of the Schedule I of the Act, and subject to such other approvals as may be necessary and subject to such amendments, modifications, terms and conditions as may be suggested or required by such appropriate authority(ies), which the Board of Directors is authorised to accept, as it may deem fit, consent of the members be and is hereby accorded for alteration of the Objects Clause of the Memorandum of Association (MOA) of the Company, such that the existing Clause 3 of the MOA of the Company be altered and amended as under:

- a) Clause 3 of the Objects Clause of MOA be divided into Clause 3(A) and 3(B).
- b) Clause 3(A) be titled as “THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:”.
- c) Clause 3 (B) be titled as “MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE 3(A) ARE:”
- d) The existing sub-clause 3(a) be altered, amended and divided in such a manner that the investment activities shall be the main object of the Company under Clause 3 (A) as under:

New clause 3 (A)(a):

“To carry on the business of investment company and to invest, subscribe, acquire, hold, buy, sell, trade, dispose off or otherwise deal in stock, funds, shares, debentures, debentures stock, bonds, obligations, or other forms of securities; on behalf of the Company.”

- e) The remaining other matters under existing clause 3 (a) shall be altered and amended to be such matters as are necessary for furtherance of main object under Clause 3 (B) as under:

- i. ***to borrow or raise money with or without interest or security as the Company may think fit for the purpose of business objective of the Company.***
 - ii. ***to lend and advance money to companies for the purpose of the business of the Company on such terms as may seem expedient and to guarantee the performance of any contract or obligation and the payment of money by any such companies.***
- f) The remaining existing sub-clauses be categorised under Clause 3(B).
 - g) Following new object be inserted in clause 3 (B):
 - i) ***to act as financial consultants and provide advisory or consultancy services in various fields of finance.***
 - h) The existing sub-clause (e), (f), (l) and (u) be deleted.

RESOLVED FURTHER THAT necessary revision in numbering the objects clauses of the MOA shall be carried out and new set of the objects clause of MOA of the Company be adopted in accordance with the Schedule I of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Directors of the Company and the Company Secretary be and are hereby severally authorised to do all such acts, deeds, matters and things as may be necessary or expedient in this regard, including filing the requisite forms with Ministry of Corporate Affairs (MCA) or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto and to settle all questions, difficulties or doubts that may arise in this regard at any stage with MCA without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

3. To adopt new set of Memorandum of Association (MOA) as per the provisions of the Companies Act, 2013

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to provisions of Sections 4, 13 and 15 of the Companies Act, 2013 (the Act) and

all other applicable provisions of the Act read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in accordance with the Table A of the Schedule I of the Act, and subject to the approval of Registrar of Companies, consent of the members be and is hereby accorded for alteration in the Memorandum of Association (MOA) of the Company in the below given manner:

- (i) dividing existing clause 3 of the objects clause into Clause 3(A) and 3(B)
- (ii) naming Clause 3(A) and 3(B) as under:
 Clause 3(A)- "THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:"
 Clause 3(B)- "MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE 3(A) ARE:"
- (iii) restating Clause 4 as under:
 Clause 4- The liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.

RESOLVED FURTHER THAT the directors of the Company and the Company Secretary be and are hereby severally authorised to do all such acts, deeds and things as may be required to give effect to the above resolution."

4. To adopt new set of Articles of Association (AOA) of the Company

To consider and if thought fit to pass with or without modification(s), the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 5, 14 and 15 and other applicable provisions if any of the Companies Act, 2013 (the Act) read with the Companies (Incorporation) Rules (including any statutory modification or re-enactment thereof for the time being in force), consent of the members of the Company be and is hereby accorded to adopt new set of Articles of Association (AOA) in accordance with the provisions of the Act in total exclusion, substitution and supersession of the the existing AOA of the Company.

RESOLVED FURTHER THAT any of the Directors of the Company and the Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs (MCA) or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto and to settle all questions, difficulties or doubts that may arise in this regard at any stage with MCA without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that the

Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

5. To appoint Mr. Victor Alan Carvalho (DIN: 08201039) as an Independent Director of the Company

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 read with Schedule IV of the Companies Act, 2013 ("the Act"), and rules made thereunder and applicable provisions of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and the Master Direction – Reserve Bank of India (Non-Banking Financial Company- Scale Based Regulation) Directions, 2023, (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the Articles of Association of the Company, and such other provisions as may be applicable, and on the recommendation of the Nomination and Remuneration Committee and based on the approval of the Board of Directors of the Company, Mr. Victor Alan Carvalho (DIN: 08201039), who was appointed as an Additional Director categorised as Non-Executive Independent Director of the Company with effect from May 28, 2024, and who holds office till the conclusion of this 129th Annual General Meeting in terms of Section 161 of the Act, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation for a term of 5 (five) years i.e. from May 28, 2024 to May 27, 2029.

RESOLVED FURTHER THAT in connection with the aforesaid, the Board of Directors (including any Committee thereof) be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto."

By order of the Board of Directors
For PNB Finance and Industries Limited

Shweta Saxena
Director & Company Secretary
DIN: 03120958 & Membership No.: A18585

Place: New Delhi
Date: May 28, 2024

Registered Office:
1st Floor, Express Building, 9-10,
Bahadur Shah Zafar Marg, New Delhi-110002
CIN: L65929DL1947PLC001240 Tel: +91-7303495375
Website: www.pnbfinanceandindustries.com
Email: pnbfinanceindustries@gmail.com

NOTES:

1. The Ministry of Corporate Affairs ("MCA") has vide its General circular No. 09/2023 dated September 25, 2023 read with circulars no. 20/2020, 02/ 2022 and 10/2022 (collectively referred to as "MCA Circulars") permitted the holding of the AGM through VC facility, on or before September 30, 2024, without the physical presence of the Members at a common venue. Similarly, Securities and Exchange Board of India (hereinafter referred as 'SEBI') vide its circular no. SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2023/167 dated October 7, 2023 has extended its relaxation to listed entities regarding dispatch of annual report and in compliance with the above given circulars and guidelines issued by MCA and SEBI, the Company is conducting its 129th AGM through VC and the Notice of the AGM along with the Annual Report for FY 2023-24 is being sent by electronic mode to those Members whose email addresses are registered with the Company/ depository participant(s) for communication purpose.

The registered office of the Company shall be deemed to be the venue for the AGM.

Members who have not registered their email addresses, are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to Skyline Financial Services Private Limited (Registrar and Transfer Agent (RTA of the Company), at D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020, Phone: 011-26812682/83, Email: admin@skylinerta.com.

Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website www.pnbfinanceandindustries.com and on the website of NSDL <https://www.evoting.nsdl.com>.

Detailed instructions with respect to participation in the AGM through VC are provided in Annexure A to this notice; Members are requested to read the notes carefully to understand the procedural requirement to attend the AGM through VC.

2. Any person, who has acquired shares and become a member of the Company after the dispatch of Notice of AGM but before the cut-off date i.e. July 03, 2024, may cast their vote by following the instructions for e-voting as provided in the Notice convening the AGM, which is available on the website of the Company and NSDL. However, if the person is already registered with NSDL for remote e-Voting then the existing user ID and password can be used to casting vote.

3. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 ('the Act'), which sets out the material details relating to the Special Business under item no. 2 to 5 of the Notice, is also annexed hereto. Further, the relevant details with respect to special business pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India are also annexed.
4. The Register of Members and Share Transfer Books of the Company will remain closed from July 04, 2024 to July 10, 2024 (both days inclusive). The cut-off date for determining the members who are entitled to vote through remote e-voting or voting at the meeting through VC is July 03, 2024.
5. 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. Since this AGM is being held pursuant to the MCA Circulars through VC, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxy(ies) by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and route map of AGM are not annexed to this Notice.
6. Institutional shareholders/corporate shareholders (i.e. other than individuals, HUFs, NRIs, etc.) are required to send a scanned copy (PDF/JPG Format) of their respective Board or governing body Resolution/Authorization etc. to the Company through email at pnbfinanceindustries@gmail.com authorizing their representative to attend the AGM through VC on their behalf and to vote through remote e-voting.

Members attending the AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

7. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending request from their registered email address mentioning their name, DP ID, Client ID/folio number, mobile number along with a copy of self-attested PAN at pnbfinanceindustries@gmail.com from July 01, 2024 (9:00 a.m. IST) to July 05, 2024 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the AGM and may

have to allow camera access during the AGM if asked by the Company. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. Members, who have not registered themselves as speaker shareholder and wish to raise queries can post their questions in chat box option during AGM and the same will be answered by the Company within 7 days from the date of AGM through email at the registered email address of the member.

8. For ease of conduct, members who would like to ask questions/ express their views on the items of the businesses to be transacted or require information about financial statements can send in their questions/ comments in advance by sending an email at pnbfinanceindustries@gmail.com on or before July 05, 2024 mentioning their name, demat account no./Folio no., e-mail Id, mobile number, etc. The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the meeting.
9. The Register of Directors and Key Managerial Personnel and their shareholding and Register of Contracts and Arrangements in which directors are interested will be available for inspection during the AGM in electronic mode for the Members. Members who wish to inspect the documents are requested to send an email to pnbfinanceindustries@gmail.com mentioning their name, folio no. / Client ID and DP ID, and the documents they wish to inspect, with a self-attested copy of their PAN card attached to the email.
10. 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 as on the cut-off date will be entitled to vote during the AGM.
11. 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.
 - a. **For shares held in electronic form:** to their Depository Participants ("DPs")
 - b. **For shares held in physical form:** to the Company/RTA in prescribed Form ISR-1 and other forms pursuant to SEBI Master Circular No. SEBI/HO/MIRSD/SECFATF/P/ CIR/2023/169 dated October 12, 2023. To mitigate unintended challenges on account of freezing

of folios, SEBI vide its Circular No. SEBI/HO/MIRSD/POD-1/P/ CIR/2023/181 dated November 17, 2023, has done away with the provision regarding freezing of folios not having PAN, KYC, and Nomination details.

12. Pursuant to the provisions of Section 124 of the Act and Investor Education Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid or unclaimed dividend are required to be transferred by the Company to the IEPF established by the Government of India, after the completion of seven (7) years. Further, according to the Rules, the shares on which dividend has been unclaimed by the Members for seven consecutive years or more shall also be transferred to the demat account of the IEPF authority. In terms of above provisions, such amount of unclaimed dividend and shares pertaining to financial year 2016-17 is due for transfer to the IEPF on November 01, 2024.

Individual notices to respective Members will be sent at their latest addresses available in the Company records, as per the timelines prescribed under IEPF Rules, inter alia, providing the details of shares liable to be transferred to IEPF for taking appropriate action.

The Company will upload details of such shares due for transfer to IEPF on its website www.pnbfinanceandindustries.com.

In case the Members have any queries with respect to subject matter and IEPF Rules, they may send their queries to the Company at mail id: pnbfinanceindustries@gmail.com or can contact Skyline Financial Services Private Limited at D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020, Phone: 011-26812682/83, Email: admin@skylinerta.com.

Members may note that shares as well as unclaimed dividend transferred to IEPF authority can be claimed. Concerned members are advised to visit the weblink: <http://www.iepf.gov.in/> and/or Company's website: www.pnbfinanceandindustries.com for the procedure to claim the shares and dividend thereon.

13. In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

Members may further note that SEBI, vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website under the weblink at <https://www.pnbfinanceandindustries.com/investor-communications.html>.

It may be noted that any service request can be processed only after the folio is KYC compliant.

14. In terms of Section 72 of the Act, the Members can exercise their right to nominate any person in whom the securities held by such Member shall vest in the event of the death of such Member. Members who have not yet registered their nomination are requested to submit the required form (Form no. SH13) to their DP in case shares are held in demat form and to RTA in case shares are held in physical form. If a Member desires to opt-out or cancel the earlier nomination and record a fresh nomination, the Member may submit the same in form ISR-3 or form SH-14, as the case may be. The said forms can be downloaded from the Company's website www.pnbfinanceandindustries.com.
15. Members may note that the Company has followed all the guidelines and procedure as required under the MCA and SEBI circulars as stated above and duly complied with the regulatory framework.
16. The Scrutinizer will submit his report to the Chairman of the meeting ("the Chairman") or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchange, NSDL and RTA, and will also be displayed on the Company's website, www.pnbfinanceandindustries.com

Explanatory statement pursuant to Section 102(1) of the Act

Item No. 2&3

The Company is registered with Reserve Bank of India (RBI) as Non deposit taking NBFC categorized as an

Investment Company and the Company carries investment activities as its main objective. However, as the Company was incorporated under the erstwhile Companies Act, the existing objects clause of the MOA does not categorise the objects under main objects and matters necessary for furtherance of main objects as required under the Act.

Therefore, it was proposed to amend and alter the objects clause of the MOA by recategorizing, deleting and inserting objects in alignment to the objectives of the Company.

The amendments are made in a manner whereby the objects are divided into main objects under "Clause 3 (A)" reflecting the investment activities and matters which are necessary for furtherance of the main objects are categorised under "Clause 3(B)" of the object clause of MOA.

Further, since the Company is purely into investment activities (neither it accepts deposits nor it has any customer interface), it qualifies the criteria of being Type-I NBFC pursuant to press release dated June 17, 2016 issued by RBI.

Considering the above, the Board recommends alteration and amendment in the existing object clauses of the Company to:

- i) align the object clauses with current investment activities of the Company;
- ii) categorise the Company as a Type-I NBFC;
- iii) align the provisions of the MOA with the prescribed provisions of the Companies Act, 2013.

The Board at its meeting held on May 28, 2024 has approved alteration of the MOA of the Company subject to the approval of the Members by special resolution pursuant to the provisions of Section 13 of the Act.

The draft copy of the MOA of the Company is available for inspection at the registered office of the Company from July 01, 2024 to July 05, 2024 from 11:00 A.M. to 4:00 P.M.

The amendment shall be effective upon the registration of the resolution with the Registrar of the Companies.

None of the Directors, Key Managerial Person(s) of the Company including their relatives are, in any way, concerned or deemed to be interested in the proposed resolution.

The Board recommends the Special Resolution set forth in Item No. 2 & 3 of the Notice for approval of the Members.

Item No. 4

The Articles of Association (AOA) of the Company as presently in force are based on the erstwhile Companies Act, 1956 and several regulations in the existing AOA are no longer in conformity with the Companies Act, 2013("the Act") and require alterations or deletions pursuant to

changes in applicable laws. Therefore, it is considered expedient to wholly replace the existing AOA by a new set of Articles.

The members are requested to note that Table F of Schedule I to the Act shall not apply to the Company except in so far as they are embodied in the new set of AOA.

Members' attention is invited to certain salient provisions in the new draft AOA of the Company which are aligned with the provisions of the Act:

- i. The quorum for the general meeting of the Company shall be as provided in Section 103 of the Act;
- ii. The number of directors of the Company shall be as per the provisions of the Act;
- iii. The remuneration of Managing Director or Whole-time Director shall be fixed by the Board subject to the provisions of Section 197 and Schedule V of the Act;
- iv. Inserted new provisions relating to appointment of chief executive officer and chief financial officer, in addition to manager and company secretary;
- v. Provisions regarding seal of the Company have been deleted as per the Act;
- vi. All unclaimed dividend shall be dealt with in accordance with the Act;
- vii. Other existing articles have been streamlined and aligned with the Act.

Accordingly, the Board at its meeting held on May 28, 2024 had approved the adoption of new set of AOA of the Company subject to the approval of the Members of the Company by special resolution.

The draft copy of the AOA of the Company is available for inspection at the registered office of the Company from July 01, 2024 to July 05, 2024 from 11:00 A.M. to 4:00 P.M.

None of the Directors, Key Managerial Person(s) of the Company including their relatives are, in any way, concerned or deemed to be interested in the proposed resolution.

The Board recommends the Special Resolution set forth in Item No. 4 of the Notice for approval of the Members.

Item No. 5

Appointment of Mr. Victor Alan Carvalho (DIN: 08201039) as Non-Executive Independent Director for a term of 5 consecutive years.

The Board appointed Mr. Victor Alan Carvalho (DIN: 08201039) as an Additional Director designated as Non-Executive Independent Director of the Company at its meeting held on May 28, 2024 who holds the office upto the date of the ensuing AGM.

In terms of Section 160 of the Act, the Nomination and Remuneration Committee and the Board has recommended the appointment of Mr. Carvalho as an Independent Director for a term of 5 (five) years effective from May 28, 2024 upto May 27, 2029 (both days inclusive) subject to approval of the Members of the Company pursuant to provisions of Sections 149 and 152 of the Act. The Company has also received a notice from Mr. Carvalho proposing his candidature for the office of Director.

Members are requested to note that the Company has received declaration in writing from the proposed director confirming that he meets the criteria of independence under the Act and the SEBI Listing Regulations. Further, the Company has received a consent in writing from the proposed Director to act as an Independent Director of the Company and further confirming that he is not disqualified from being appointed as director in terms of Section 164 and other provisions of the Act and the circulars, directions, notifications, regulations, guidelines issued by the RBI.

In the opinion of the Board, Mr. Carvalho satisfies all the conditions for his appointment as an Independent Director of the Company under the Act and SEBI Listing Regulations and also fit & proper criteria prescribed under RBI Master Directions. Mr. Carvalho is independent of the management also.

A brief profile of Mr. Carvalho and other requisite details, pursuant to the provisions of the Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India and the SEBI Listing Regulations are provided in Annexure 1 to this Notice.

In line with the Company's remuneration policy for Independent Directors, the proposed director will be entitled to receive remuneration by way of sitting fees as approved by the Board, reimbursement of expenses for participation in the Board meetings/Committee meetings, if any.

The Board is of the view that the Company would greatly benefit from the rich and varied experience of the proposed director and accordingly recommends the Special resolution set forth in Item no. 5 of the Notice for approval of the Members.

The appointment letter along with terms and conditions of appointment of the Independent Director is available for inspection at the registered office of the Company from July 01, 2024 to July 05, 2024 from 11:00 A.M. to 4:00 P.M.

Except for Mr. Carvalho 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.

Details of the Director seeking appointment at the forthcoming AGM (In pursuance of Regulation 36(3) and (5) of the Listing Regulations and Secretarial Standard - 2 on General Meetings)

Brief profile of Mr. Carvalho

Mr. Victor Alan Carvalho, aged 59 years, is a seasoned professional, having spent nearly 4 decades in handling personnel and operational functions. Mr. Carvalho is an arts graduate and has pursued Post Graduate Diploma Personnel Management (PGDPM). He also conducts experiential training interventions on topics ranging from cultural transformation at the workplace, team bonding, harmony of self with personal & professional environment, etc.

Name of Director	Mr. Victor Alan Carvalho
DIN	08201039
Designation / Category of Directorship	Non-Executive Independent Director
Date of Birth (Age)	23.08.1964 (Age : 59 years)
Date of appointment	May 28, 2024
Expertise in specific functional areas	Over 37 years of experience in handling personnel and operational functions
Qualifications	Arts graduate and has pursued Post Graduate Diploma Personnel Management (PGDPM).
Directorships held in other companies (excluding foreign companies)	None
Membership/ Chairmanship of Committees of other Boards position held in other companies	None
Remuneration last drawn (FY 2023-24)	NA
No. of meetings of the Board attended during the year	None as appointed in the board meeting held on May 28, 2024
No. of shares held: (a) Own (b) For other persons on a beneficial basis	Nil
The skills and capabilities required for the role and the manner in which the proposed person meets such requirements/ justification for appointment	The Nomination and Remuneration Committee of the Board has evaluated the profile of Mr. Carvalho and concluded that Mr. Carvalho possesses the relevant skills and capabilities to discharge the role of Independent Director as defined in the Nomination and Remuneration policy of the Company.
Terms and conditions of appointment	As per the resolution at item no. 5 of the Notice convening this meeting read with explanatory statement thereto
Relationship with other Directors/ Manager / Key Managerial Personnel	None

By order of the Board of Directors
For **PNB Finance and Industries Limited**

Shweta Saxena

Director & Company Secretary

DIN: 03120958 & Membership No.: A18585

Place: New Delhi

Date: May 28, 2024

Registered Office:

1st Floor, Express Building, 9-10,

Bahadur Shah Zafar Marg, New Delhi-110002

CIN: L65929DL1947PLC001240 Tel: +91-7303495375

Website: www.pnbfinanceandindustries.com

Email: pnbfinanceindustries@gmail.com

Notes on attending AGM through Video Conferencing (VC), Remote E Voting and Voting at AGM

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

The remote e-voting period begins on July 06, 2024 at 09:00 A.M. and ends on July 09, 2024 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. July 03, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being July 03, 2024.

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

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

Step 1: Access to NSDL e-Voting system

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

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

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	- Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp - Alternatively, visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on  App Store  Google Play  

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then using your existing Myeasi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 128774 then user ID is 128774001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN 128774" of the Company to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to balrajsharma@nsdl.co.in with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-Voting” tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager at evoting@nsdl.co.in

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to pnbfinanceindustries@gmail.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to pnbfinanceindustries@gmail.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

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

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

1. Member will be provided with a facility to attend the AGM through VC through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC” placed under “**Join meeting**” menu against company name. You are requested to click on VC link placed under Join Meeting menu. The link for VC will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. it is therefore recommended to use stable Wi-Fi or lan connection to mitigate any kind of aforesaid glitches.

BOARD'S REPORT

Dear Members,

Your directors feel immense pleasure in presenting the 129th Annual Report of PNB Finance and Industries Limited ('the Company') together with financial statements (standalone and consolidated) and auditors' report thereon for the financial year ended March 31, 2024.

Financial performance/State of Company affairs

The standalone and consolidated financial statements for the financial year ended March 31, 2024, forming part of this Annual Report, have been prepared in accordance with the Indian Accounting Standards (Ind AS), Ministry of Corporate Affairs (MCA) and Master Directions of Reserve Bank of India (RBI).

The performance figures of the Company during the year under review and those reported for the corresponding previous year are as under:

(₹ in Lakhs)

Particulars	Standalone results		Consolidated results	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Total income	939.16	1065.60	1158.25	1126.96
Total expenditure	290.15	327.49	294.00	333.76
Exceptional items	-	21.68	-	491.78
Profit before tax	649.01	716.43	864.25	301.42
Less: Current tax	107.73	114.02	143.22	122.93
Deferred tax charge/ (credit)	(1.14)	(1.03)	(0.81)	(1.21)
Earlier year tax provision (net)	0.16	0.31	0.16	0.31
Profit after tax	542.26	603.13	721.68	179.39

During the year under review, your Company has not carried on any business activity. It has only invested its surplus funds in debt/equity mutual funds, fixed deposits, NCDs, government bonds and equity shares of listed and non-listed companies.

For the financial year 2023-24, the consolidated profit after tax is ₹ 721.68 lakhs and standalone profit after tax is ₹ 542.26 lakhs.

Material changes and commitments affecting the financial position between the end of the financial year and date of this report

There were no material changes and commitments affecting the financial position between the end of the financial year and date of this report.

Alteration of Memorandum of Association (MOA) & Articles of Association (AOA)

The Board of Directors ('Board') have approved the alteration in the MOA & AOA of the Company at its meeting held on May 28, 2024 subject to the approval of the Members at the ensuing 129th AGM of the Company.

The intent of alteration of MOA is to align the objects clause of MOA with the current investment activities of the Company and also to bring it in conformity with the existing provisions of the Companies Act, 2013 ('the Act').

Similarly, a new set of AOA is also being adopted as per the Act.

The explanatory statement pursuant to Section 102 of the Act is annexed to the Notice of the AGM.

The Board recommends the alteration in the MOA & AOA of the Company as set out in item no. 2, 3 & 4 of the Notice of the AGM for approval by Members by special resolution.

Dividend

Your Directors do not recommend dividend for the year under review.

Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of Section 124 of the Act and IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid or unclaimed dividend are required to be transferred by the Company to the IEPF established by the Government of India, after the completion of seven years. Further, according to the Rules, the shares on which dividend has been unpaid or unclaimed by the Members for seven consecutive years or more shall also be transferred to the demat account of the IEPF authority. Accordingly, the Company has transferred the unclaimed dividend of ₹ 63,278.40 and 491 shares pertaining to financial year 2015-16 to IEPF during the financial year 2023-24. The details are also available on the Company's website at www.pnbfinanceandindustries.com.

Reserves

The Board proposes to carry a sum of ₹ 20.00 lakh to general reserves of the Company and ₹ 108.45 lakh to special reserve pursuant to Section 45-IC of the RBI Act, 1934.

Public deposits

During the year under review, the Company has not accepted any public deposits and the Board has also passed the necessary resolution for non-acceptance of any public deposits during the financial year 2024-25.

Directors and Key Managerial Personnel (KMP)

A. Change in directors during the year

The Board at its meeting held on May 28, 2024 and on the recommendation of Nomination and Remuneration Committee has approved the appointment of Mr. Victor Alan Carvalho as an additional director designated as Independent Director w.e.f. May 28, 2024 to hold office upto the date of the ensuing Annual General Meeting (AGM). The Board recommends the appointment of Mr. Carvalho as an Independent Director of the Company for a term of 5 (five) consecutive years for the approval of the Members at the ensuing AGM. The Board is satisfied of the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of Mr. Carvalho.

Mr. Rakesh Dhamani was re-appointed as an Independent Director of the Company w.e.f. April 16, 2023 for a further term of 5 consecutive years at the 128th AGM of the Company.

Mr. Govind Swarup, Ms. Saumya Agarwal and Mr. Ashish Verma continue to be Independent Directors of the Company and Ms. Shweta Saxena as Whole-Time Director of the Company.

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, as applicable, received by them.

B. Change in KMP during the year

Mr. Tarun Verma was appointed as the Manager of the Company w.e.f. June 01, 2023. Mr. Vijay Kumar Bakshi resigned as a Manager of the Company w.e.f. May 31, 2023.

Mr. Viveka Nand Jha (Chief Financial Officer) and Ms. Shweta Saxena (Company Secretary) continue to be the Key Managerial Personnel of the Company.

Performance evaluation of the Board, its committees and directors

The Company has a policy for performance evaluation of the Board, Committees and other individual Directors (including independent directors) which includes criteria for performance evaluation of Non-executive Directors and Executive Directors. In accordance with the manner of evaluation, the Board carried out annual performance evaluation of the Board, its Committees and Individual Directors. The independent directors carried out annual performance evaluation of the non-independent directors and the Board as a whole. The performance of the Board, individual directors and the committees on the basis of the criteria as set out has been found good.

Declaration by independent director(s)

Pursuant to Section 149 (7) of the Act, all independent directors had given declaration and necessary confirmation of eligibility under Section 149(6) of the Act.

In terms of Regulation 25(8) of SEBI Listing Regulations, the independent directors have confirmed their eligibility as per Regulation 16 (1) (b) of Listing Regulations and that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

The independent directors have also confirmed compliance with the provisions of Rule 6 of Companies (Appointment and Qualifications of Directors) Rules, 2014, relating to inclusion of their name in the databank of independent directors.

Further, the Board has ensured the veracity of the disclosures and opines that there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied of the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board.

Number of meetings of the Board of Directors

During the year under review, eight (8) meetings of the Board and one independent directors' meeting were duly convened and held. The gap between any two meetings of the Board did not exceed 120 days. The meetings of the Board are scheduled at regular intervals to discuss and decide on matters of significance. The Notice of the meetings and agenda thereof is circulated in advance, to ensure proper planning and effective participation. In certain exigencies, decisions of the Board are also accorded through circulation. The directors of the Company are given the facility to attend the meetings through video conferencing subject to compliance with the specific requirements under the Act.

For details, please refer to the corporate governance report, which forms part of this Board report.

Familiarization program for independent directors

All new independent directors are inducted into the Board familiarization program. The Board members are provided with necessary documents, reports and internal policies to enable them to familiarise with the Company's procedures and practices. Periodic information is provided to the Board and Committees on business and performance updates of the Company, business strategy and risks involved. Updates on relevant statutory, regulatory changes and landmark judicial pronouncements encompassing important laws are regularly provided to the Directors. Further, at the time of appointment of an independent director, the Company issues a formal letter of appointment outlining his role, function,

duties and responsibilities. The formal letter of appointment and familiarization program for independent directors are available on our website at www.pnbfinanceandindustries.com.

Company's policy on Directors' appointment and remuneration

Salient features of Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under section 178 (3) forms part of the corporate governance report annexed to this Board report and the policy is available on the website of the Company viz. www.pnbfinanceandindustries.com.

Committees of the Board

In compliance with various requirements of the Act and Listing Regulations, your Board has constituted various board committees i.e. Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee.

Detail of the constitution of these committees, which are in accordance with regulatory requirements, is available on the website of the Company viz. www.pnbfinanceandindustries.com. Details of scope, constitution, terms of reference, number of meetings held during the year under review along with attendance of committee Members therein form part of the corporate governance report annexed to this Board report.

Pursuant to the RBI Directions, the Company has constituted a Risk Management Committee (RMC) and during the year under review, seven (7) meetings of RMC were held.

Subsidiaries

As on March 31, 2024, the Company has two wholly owned subsidiaries, Punjab Mercantile and Traders limited and Esoterica Services Limited (formerly known as Jacaranda Corporate Services Limited).

Esoterica Services Limited is a material unlisted subsidiary as per Regulation 16(c) of Listing Regulations. The Company has formulated a policy for determining 'Material' subsidiaries as approved by the Board and is available on the Company's website: www.pnbfinanceandindustries.com.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiaries in Form AOC-1 is attached as **Annexure-I** to this Board report.

Further, pursuant to the provisions of Section 136 of the Act, and Regulations 46 of the Listing Regulations, the financial statements of the Company, consolidated

financial statements along with relevant documents and audited financial statements in respect of subsidiaries, are available on the website of the Company at www.pnbfinanceandindustries.com.

Management discussion and analysis report

In accordance with Regulation 34 of Listing Regulations, the Management Discussion and Analysis Report forms part of this Board Report.

Risk assessment & minimization policy

Your Company has in place the process to identify and assess business risks and opportunities in the form of a Risk assessment & minimisation policy.

The main objective of this policy is to ensure safety of principal, high degree of liquidity while maximizing yield. Liquidity and preservation of capital are the paramount considerations. Yield is important but secondary to these objects.

In order to achieve the key objective, the policy establishes a structured and disciplined approach to risk management, in order to guide decisions on risk related issues.

As a matter of policy, the risks are assessed and steps as appropriate are taken to mitigate the same.

Annual return

Pursuant to the provisions of Section 134(3)(a) and 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the annual return of the Company as at March 31, 2024 is available on Company's website: www.pnbfinanceandindustries.com

Auditors

a) Statutory auditors

The Company had appointed M/s Tanuj Garg & Associates, Chartered Accountants (Firm Registration No. 013843C) as the auditors of the Company on July 12, 2023 to hold office for a term of three (3) years from the conclusion of 128th AGM till the conclusion of 131st AGM of the Company.

Further, the auditor's report issued by M/s Tanuj Garg & Associates for the financial year 2023-24 does not contain any qualification, reservation or adverse remark and the notes on accounts read with the auditor's report are self-explanatory and therefore, do not call for any further comments or explanations.

b) Secretarial auditors

Pursuant to the provisions of Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Regulation 24(A) of Listing Regulations, the Company has appointed M/s. Balraj Sharma &

Associates (CP No:824), Company Secretaries, to undertake the secretarial audit of the Company and Esoterica Services Limited, material unlisted subsidiary of the Company.

The secretarial audit report does not contain any qualification, reservation or adverse remark. The secretarial audit report of the Company is annexed as **Annexure- II**.

Pursuant to Regulation 24(A) of Listing Regulations, the Company has also obtained annual secretarial compliance report from M/s. Balraj Sharma & Associates (CP No:824), Company Secretary in practice.

c) Internal auditors

M/s A.V. Ravindranath & Co, Chartered Accountants (FRN: 017483N) performs the duties of internal auditors of the Company and their report is reviewed by the audit committee from time to time.

During the year under review, the auditors of the Company had not reported any instances of offence involving fraud committed against the Company under Section 143(12) of the Act.

Conservation of energy, technology absorption and foreign exchange earnings and outgo

Provisions relating to disclosure of particulars with respect to conservation of energy are not applicable on the Company and it has no information to be published regarding technology absorption. The Company has not carried on, during the period under report, any activity relating to exports and has not used or earned any foreign exchange.

Internal financial controls

The Company has adequate system of internal financial controls commensurate with its size, scale and complexity of operations with reference to its financial statements to safeguard and protect from loss, unauthorized use or disposition of its assets.

The Company is following all the applicable accounting standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the Company checks and verifies the internal control and monitors them in accordance with policy adopted by the Company.

The Board is of the opinion that internal financial controls with reference to the financial statements were tested and reported adequate and operating effectively.

Corporate social responsibility (CSR)

The provisions pertaining to corporate social responsibility as prescribed under the Act are applicable to the Company.

The CSR policy may be accessed on the Company's website: www.pnbfinanceandindustries.com.

Total CSR obligation of the Company for the financial year 2023-24 was ₹ 10.23 Lakhs and Company has contributed the same to the Times Foundation in the month of November 2023. Times Foundation has utilized the entire amount of contribution towards furtherance of education.

Times Foundation is a registered society established vide Registration no. S/37742 dated 25.08.2000 under the Societies Registration Act, 1860. The Society has been set up to carry on the objects as also allowed as CSR activity in Schedule VII of the Act.

The brief outline of the CSR policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure III** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Corporate governance

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by Securities and Exchange Board of India. The Company has also implemented several best corporate governance practices as prevalent globally.

The report on corporate governance as stipulated under Schedule V of Listing Regulations, forms part of this Board report as Annexure-IV. The requisite certificate from M/s Balraj Sharma & Associates, Company Secretaries confirming compliance with the conditions of corporate governance as stipulated under the aforesaid Schedule V, is attached to this Board report.

Particulars of employees

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is given below.

Further, sitting fees paid to the directors during the year has been mentioned in the corporate governance report. Number of permanent employees in the Company are 3 as on March 31, 2024.

None of the employees draws remuneration in excess of the limits set out in the Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The percentage increase in the median remuneration of employees in the financial year 2023-24 is 26.67%.

The remuneration paid to all KMP was in accordance with the remuneration policy adopted by the Company. None of the employees holds equity shares of the Company and no employee is a relative of director or manager of the Company.

Name of the top 10 employees in terms of remuneration drawn during the financial year 2023-24.

S. no.	Name of the employee & age (in years)	Designation and nature of employment	Remuneration received in financial year 2023-24 (₹ in lakh)	Educational qualifications	Experience (in years)	Date of Commencement of employment	Previous employment	% increase in remuneration in the financial year 2023-24
1.	Shweta Saxena Age: 43	Designation: WTD& Company Secretary Nature: Permanent	33.04	B.Com(H), ACS, LLB, PGDBA (Finance)	19	July 28, 2008	Uniproducs India Limited	8.47 %
2.	Viveka Nand Jha Age: 45	Designation: CFO Nature: Permanent	24.80	B.Com(H), LLB, PGDBA (Finance)	21	July 27, 2009	Jubilant Industries Limited	26.65%
3.	Vijay Kumar Bakshi*	Designation: Manager Nature: Contractual	0.02	NA	NA	NA	NA	NA
4.	Tarun Verma** Age: 37	Designation: Manager Nature: Permanent	3.63	B.A	11	June 01, 2023	Sahu Jain Limited	NA

NA- Not applicable

*Mr. Vijay Kumar Bakshi resigned from the position of Manager of the Company with effect from May 31, 2023

**Mr. Tarun Verma was appointed as Manager w.e.f June 01, 2023

Vigil / whistle blower mechanism

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behaviour, the Company has adopted a vigil mechanism policy. This policy available on Company's website: www.pnbfinanceandindustries.com

Related party transactions

There were no contracts or arrangements entered by the Company in accordance with provisions of Section 188 of the Act. Further in terms of Ind AS 24 related party disclosure including remuneration paid to KMP's and sitting fees paid to directors and loan to subsidiary company is disclosed in the note no. 26 to the financial statements of the Company.

The policy on related party transactions is available on Company's website: www.pnbfinanceandindustries.com

Particulars of loans, guarantees and investment

The Company, being an Non-Banking Finance Company (NBFC) registered with the RBI is engaged in the business of investments as its ordinary course of business, is exempt from complying with the provisions of Section 186 of the Act with respect to investments. Accordingly, the disclosures of the investments as required under the aforesaid section have not been made in this Report. The particulars of loans given by the Company during the year have been disclosed in the note no. 26 to the financial statements. Further, the Company has not given any guarantees during the financial year ended March 31, 2024.

Cost records

The requirement of maintenance of cost records under Section 148(1) of the Act are not applicable on the Company.

Regulatory orders

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

However, SEBI had issued 3 (three) Show Cause Notices to the Company in October 2020, one as a listed entity and two others as Promoter and a Shareholder of Ashoka Viniyoga Limited ("AVL") and Camac Commercial Company Limited ("CCCL") respectively alleging violation of certain provisions of the SEBI Act, 1992 and regulations thereunder.

In the case of (i) the Company as a listed entity, as well as (ii) Promoter and a Shareholder of CCCL, both listed at non-operational Calcutta Stock Exchange, however, SEBI rejected the Company's applications under the Settlement Regulations in December 2022 and thereafter issued Adjudication Orders on March 28, 2023. These Orders issued by the Whole-Time Member of SEBI concluded violation of various provisions of SEBI Act, 1992 and regulations issued thereunder, by the Company. Under the said Orders, in the case of (i) above, SEBI levied Rs 1200 lakhs monetary penalty on the Company, and directed the Corporate Shareholders (Viz: AVL, Artee Viniyoga Ltd, CCCL and Combine Holding Ltd) and Individual Shareholders (viz: Samir Jain and Meera Jain), besides levying certain penalties on each of them, to declare themselves as Promoters of the Company and restrained

them from certain activities until Minimum Public Shareholding (MPS) of 25% is achieved in the Company. In the case of (ii) above, besides levying a monetary penalty of Rs 20 lakhs on the Company, the said Order also restrained the Company from accessing capital market and prohibited from buying or selling of securities or otherwise dealing in securities (including Mutual Funds), until MPS compliance is achieved by CCCL. Subsequently, both the Adjudication Orders were challenged by the Company before the Securities Appellate Tribunal (SAT) and vide its Orders passed on April 26, 2023, SAT had stayed the effect and operation of the said SEBI Orders subject to payment of 25% of the levied penalty(ies) by the Company. The payment for the said 25% penalty has been made to SEBI by the Company. The SAT appeals are sub-judice as on the date of the Report.

The sexual harassment of women at workplace (prevention, prohibition and redressal) Act, 2013

Since the Company has number of employees less than ten, it is not required to form committee for the redressal of complaints under the said Act.

Insolvency and Bankruptcy Code, 2016

There are no proceedings pending under Insolvency and Bankruptcy Code, 2016.

Directors' responsibility statement

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

- in the preparation of the annual accounts for the financial year ended March 31, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- 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 2023-24 and of the profit of the Company for that period;
- 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;
- they have prepared the annual accounts on a going concern basis;
- they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Statutory statement

The Company is regular in paying the annual listing fee to the exchange i.e The Calcutta Stock Exchange Limited. The Company has diligently complied with all the applicable provisions of the listing regulations with the exchange.

Further, your Company is registered with the RBI as a non-deposit accepting NBFC. As per RBI's 'Scale Based Regulations' (SBR), the Company shall be classified as NBFC- Base Layer (NBFC-BL) as the Company has no public deposits and no customer interface. Since the Company does not carry a Type-I* certificate, required for companies having no public deposits and no customer interface, RBI has classified the Company as NBFC - Middle Layer (NBFC-ML) due to its asset size. The Company has applied for Type-I certificate with the RBI and the application for the same is under process.

**Type I - NBFC-ND are companies which do not accept public funds/ do not intend to accept public funds in the future and do not have customer interface/ do not intend to have customer interface in the future as per press release dated June 17, 2016.*

The Company complies with all the applicable secretarial standards issued by ICSI.

Green initiative

In continuation with circulars dated May 05, 2020, May 05, 2022 and December 28, 2022, MCA has issued circular dated September 25, 2023, whereby companies are allowed to continue conducting AGM through VC upto September 30, 2024. Similarly, SEBI vide its circular dated October 07, 2023 has extended certain relaxation to listed entities regarding dispatch of annual reports to the Members of the Company.

In line with the above given circulars and guidelines issued by MCA and SEBI, the Company is conducting 129th AGM of the Members through VC. The instructions of attending meeting through VC is provided in AGM notice.

Electronic copies of Annual Report 2024, Notice of 129th AGM and instructions slip will be sent to all the Members whose email addresses are registered with the Company/ Depository Participant(s) for communication purpose.

Pursuant to Section 108 of the Act read with rule 20 of Companies (Management and Administration) Rules, 2014, the Company is providing remote e-voting facility to all Members to enable them to cast their votes electronically on all resolutions set forth in the notice. The instruction of remote e-voting is provided in the notice.

Acknowledgement

Your directors wish to place on record their sincere thanks to the bankers, the stakeholders and the employees for their continued support throughout.

By order of the Board of Directors
For **PNB Finance and Industries Limited**

Rakesh Dhamani
Director
DIN: 07065199

Shweta Saxena
Director & Company Secretary
DIN: 03120958
M.No: A18585

Place: New Delhi
Date: May 28, 2024

Form AOC - 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries

Part "A" Subsidiaries

(₹ in lakh)

S. No.	Particulars		
1	Name of subsidiary	Esoterica Services Ltd (Earlier Jacaranda Corporate Services Ltd.)	Punjab Mercantile And Traders Ltd.
2	The date since when subsidiary was acquired	20-05-2006	21-06-1972
3	Reporting period of the subsidiary	From April 01, 2023 to March 31, 2024	From April 01, 2023 to March 31, 2024
4	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiary	N.A.	N.A.
5	Share capital	20.00	5.17
6	Reserves and surplus (Note 1)	91,569.43	19,502.06
7	Total assets	1,16,491.34	25,224.54
8	Total liabilities	24,901.91	5,717.31
9	Investments	1,16,368.43	25,212.28
10	Turnover	110.00	0.00
11	Profit/ (loss) before taxation	210.51	4.73
12	Provision for taxation	35.50	0.32
13	Profit/(loss) after taxation	175.01	4.41
14	Proposed dividend	Nil	Nil
15	Extent of shareholding (%)	100%	100%
	Note 1: Other equity" amount has been furnished for "Reserve and Surplus".		
16	Names of subsidiaries which are yet to commence operations	NIL	
17	Name of subsidiary which have been liquidiated or sold during the year ended on March 31, 2024	NIL	

As per our report of even date attached

For Tanuj Garg & Associates

Chartered Accountants

Firm Regn. No. 013843C

Monika Garg

Partner

Membership No. 407038

Place: New Delhi

Date: May 28, 2024

For and on behalf of the Board of Directors

Govind Swarup

Director

DIN: 00003145

Shweta Saxena

Director & Company Secretary

DIN: 03120958/M.No: A18585

Rakesh Dhamani

Director

DIN: 07065199

Viveka Nand Jha

Chief Financial Officer

PAN - AEXPJ2176H

Form No. MR-3
Secretarial Audit Report
For the Financial Year ended 31st March, 2024
[Pursuant to Section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The Members,
PNB Finance and Industries Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good Corporate Practices by **PNB Finance and Industries Limited**, a company registered under the Companies Act, 1913 having its Registered Office at 1st Floor, Express Building, 9-10, Bahadur Shah Zafar Marg, New Delhi -110002 (**hereinafter called “the Company”**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our examination and verification of the Company’s secretarial books, papers, minute books, forms and returns filed and other registers and records as maintained by the Company under Companies Act, 2013 and Securities Laws as applicable to the Company and also the information(s) and explanation(s) provided to us by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 has generally 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:

We have examined the books, papers, forms and returns filed and other records maintained by Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) 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 (Prohibition of Insider Trading) Regulations, 2015;
 - b. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
- (v) Other laws applicable to the Company:-
 - a. Master Direction- Reserve Bank of India (Non Banking Financial Company- Scale Based Regulation) Directions, 2023.
 - b. All other compliances related to NBFC applicable to the Company.

We have also examined compliance with the applicable clause of the following;

- I. The Secretarial Standards issued by the Institute of Company Secretaries of India.
- II. The Listing Agreements entered into by the Company with The Calcutta Stock Exchange
- III. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As per the information(s) furnished and explanation(s) as provided by the Company, its officers, agents and authorized representatives, there were no other sector specific laws applicable to the Company or on its type of Industry except as mentioned above for the financial year ended March 31, 2024.

We further report that, we have checked the Compliance Management System of the Company on the basis of Compliance Certificates issued by the Company Secretary of the Company and the Chief Financial Officer of the Company so as to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of applicable Laws, Rules, Regulations and Guidelines and its verification was done on test check basis. However, I have not made a detailed examination of

the said records. I believe that the audit evidence which have been obtained is sufficient and appropriate to provide a reasonable basis for my audit. In my opinion and to the best of my information and according to explanations given to me, I believe that there are adequate systems and processes in the Company commensurate with the size and operations of the Company and the nature of its business to monitor and ensure compliance of laws specifically applicable to the Company.

We, further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors during the period under review. There was no change in the Board of the Company during the year.

We further report that the compliance by the Company of applicable financial laws like Direct and Indirect Tax Laws has not been reviewed; since the same have been reviewed by Statutory Auditors and other designated professionals and we have relied upon the same.

Adequate notices were given to all the Directors to schedule the Board Meetings and its Committees Meetings. Notice along with Agenda and detailed notes on agenda were sent atleast seven days in advance and as system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. The Board decisions were carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

The Securities and Exchange Board of India ("SEBI") had issued 3 (three) Show Cause Notices to the Company in October 2020, one as a listed entity and two others as Promoter and a Shareholder of Ashoka Viniyoga Limited ("AVL") and Camac Commercial Company Limited ("CCCL") respectively alleging violation of certain provisions of the SEBI Act, 1992 and regulations thereunder. In the case of AVL, SEBI had accepted the Companys application under the SEBI (Settlement Proceedings) Regulations, 2018 to settle such proceedings without admitting or denying any findings of fact and conclusions of law. Upon payment of a sum of ₹ 21.68 lakhs by the Company and a subsequent Settlement Order dated September 07, 2022 issued by SEBI, these proceedings stood settled.

In the case of (i) the Company as a listed entity, as well as (ii) Promoter and a Shareholder of CCCL, both listed at non-operational Calcutta Stock Exchange, however, SEBI rejected the Companys applications under the Settlement Regulations in December 2022 and thereafter issued Adjudication Orders on March 28, 2024. These Orders issued by the Whole-Time Member of SEBI concluded violation of various provisions of SEBI Act, 1992 and regulations issued thereunder, by the Company. Under the said Orders, in the case of (i) above, SEBI levied Rs 1200 lakhs monetary penalty on the Company, and directed the Corporate Shareholders (Viz: AVL, Artee Viniyoga Ltd, CCCL and Combine Holding Ltd) and Individual Shareholders (viz: Samir Jain and Meera Jain), besides levying certain penalties on each of them, to declare themselves as Promoters of the Company and restrained them from certain activities until Minimum Public Shareholding (MPS) of 25% is achieved in the Company. In the case of (ii) above, besides levying a monetary penalty of Rs 20 lakhs on the Company, the said Order also restrained the Company from accessing capital market and prohibited from buying or selling of securities or otherwise dealing in securities (including Mutual Funds), until MPS compliance is achieved by CCCL. Subsequently, both the Adjudication Orders were challenged by the Company before the Securities Appellate Tribunal (SAT) and vide its Orders passed on April 26, 2024, SAT had stayed the effect and operation of the said SEBI Orders subject to payment of 25% of the levied penalty(ies) by the Company. The payment for the said 25% penalty has been made to SEBI by the Company. All the above matters are sub judice till the date of the signing of the Secretarial Audit Report.

**For Balraj Sharma & Associates
Company Secretaries**

Balraj Sharma (Proprietor)

**FCS No.: 1605 CP No.:824
UDIN: F001605F000434268
PR Certificate: 1463/2021**

Date : May 28, 2024

Place: New Delhi

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

To,
The Members
PNB Finance and Industries Limited

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

1. Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test check basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, followed provide a reasonable basis for our opinion. Further the verification was done on the basis of electronic data provided to us by the Company on test check basis to ensure that correct facts as reflected in secretarial and other records produced to us.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test check basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Balraj Sharma & Associates
Company Secretaries**

Balraj Sharma (Proprietor)

**FCS No.: 1605 CP No.:824
UDIN: F001605F000434268
PR Certificate: 1463/2021**

**Date : May 28, 2024
Place: New Delhi**

REPORT ON CORPORATE SOCIAL RESPONSIBILITY

1. Brief outline on CSR Policy of the Company:

Pursuant to Section 135 of the Companies Act, 2013, the Board had approved a CSR policy with primary focus on education, healthcare and women empowerment. Besides these focus areas, the Company shall also undertake any other CSR activities listed in Schedule VII of the Companies Act, 2013. The CSR policy of the Company can be viewed on www.pnbfinanceindustries.com

2. Composition of CSR Committee: Not applicable.

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: <https://pnbfinanceandindustries.com/cor.html>

4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). Not Applicable

5. a) Average net profit of the company as per section 135(5): ₹ 5,11,70,838

b) Two percent of average net profit of the company as per section 135(5): ₹ 10,23,417

c) Surplus arising out of the CSR projects or programmes or activities of the previous financial year: NA

d) Amount required to be set off for the financial year: NIL

e) Total CSR obligation for the financial year (5b+5c-5d): ₹ 10,23,417

6. (a) Amount spent on CSR Projects on ongoing project: ₹ 10,23,417

(b) Amount spent in Administrative Overheads: Nil

(c) Amount spent on Impact Assessment, if applicable: NIL

(d) Total amount spent for the Financial Year (6a+6b+6c): ₹ 10,23,417

(e) CSR amount spent or unspent for the financial year:

Total amount spent for the financial year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of fund	Amount	Date of transfer
₹ 10,23,417	NOT APPLICABLE				

(f) Excess amount for set off, if any:

S. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	₹ 10,23,417
ii)	Total amount spent for the Financial Year	₹ 10,23,417
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial year, if any	NIL
(v)	Amount available for set off in succeeding financial year [(iii)-(iv)]	NIL

7. Details of Unspent CSR amount for the preceding three financial year: NIL
8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: NA
9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135: Not Applicable

by order of the Board of Directors
for PNB Finance and Industries Limited

Rakesh Dhamani
Director
DIN: 07065199

Shweta Saxena
Director & Company Secretary
DIN: 03120958
M.No: A18585

Place: New Delhi
Date: May 28, 2024

REPORT ON CORPORATE GOVERNANCE

(Pursuant to Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance helps to serve corporate purposes by providing a framework within which stakeholders can pursue the objectives of the organization most effectively. Corporate Governance signifies acceptance by management of the inalienable rights of Members as the true owners of the organization and of their own role as trustees on behalf of the Members.

Corporate Governance has indeed been an integral part of the way we have done business for several decades. This emanates from our strong belief that strong governance is integral for creating value on a sustainable basis.

2. BOARD OF DIRECTORS

a) Composition of the Board

The composition of the Board is in conformity with Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (herein referred to as "SEBI Listing Regulations") as well as the Companies Act, 2013 (herein referred to as 'Act').

As on March 31, 2024, the Board consisted of five directors of whom four are non-executive independent directors (including a woman independent director) and one is whole time director of the Company.

The directors of the Company comply with the requirements of Regulation 17A of SEBI Listing Regulations.

There is no relationship between the directors *inter-se*.

The Board of directors at its meeting held on May 28, 2024 has approved the appointment of Mr. Victor Alan Carvalho as an additional director designated as an independent director of the Company w.e.f. May 28, 2024 to hold office upto the date of the ensuing Annual General Meeting (AGM). The Board recommends the appointment of Mr. Carvalho as an Independent Director of the Company for a term of 5 consecutive years for the approval of the Members at the AGM.

The Corporate Governance philosophy of the Company establishes that the Board's independence is essential to bring objectivity and transparency in the management and in the dealings of the Company.

b) Meetings of directors and their attendance

During the financial year under review, the Board met eight (8) times on April 28, 2023, May 19, 2023, May 31, 2023, August 11, 2023, November 06, 2023, November 14, 2023, December 19, 2023 and February 12, 2024. The gap between any two meetings did not exceed 120 days.

All Statutory and other important items/information including those envisaged in SEBI Listing Regulations, are regularly provided to the Board and the Committees thereof either as part of agenda papers well in advance of the Board meetings or are tabled in the course of the Board meetings and/ or its committees to enable the Board/ Committees to discharge their responsibilities effectively and to take informed decision.

The name and categories of the directors, their attendance at the AGM and Board meeting held during the financial year 2023-24 and also their other directorship/chairmanship held in Indian public companies, listed companies and membership/ chairmanship of various Board committees of other Indian public companies as on March 31, 2024 are as under:

Name of director	Attendance at		Number of other directorships in other public companies #	Directorship in other listed companies	Number of committee membership in other companies	Number of committee chairmanship in other companies
	Board meetings (Total 8 meetings held)	128 th AGM held on July 12, 2023				
Non-Executive Independent Directors						
Mr. Govind Swarup	5	Yes	1	0	0	0
Mr. Rakesh Dhamani	8	No	4	0	0	0
Mr. Ashish Verma	4	No	0	0	0	0
Ms. Saumya Agarwal	3	Yes	0	0	0	0

Name of director	Attendance at		Number of other directorships in other public companies #	Directorship in other listed companies	Number of committee membership in other companies	Number of committee chairmanship in other companies
	Board meetings (Total 8 meetings held)	128 th AGM held on July 12, 2023				
Whole-time Director						
Ms. Shweta Saxena	8	Yes	3	0	0	

- (i) As required under Regulation 26 of the SEBI Listing Regulations, the disclosure includes membership/ chairmanship of the audit committee and stakeholders' relationship committee in other Indian public companies (listed and unlisted).
- (ii) # Excludes directorship in private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013.

c) Separate meeting of independent directors

As stipulated by the Code of Independent Directors under the Act and SEBI Listing Regulations, a separate meeting of independent directors of the Company was held on February 09, 2024. All Independent Directors were present in the meeting to:

- review the performance of non-independent directors and the Board as a whole;
- assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

d) Familiarization program for independent directors

The Company has formulated a policy to familiarize the independent directors of the Company with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, etc. Details of directors' familiarization program is available on Company's website: www.pnbfinanceandindustries.com

e) Key skills, expertise, and core competencies of the Board

The Board of the Company comprises of experienced and well learned members. These Directors are nominated on basis of well-defined selection criteria. The Nomination and Remuneration committee considers, *inter-alia*, key qualifications, skills, expertise and competencies, whilst recommending to the Board the candidature for appointment of Director and ensures that the candidates identified for appointment is fit for the Company.

The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board: accountancy, business marketing & management, economics, corporate management, corporate law, finance, taxation, law and investment analyst.

Details of directors possessing such skills / expertise / competence.

Director	Skills / expertise / competence
Mr. Ashish Verma	Legal expertise
Mr. Govind Swarup	Leadership & strategic planning
Mr. Rakesh Dhamani	Finance, taxation, accountancy and corporate management
Ms. Saumya Agarwal	Investment analyst
Ms. Shweta Saxena	Corporate laws, secretarial & legal

As required under Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors are registered with the Independent Directors Databank.

f) Confirmation by the Board on fulfilment of independence of the independent director

The Board hereby confirms that, in the opinion of the Board, the independent directors fulfil the conditions specified in the SEBI Listing Regulations and are independent of the management.

- g) During the year, no independent director has resigned before the expiry of his/her tenure.

3. COMMITTEES OF THE BOARD

To facilitate expeditious consideration and arriving at decisions with focused attention on the affairs of the Company, the Board has constituted following committees in accordance with the Listing Regulations and the Act:

- (a) Audit Committee;
- (b) Nomination and Remuneration Committee;
- (c) Stakeholders' Relationship Committee;

Particulars of meeting of Board Committees held during financial year 2023-24 along with attendance of the members at such committee meeting(s) are detailed herein:

Committees of the Board	Meetings held	Meetings attended				
		Govind Swarup	Rakesh Dhamani	Ashish Verma	Saumya Agarwal	Shweta Saxena
Audit Committee	8	8	8	NA*	NA*	8
Nomination and Remuneration Committee	3	2	3	NA*	1	NA
Stakeholders Relationship Committee	4	4	4	4	NA*	NA

** Not a member of the Committee*

Necessary quorum was present at the meetings.

Details of Committees of the Board are as mentioned herein:

a) Audit Committee

i) Composition

As on March 31, 2024, the audit committee of the Board comprised of two (2) non-executive independent directors i.e. Mr. Govind Swarup (Chairman) and Mr. Rakesh Dhamani (member) and one executive, whole time director i.e. Ms. Shweta Saxena (member). All members of Audit Committee possess rich knowledge and expertise in financial and management fields.

ii) Audit Committee Meetings

During the year under review, the Committee met eight (8) times i.e. on April 28, 2023, May 19, 2023, May 31, 2023, August 11, 2023, November 06, 2023, November 14, 2023, December 19, 2023 and February 12, 2024. The gap between any two Committee meetings did not exceed 120 days. All the recommendations made by the Audit Committee have been accepted by the Board.

The Chairman of the Audit Committee, Mr. Govind Swarup was present at the AGM held on July 12, 2023 to reply to the Members' queries. The Company Secretary acts as the Secretary of the Committee.

Minutes of each Audit Committee are placed before the Board for confirmation at its immediately succeeding meeting. Additionally, in compliance with requirements of Regulation 24 of SEBI Listing Regulations, the Audit Committee reviews operations of subsidiary companies and statement of investments etc.

iii) Terms of reference

The terms of reference of the Audit Committee include, inter alia, overseeing the Company's financial reporting process, internal control systems, reviewing the accounting policies and practices, reports of the Company's internal auditors and financial statements audited by the statutory auditors and reviewing financial and risk management policies. The Committee has the authority to investigate into or review any matter in relation to any items specified in Part C of Schedule II of SEBI Listing Regulations, Section 177 of the Act or referred to it by the Board and for this purpose they have full access to the information contained in the records of the Company and seek external advice, if necessary.

b) Nomination and Remuneration Committee

i) Composition

As on March 31, 2024, the Nomination and Remuneration Committee of the Board comprised of three (3) non-executive independent directors i.e. Mr. Govind Swarup as Chairman, Mr. Rakesh Dhamani and Ms. Saumya Agarwal as its members.

ii) Nomination and Remuneration Committee meetings

During the financial year ended March 31, 2024, the Committee met three (3) times i.e. on April 28, 2023, May 31, 2023 and February 10, 2024.

The Chairman of the Nomination and Remuneration Committee, Mr. Govind Swarup was present at the AGM held on July 12, 2023 to reply to the Members' queries and the Company Secretary acts as the Secretary of the Committee.

iii) Terms of reference of Nomination and Remuneration Committee and Salient features of Nomination and Remuneration Policy

1. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down in the Nomination and Remuneration Policy, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
2. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and employees;
3. To devise a policy on Board diversity;
4. Formulation of criteria for evaluation of performance of independent directors and the Board;
5. Ensure that the Board comprises of a balanced combination of executive directors and non- executive directors and also the independent directors;
6. Decide/ approve details of fixed components and performance linked incentives along with criteria.
7. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
8. Recommend to the Board, all remuneration, in whatever form, payable to senior management;
9. Ensure Fit and Proper criteria as required under Reserve Bank of India guidelines
10. To perform such other functions as may be necessary or appropriate for the performance of its duties.

(iv) Performance evaluation criteria for independent directors

The performance evaluation criteria for independent directors are determined by the Nomination and Remuneration Committee. Performance of each of the Independent Directors is evaluated every year by the entire Board with respect to various factors such as personal traits which includes business understanding, communication skills, ability to exercise objective judgment in the best interests of the Company.

c) Stakeholders' Relationship Committee

i) Composition

As on March 31, 2024, the Stakeholders' Relationship Committee of the Board comprised of three (3) non-executive independent directors i.e. Mr. Rakesh Dhamani as Chairman and Mr. Govind Swarup and Mr. Ashish Verma as its members. Ms. Shweta Saxena, Company Secretary and Whole-Time Director, is the compliance officer of the Company.

ii) Stakeholders' Relationship Committee meetings

During the year under review, four (4) meetings of the Stakeholders' Relationship Committee were held i.e. on May 18, 2023, August 10, 2023, November 03, 2023 and February 10, 2024.

The Chairman of the Committee, Mr. Rakesh Dhamani could not attend the AGM due to other commitments and he authorised Mr. Govind Swarup to answer the Members' queries at the AGM held on July 12, 2023.

iii) Brief terms of reference

The terms of reference of the Stakeholders' Relationship Committee include:

- 1) to review and redress the grievances of the Members of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.
- 2) to review measures taken for effective exercise of voting rights by Members;
- 3) to review adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar and share transfer agent;
- 4) to review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrant/ annual reports/ statutory notices by the Members of the Company.
- 5) to perform such other functions as may be necessary or appropriate for the performance of its duties.

(iv) Investors' grievances received and resolved during the year

During the year under review, the Company did not receive any complaint from investors.

4. PARTICULARS OF SENIOR MANAGEMENT

Mr. Viveka Nand Jha (Chief Financial Officer) and Ms. Shweta Saxena (Whole-time Director & Company Secretary) continue to be the Key Managerial Personnel of the Company.

Mr. Tarun Verma was appointed as the Manager of the Company with effect from June 01, 2023. Mr. Vijay Kumar Bakshi resigned as a Manager of the Company with effect from close of working day on May 31, 2023.

5. REMUNERATION OF DIRECTORS

i. Non-Executive Directors

The Non-executive directors, apart from receiving sitting fees for attending Board and committee meetings, did not have any other material pecuniary relationship or transaction with the Company during the financial year 2023-24. Non-executive directors were paid sitting fees of ₹ 20,000 for each meeting of the Board and committee attended by them.

The Company has not implemented any stock option scheme.

The Company has not issued any convertible instruments.

The Company's policy on criteria of making payments to non-executive directors is available on the Company's website: www.pnbfinanceandindustries.com.

The details of remuneration paid to the Non-executive directors during the financial year 2023-2024 are as follows:

Name of director	Sitting fee paid
Mr. Govind Swarup	₹ 3,80,000/-
Mr. Rakesh Dhamani*	NIL
Mr. Ashish Verma	₹ 1,60,000/-
Ms. Saumya Agarwal	₹ 80,000/-

*Mr. Rakesh Dhamani has waived off his entitlement for sitting fees for the Board/Committee meetings.

As on March 31, 2024, none of the directors held any shares in the Company.

ii. Executive Directors

The appointment and payment of remuneration of the executive director is governed by resolution passed by the Members of the Company.

Remuneration details of whole-time director of the Company pursuant to Schedule V of the Act:

Particulars		Ms. Shweta Saxena (Whole-time Director)
1	All elements of salary/ remuneration	Provided below
2	Details of fixed components, performance linked incentives	
3	Service contracts	Ms. Shweta Saxena was appointed as whole-time director (WTD) of the Company for a term of 5 (five) years with effect from August 27, 2020.
4	Stock Option details	Not Applicable
5	Notice Period	2 (two) months

The elements of salary / remuneration are as under:

(Amount in ₹ lakhs)

S.No.	Particulars	Ms. Shweta Saxena (Whole-time Director)
1	Basic Salary & Allowance	18.28
2	Special Pay	14.76
Gross Remuneration*		33.04

* It excludes gratuity, provident fund and retention bonus. Medclaim shall be paid as per Company's policy.

6. GENERAL BODY MEETINGS

The details of the AGM of the Company held during the last three years are as under:

Financial year	Day	Date	Time	Venue	Special resolution passed at AGM
2020-21	Thursday	September 30, 2021	10.00 A.M	Conducted through Video Conference (VC) as per MCA Circulars	Re-appointment of Ms. Saumya Agarwal, as Non-Executive Independent Director of the Company for second term at the 126 th AGM of the Company held on September 30, 2021
2021-22	Friday	September 30, 2022	10.00 A.M		Approval for appraisal of Ms. Shweta Saxena, Whole-time Director & Company Secretary of the Company at the 127 th AGM of the Company held on September 30, 2022
2022-23	Wednesday	July 12, 2023	10:30 A.M		Re-appointment of Mr. Rakesh Dhamani as Non-Executive Independent Director of the Company for a second term at the 128 th AGM of the Company held on July 12, 2023

No Extraordinary General Meeting was held during the year 2023-24. Further, no resolutions were implemented through postal ballot during the year under review, nor any such resolutions are presently proposed.

7. MEANS OF COMMUNICATION

The quarterly/ half-yearly/ annual financial results of the Company are regularly submitted to the stock exchange immediately after the same are reviewed by the Audit Committee and approved by the Board. The results of the Company are usually published in “The Pioneer” (Delhi edition-in Hindi) and “Financial Express” (All edition-in English) and are also displayed along with other official news release on Company’s website: www.pnbfinanceandindustries.com.

8. SHAREHOLDERS’ INFORMATION

The Ministry of Corporate Affairs (‘MCA’) has vide its circular No. 9/2023 dated 25 September 2023 read with circulars no. 20/2020, 02/ 2022 and 10/2022 (collectively referred to as “MCA Circulars”) permitted the holding of the AGM through VC facility, on or before September 30, 2024, without the physical presence of the Members at a common venue. Similarly, Securities and Exchange Board of India (hereinafter referred as ‘SEBI’) vide its circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 has extended relaxation to listed entities for dispatch of physical copies of annual report or other documents required to be attached therewith.

In line with the above given circulars and guidelines issued by MCA and SEBI, Company is conducting 129th AGM of the Members through VC.

Detailed instructions with respect to access and participation in the AGM through VC are detailed in the notice.

a. AGM Date, time & venue Date of book closure Date of payment of dividend	July 10, 2024, 10:30 A.M. (IST) through VC July 04, 2024- July 10, 2024 No dividend
b. Financial year	1st April - 31st March
c. Financial calendar (tentative) Financial reporting for the quarter ending on June 30, 2024 Financial reporting for the quarter ending on September 30, 2024 Financial reporting for the quarter ending on December 31, 2024 Financial reporting for the year ending on March 31, 2025	Last week of July 2024 Last week of October 2024 Last week of January 2025 Last week of April 2025
d. Listing on stock exchanges (equity shares) The equity shares of the Company are listed at The Calcutta Stock Exchange situated at 7, Lyons Range, Kolkata, West Bengal-700 001 having scrip code 26055. The annual listing fee for the financial year 2023-24 has been paid within stipulated time period. Annual custodian fee for the financial year 2023-24 have also been paid to CDSL and NSDL.	
e. Market price data No trading took place during the last financial year at The Calcutta Stock Exchange Limited.	
f. Share transfer system Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/ 2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. issue of duplicate securities certificate, claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Subdivision/ Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form.	
g. Dematerialisation of shares and liquidity As per the directions of SEBI, equity shares of the Company can be transferred only in dematerialised form by all the investors. As on March 31, 2024, 99.42% (31,81,488 shares) of equity shares have been dematerialised. The ISIN no. allotted to the Company is INE057F01011.	

h. Due dates of transfer of unclaimed dividend to Investor Education and Protection Fund (IEPF)

Information in respect of unclaimed dividend of the Company for the subsequent financial years and date(s) when due for transfer to IEPF is given below:

Financial year ended	Date of declaration of dividend	Due date of transfer to IEPF
31.03.2017	26.09.2017	01.11.2024
31.03.2018	27.09.2018	02.11.2025
31.03.2019	17.09.2019	22.10.2026
31.03.2020	30.09.2020	05.11.2027
31.03.2021	30.09.2021	05.11.2028

The total amount lying in the unpaid dividend account of the Company as on March 31, 2024 in respect of the last seven years is ₹ 1.87 Lakhs.

i. Distribution of shareholding as on March 31, 2024*

Shareholding Nominal Value (₹)			Number of Shareholders	% to Total Numbers	Shareholding value	% to Total Value
Upto		5,000	757	91.98	415890.00	1.30
5,001	-	10,000	30	3.65	218630.00	0.68
10,001	-	20,000	12	1.46	175440.00	0.55
20,001	-	30,000	5	0.61	124700.00	0.39
30,001	-	40,000	2	0.24	62080.00	0.19
40,001	-	50,000	3	0.36	140350.00	0.44
50,001	-	100,000	4	0.49	311570.00	0.97
Above		100,000	10	1.22	30551340.00	95.47
Total			823	100.00	32000000.00	100.00

*Including fractional coupons comprising 131 equity shares not yet exchanged

*Details are given on basis of PAN consolidation

j. Shareholding pattern as on March 31, 2024

Category	Number of shares	Percentage
A. Promoters' holding	NIL	NIL
B. Non-Promoters' holding		
(a) Institutional investors	10373	0.32
(b) Others		
1. Private bodies corporate	2183470	68.23
2. Indian public	907378	28.36
3. NRIs	22361	0.70
4. Hindu undivided family	2823	0.09
5. Others (IEPF, Trusts and Firms)	73595	2.30
TOTAL	3200000*	100

*Including fractional coupons comprising 131 equity shares not yet exchanged

k. The Company does not deal in commodity therefore disclosure regarding commodity price risk or foreign exchange risk and hedging activities are not applicable similarly disclosure of plant location is also not applicable.

9. OTHER DISCLOSURES

- a) During the financial year ended March 31, 2024, there were no materially significant related party transactions that may have potential conflict with the interests of the Company at large.
- b) There was no non-compliance during the last three years by the Company on any matter related to capital market. However, the SEBI had issued 3 (three) Show Cause Notices to the Company in October 2020, one as a listed entity and two others as Promoter and a Shareholder of Ashoka Viniyoga Limited (“AVL”) and Camac Commercial Company Limited (“CCCL”) respectively alleging violation of certain provisions of the SEBI Act, 1992 and regulations thereunder.

In the case of AVL, SEBI had accepted the Company’s application under the SEBI (Settlement Proceedings) Regulations, 2018 to settle such proceedings without admitting or denying any findings of fact and conclusions of law. Upon payment of a sum of ₹ 21.68 lakhs by the Company and a subsequent Settlement Order dated September 07, 2022 issued by SEBI, these proceedings stood settled.

In the case of (i) the Company as a listed entity, as well as (ii) Promoter and a Shareholder of CCCL, both listed at non-operational Calcutta Stock Exchange, however, SEBI rejected the Company’s applications under the Settlement Regulations in December, 2022 and thereafter issued Adjudication Orders on March 28, 2023. These Orders issued by the Whole-Time Member of SEBI concluded violation of various provisions of SEBI Act, 1992 and regulations issued thereunder, by the Company. Under the said Orders, in the case of (i) above, SEBI levied Rs 1200 lakhs monetary penalty on the Company, and directed the Corporate Shareholders (Viz: AVL, Artee Viniyoga Ltd, CCCL and Combine Holding Ltd) and Individual Shareholders (viz: Samir Jain and Meera Jain), besides levying certain penalties on each of them, to declare themselves as Promoters of the Company and restrained them from certain activities until Minimum Public Shareholding (MPS) of 25% is achieved in the Company. In the case of (ii) above, besides levying a monetary penalty of ₹ 20 lakhs on the Company, the said Order also restrained the Company from accessing capital market and prohibited from buying or selling of securities or otherwise dealing in securities (including Mutual Funds), until MPS compliance is achieved by CCCL. Subsequently, both the Adjudication Orders were challenged by the Company before the Securities Appellate Tribunal (SAT) and vide its Orders passed on April 26, 2023, SAT had stayed the effect and operation of the said SEBI Orders subject to payment of 25% of the levied penalty(ies) by the Company. The payment for the said 25% penalty has been made to SEBI by the Company. The SAT appeals are sub-judice as on the date of the Report.

- c) The Company has established whistle blower and vigil mechanism policy and this policy enables the employees and directors to report their genuine concerns or grievances. This policy (copy of which is hosted on the website of the Company) safeguards whistle blowers from victimization. Your Board affirms that no personnel have been denied access for making disclosure or report under the Policy to the Audit Committee.
- d) All mandatory requirements (except irrelevant or non-applicable) of Corporate Governance have been complied. The Company has not adopted the non-mandatory/discretionary requirements as given in Part E of Schedule II of the Listing Regulations.
- e) The Policy on determining material subsidiaries has been uploaded and can be accessed on Company’s Website: www.pnbfinanceandindustries.com
- f) The Policy on related party transactions has been uploaded and can be accessed on Company’s Website: www.pnbfinanceandindustries.com
- g) The Company did not engage in commodity hedging activities.
- h) The Company has not raised funds through preferential allotment or qualified institution placements as specified under Regulation 32(7A) of Listing Regulations.
- i) A certificate from M/s Balraj Sharma and Associates, Practising Company Secretaries, certifying that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Companies either by SEBI or MCA or any other statutory authorities forms part of this report.
- j) All the recommendations made by the Committee have been accepted by the Board.
- k) The total fees incurred by the Company and its subsidiaries on a consolidated basis, for services rendered by

statutory auditors for the financial year 2023-24 are given below:

S. no.	Nature of service	₹ in lakh
1.	Audit fees	1.02
2.	Certification and out of pocket expenses	0.29
3.	GST	0.24
	Total	1.55

- l) Since the Company has less than ten employees, it is not required to form committee for the redressal of complaints under Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.
- m) No loans and advances in the nature of loans to companies in which directors are interested are provided.
- n) Esoterica Services Limited is a material unlisted subsidiary of the Company incorporated on May 20, 2006 in Delhi. The statutory auditors of the Company, M/s. Awatar & Co., Chartered Accountants (FRN-000726N) were appointed for a term of five (5) years on September 16, 2019.
- o) There has been no instance of non-compliance of any requirement of Corporate Governance Report.
- p) During the year under review, the Company has complied with all the provisions as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 as applicable on the Company and other applicable Regulations of the SEBI Listing Regulations.
- q) The Company has not entered into any agreement which are binding on the Company, thus disclosure under clause 5A of paragraph A of Part A of Schedule III of Listing regulations are not applicable.
- r) With respect to CFO certification, a certificate signed by Mr. Viveka Nand Jha, CFO is attached with this report.
- s) The Company has prepared its financial statement in accordance with Ind AS.
- t) The Company has in place internal control systems for assessing and mitigating elements of risks in relation to its operations which are followed scrupulously in day-to-day functioning of the Company. The Board of Directors annually reviews the Risk assessment & minimization policy of the Company.
- u) The Company has not issued any ADRs/ GDRs/warrants or any convertible instruments.
- v) The Company has not received any case regarding transfer of shares to the demat suspense account. Further, the details of the unclaimed demat suspense account of the Company can be accessed on our website: www.pnbfinanceandindustries.com
- w) The Company has adopted an insider trading policy to regulate, monitor and report trading by insiders under the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended. This policy also includes practices and procedures for fair disclosure of unpublished price-sensitive information, initial and continual disclosure. The policy is available on our website: www.pnbfinanceandindustries.com
- x) The Board of Directors reviews the compliance with all applicable laws on a quarterly basis. The Company has obtained certificate from M/s Balraj Sharma and Associates, Company Secretaries affirming the compliances with these regulations and forms part of this report.

10. INVESTOR CORRESPONDENCE

Company Secretary
 PNB Finance and Industries Limited
 1st Floor, Express Building, 9-10, Bahadur Shah Zafar
 Marg, New Delhi-110002
 Email ID- pnbfinanceindustries@gmail.com
 Phone: +91-7303495375

11. CONTACT DETAILS OF RTA:

Skyline Financial Services Private Limited
D-153/A, 1st Floor, Okhla Industrial Area,
Phase- I, New Delhi-110020
Phone No.: 011-26812682/83
Email: admin@skylinerta.com

- 12. CODE OF CONDUCT:** The Company has formulated and implemented a code of conduct for all Board members and senior management personnel of the Company in compliance with Regulation 26(3) of SEBI Listing Regulations. It also includes the duties of independent director as laid down in Act. The code is available on the Company's website: www.pnbfinanceandindustries.com

A declaration affirming compliance with the code of conduct by the members of the board and senior management personnel is given below:-

Dear Members,

In compliance with the provisions of Regulation 26(3) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby certified that all the members of the Board and the senior management personnel have confirmed to and complied with the Code of Conduct during the year ended March 31, 2024 and that there has been no instance of violation of the Code.

Rakesh Dhamani
Director
DIN: 07065199

Shweta Saxena
Director & Company Secretary
DIN: 03120958
M.No: A18585

Place: New Delhi
Date: April 09, 2024

CFO CERTIFICATION

The Board of Directors,

PNB Finance and Industries Limited

Dear Sir,

Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby certify that:

- 1) I have reviewed the financial statements and the cash flow statement for the year 2023-24 and to the best of my knowledge and belief:
 - i) these statements do not contain any materially untrue statement or omit any material fact or 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 the existing accounting standards, applicable laws and regulations.
- 2) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- 3) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems of the company and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps I have taken or propose to take to rectify these deficiencies.
- 4) I have indicated to the auditors and the Audit Committee:
 - i) that there are no significant changes in internal control systems during the year.
 - ii) there are no significant changes in accounting policies during the year and that the same have been disclosed in the notes of the financial statement; and
 - iii) that there have been no instance of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

For **PNB FINANCE AND INDUSTRIES LIMITED**

Place: New Delhi

Date : May 21, 2024

Viveka Nand Jha

Chief Financial Officer

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members of
PNB Finance and Industries Limited,

We have examined the compliance of conditions of Corporate Governance by PNB Finance and Industries Limited (“the Company”) for the year ended March 31, 2024, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchange.

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

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in Chapter IV Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to Listing Agreement of the said Company with stock exchange.

We further 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 Balraj Sharma & Associates
Company Secretaries**

(Balraj Sharma)

FCS-1605, CP-824

UDIN: F001605F000467785

PR Certificate: 1463/2021

Date: May 28, 2024

Place: New Delhi

PNB FINANCE AND INDUSTRIES LIMITED

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
P N B FINANCE AND INDUSTRIES LIMITED
1st Floor, Express Building, 9-10,
Bahadur Shah Zafar Marg,
New Delhi - 110002

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of P N B Finance And Industries Limited, having CIN-L65929DL1947PLC001240, and having registered office at 1st Floor, Express Building, 9-10, Bahadur Shah Zafar Marg, New Delhi - 110002 (**hereinafter referred to as ‘the Company’**), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, New Delhi or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Govind Swarup	00003145	29/06/1984
2	Ms. Shweta Saxena	03120958	27/08/2020
3	Mr. Ashish Verma	06939565	02/08/2014
4	Mr. Rakesh Dhamani	07065199	16/04/2018
5	Ms. Saumya Agarwal	07517809	27/05/2016

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

For Balraj Sharma & Associates
Company Secretaries
(Balraj Sharma)
FCS-1605, CP-824
UDIN: F001605F000466454

Date : May 28, 2024
Place: New Delhi

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Overview

The Company is registered with the Reserve Bank of India (RBI) as a non-deposit accepting NBFC. As per RBI's 'Scale Based Regulations' (SBR), the Company shall be classified as NBFC- Base Layer (NBFC-BL) as the Company has no public deposits and no customer interface. Since the Company does not carry a Type-I* certificate, required for companies having no public deposits and no customer interface, RBI has classified the Company as NBFC - Middle Layer (NBFC-ML) due to its asset size. The Company has applied for Type-I certificate with the RBI and the application for the same is under process.

The Company is listed with the Calcutta Stock Exchange. The Company is principally an investment company and does not have any other operations of its own. The Company invests in mutual funds, perpetual bonds, NCD's, equity shares of quoted and unquoted companies & fixed deposits.

**Type I - NBFC-ND are companies which do not accept public funds/ do not intend to accept public funds in the future and do not have customer interface/ do not intend to have customer interface in the future as per press release dated June 17, 2016.*

I Industry structure and developments

The global economy is exhibiting resilience and fortitude. There are, however, multiple challenges emanating from still elevated inflation, tight monetary and financial conditions, escalating geopolitical tensions, rising geoeconomic fragmentation, disruptions in key global shipping routes, high public debt burdens and financial stability risks. Global financial markets are on edge, with recurrent bouts of volatility as every incoming data increases uncertainty around monetary policy trajectories of major central banks.

Amidst global challenges, Indian economy exhibited robust growth in 2023-24, underpinned by strong investment activity, amidst subdued external demand. Manufacturing and services sectors were the key drivers on the supply side while agricultural activity slowed down due to uneven and deficient monsoon rainfall. The growth outlook remains buoyant, given the governments sustained focus on capital expenditure while maintaining fiscal consolidation. Strong corporate balance sheets, rising capacity utilisation, double digit credit growth, healthy financial sector, and the ongoing

disinflation are likely to be other growth levers. Indian economy boasted an impressive growth rate of 7.8% in the 2023-24 fiscal year (FY) and exceeded the average G20 rate of 3.4%.

The Indian governments high capital spending has brought the fiscal deficit to 5.8% in FY 2023-24 and the combined debt-GDP to above pre-pandemic levels.

The RBI paid a higher than expected dividend payout of Rs 2.1 trillion to the government, vs the expected Rs 0.9 trillion. This is likely to lead to lower market borrowings in the second half of the year and consequently lower bond yields.

Indian stock markets have generated an impressive performance during the FY 2023-24. The Nifty 50 index delivered a substantial return of 29 percent in FY 24. According to the data shared by the National Stock Exchange (NSE), the growth of the Indian markets has marked the eighth consecutive year of positive returns. Notably, the last instance of negative returns in the Indian market dates back to 2015, highlighting the consistent upward trajectory of Indian equities.

Capital and asset quality of banks and NBFCs remain healthy, supporting the growth in bank credit and domestic activity. Pre-emptive regulatory measures aimed at curbing excessive consumer lending and bank lending to NBFCs, and investments in alternate investment funds (AIFs) are expected to contain the build-up of potential stress in balance sheets of financial intermediaries and contribute to financial stability. While domestic banks and NBFCs have exhibited the interest rate risk, banks may have to address both trading and banking book risks. Accordingly, the RBI is striving to make its regulations more principle-based, activity-oriented and proportionate to the scale of systemic risk, rather than entity-oriented.

II Opportunities and threats

The RBI has been continually strengthening the supervisory framework for NBFCs in order to ensure sound and healthy functioning and avoid excessive risk taking. It has issued several new guidelines in the recent past.

The uncertainties and volatility in the financial market are a continuing threat to the organizational performance. However, the twin features of foresightedness and focused analysis of the market have challenged the threat of adverse performance

III Financial condition

Refer to the Standalone and Consolidated financial statements in this Annual Report for detailed schedules and notes.

- No movement in equity shares during the year
- 20% of the net profit is transferred to the Special Reserve Account created pursuant to Section 45 IC of RBI and ₹ 20.00 lakhs transferred to general reserves.
- Change in Other Comprehensive Income (OCI) on account of reclassification of OCI- debt instruments to profit and loss account.
- Financial liabilities include total outstanding dues of creditors other than micro and small enterprises
- Non-financial liabilities include deferred tax liability created on investment in debt and equity instruments measured at fair values through other comprehensive income.
- Financial assets include investments in mutual funds, perpetual bonds, NCD's, equity shares of quoted and unquoted companies, fixed deposits & paintings.
- Non-financial assets include current tax assets, deferred tax asset on employee benefits liabilities on property, plant and equipment and amount deposited with SEBI as per SAT order.

IV Results of operations

The Company has earned a net profit of ₹ 542.26 lakhs during the financial year 2023-2024. The Company has generated major income this year from dividends received on equity instruments and interest income on

investments in bonds, NCD's & deposits.

V Outlook, risks and concerns

Your Company is exposed to normal industry risk such as interest rates, market and operational risks. In order to mitigate the risk, your Company invest the surplus funds in growth schemes primarily seeking to generate long term capital appreciation commensurate with prudent risk from a portfolio comprised substantially of high quality securities and large cap companies.

VI Internal Financial Control System and their adequacy

The Company believes in the system of internal controls and has provided for proper checks and control at various operational levels.

VII Material developments in human resources/ industrial relations, including number of people employed

There has been positive working relationship between the Company and the employees of the Company during the year.

The Company strives to provide conducive working environment to its employees and to maintain the pace with the economic situations, Company has always focused on enhancing the efficiency of the employees including restructuring their compensation, working conditions e.t.c. Accordingly, the Company has also provided work from home facility to its employees and evaluated the performance of employees during the year under review to retain the motivation among the employees of the Company.

During the year under review, no employees has been employed by the Company.

VIII Statement of significant change

Particulars	Ratio (FY 2023-24)	Ratio (FY 2022-23)	Change (in %) (approx)	Explanation for change
Current Ratio (in times)	143.20	124.42	15%	-
Return on Net Worth (in %)	4.14	4.81%	-14%	-

Please note that the Company is not engaged in any business operations, except investment of surplus funds in low-risk instruments and earning income therefrom and further there are no debts in the Company. Accordingly, Debtor turnover ratio, Inventory turnover ratio, Operating Profit Margin (%), Net profit Margin (%), Debt-Equity Ratio and Interest Coverage Ratio are not required to be calculated.

REPORT PURSUANT TO NON-BANKING FINANCIAL COMPANIES AUDITOR'S REPORT (RESERVE BANK) DIRECTIONS, 2016 AS ISSUED BY RESERVE BANK OF INDIA

To

The Board of Directors,
PNB Finance and Industries Ltd.
1st Floor, Express Building,
9-10 Bahadur Shah Zafar Marg,
Delhi-New Delhi- 110 002

Matters to be reported as per paragraph 3 of the Non- Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016

- A) (i) The Company is duly registered with the Reserve Bank of India (hereinafter referred as the "Bank") as an NBFC and has obtained the Certificate of Registration (CoR) vide certificate No. B-14.00572 dated 26/03/1998.
- (ii) The Company is entitled to continue to hold such Certificate of Registration (CoR) in terms of its Principal Business Criteria (Financial asset/income pattern) asset/income pattern as on March 31, 2024.
- (iii) The Company is meeting the required Net Owned Fund requirement as laid down in the Master Direction – Reserve Bank of India (Non-Banking Financial Company –Scale Based Regulation) Directions, 2023. The Net Owned Fund as on March 31,2024 is amounting to ₹ 130.84 Crore.
- B) Since the company does not hold public deposits and neither has it accepted public deposits during the year, therefore the matters specified in this paragraph are not applicable to the company.
- C) i) The Board of Directors has passed a resolution dated April 25, 2023 for non-acceptance of any public deposits during the Financial Year 2023-24.
- ii) The company has not accepted any public deposits during the year ended March 31, 2024.
- iii) Since the Company has not accessed any public funds and does not have any customer interface during the year ended March 31, 2024 and accordingly the directions related to Prudential Regulations as contained in the Chapter V of the Master Direction – Reserve Bank of India (Non-Banking Financial Company –Scale Based Regulation) Directions, 2023 is not applicable on the company, hence the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts are not applicable to the company.
- iv) The Company is a Systemically Important Non- Deposit taking NBFC and ;
- (a) has submitted to Bank in XBRL DNBS03 form on provisional basis wherein the capital adequacy ratio has been correctly arrived at and such ratio is in compliance with the minimum CRAR prescribed by the Bank;
- (b) has furnished to the Bank the applicable quarterly statement in XBRL DNBS03 form wherein capital funds, risk assets/exposures and risk asset ratio has been furnished within the stipulated period.
- Note:** As explained to us, while calculating Capital Fund, Risk Assets and Risk assets ratio, unrealized gains arising on fair valuation of financial instruments (as Investments) have been excluded/ not been considered in terms of the provisions of RBI circular no. RBI/2019 20/170/DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020.
- v) Since the Company is not a NBFC-Micro Financial Institutions (MFI) as defined in paragraph 3 (xx) of the Master Direction – Reserve Bank of India (Non-Banking Financial Company –Scale Based Regulation) Directions, 2023, the matters specified in this paragraph are not applicable to the Company.
- D) Since the Company has not obtained any specific advice from the bank that it is not required to hold a Certificate of Registration from the Bank; the matters specified in this paragraph are not applicable to the Company.

For **Tanuj Garg & Associates**

Chartered Accountants

Firm Registration No. 013843C

Monika Garg

Partner

Membership No. : 407038

UDIN : 24407038BKHYYC4456

Place : Noida

Date : May 28, 2024

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

PNB FINANCE AND INDUSTRIES LIMITED

Report on the Audit of the Financial Statements for the year ended March 31, 2024

Opinion

We have audited the accompanying standalone Financial Statements of **PNB Finance And Industries Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in Equity and the Statement of Cash Flow for the year then ended and notes to financial statements, including a summary of the material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2024, the Profit (financial performance), other comprehensive income, change in equity and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act

and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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 standalone Financial Statements.

Emphasis of matter

We draw attention to the following matters in the Notes to the Standalone Ind AS Financial Statements:

Refer to Note No. 28 of the Accompanying Standalone Financial Statements, the Company has received adjudication orders from SEBI dated March 28, 2023 (i) as the Company being a listed entity, as well as (ii) Promoter and Shareholder of CAMAC Commercial Company Ltd. Under the said orders, apart from levying monetary penalties as referred in Note No. 28, SEBI directed the Corporate Shareholders (viz: Ashoka Viniyoga Ltd., Artee Viniyoga Ltd, CAMAC Commercial Company Ltd. and Combine Holding Ltd.) and Individual Shareholders (viz: Samir Jain and Meera Jain), to make complete and proper disclosures as Promoters of the Company. Further, the order restrained them from certain activities until Minimum Public Shareholding (MPS) of 25% is achieved in the Company.

The Company has preferred an appeal against these orders in SAT. The SAT vide its order dated April 26, 2023 issued stay orders on the operation of the SEBI orders upon payment of 25% of penalty amount. The Company has made the requisite payment to SEBI as per the said SAT orders. The matter is sub-judice as on date.

Our Opinion is not modified in respect of the above matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the following key audit matters to be communicated in our report:

S. No.	Key audit matters	How our audit addressed the key audit matter
1.	Contingent Liabilities The Company is subject to legal, regulatory, arbitration and tax cases for which final outcome cannot be easily predicted and which could potentially result in significant liabilities. The assessment of whether a liability is recognised as a provision or disclosed as a contingent liability in the standalone financial statements is inherently subjective and requires significant management judgement in determination of the cash outflows from the business, interpretation of applicable laws and regulations, and careful examination of pending assessments at various levels of regulatory authorities. We identified this as a key audit matter because the estimates on which these amounts are based involve a significant degree of management judgement in interpreting the cases and it may be subject to management bias. (Refer Note No. 1.3 and Item No. 1.3.9 of the Material Accounting Policy to the standalone financial statements)	We have adopted the following audit procedures • Understood and tested the design and operating effectiveness of controls as established by the management for obtaining all relevant information for pending litigation cases • Discussed with the management any material developments and latest status of legal matters at the corporate office. • Read various correspondences and related documents pertaining to litigation cases and performed substantive procedures on calculations supporting the disclosure of contingent liabilities. Assessed the adequacy and completeness of disclosures. Based on the above procedure performed, the estimations and disclosure of contingent liabilities are considered to be adequate and reasonable

Other information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to the Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditors' report thereon.

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

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

Management's responsibility for the financial statements

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

In preparing the standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern 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 is also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our responsibility is to express an opinion on the standalone financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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 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 controls 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 Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatement in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the financial statements.

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

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

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

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent as applicable.
2. As required by Section 143(3) of the Act, we report that:
 - A. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

- B. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- C. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income , Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
- D. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended;
- E. On the basis of the written representations received from the directors as on March 31, 2024 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting;
- G. With respect to the other matters to be included in the Auditors’ Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- H. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements;
 - ii) The Company did not have any long-term contracts and had no derivative contract outstanding as at March 31, 2024.
- iii) There has been no delay in transferring amount required to be transferred to the Investor Education and Protection fund.
- iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) The Company has not declared any dividend during the year.
- vi) Based on our examination which included test checks, the company has used accounting software for maintaining its books of account

which has a feature of recording audit trail (edit log) facility and the same has been enabled and operated from February 05, 2024 onwards for all relevant transactions recorded in the software during the year. Further, for the periods where audit trail (edit log) facility was enabled and operated, we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 01, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules,

2014 on preservation of audit trail as per the statutory requirements for record retention for financial year 2023-24 is commenced from April 01, 2024, hence not applicable for the financial year ended March 31, 2024.

For Tanuj Garg & Associates
Chartered Accountants
Firm Registration No. 013843C

Place : New Delhi
Date : May 28, 2024

Monika Garg
Partner
Membership No. : 407038
UDIN : 24407038BKHHYE4604

ANNEXURE “A” TO INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date on the accounts of **PNB FINANCE AND INDUSTRIES LIMITED** for the year ended March 31, 2024)

i) In respect of the Company’s Property, Plant and Equipment and Intangible Assets:

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
- (b) The Company has a regular program of physical verification of its Property, Plant and Equipment so as to cover all the assets. As explained to us, physical verification has been carried out by the Company and no discrepancy was noticed on such verification. In our opinion the frequency of verification is reasonable, having regard to the size of the Company and nature of its business.
- (c) Based on our examination, we report that, the company does not own / hold any immovable property as at the balance sheet date, hence to that extent paragraph 3 (ii) (c) of the Order is not applicable.
- (d) The Company has not revalued any of its Property, Plant and Equipments during the year. According to the records examined by us, the company does not have any intangible assets and right of use Assets. Thus paragraph 3 (i) (d) of the Order is not applicable.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made there under.

ii) In respect of the Company’s Inventory

- (a) There is no inventory held by the Company, hence, paragraph 3 (ii) (a) of the Order is not applicable to Company.
- (b) The Company has not been sanctioned any working capital limits in excess of ₹ 5 crore, in aggregate, during the year, from banks or financial institutions on the basis of security of current assets. Hence, paragraph 3 (ii) (b) of the Order is not applicable to Company.

iii) The Company has not provided any advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, except for the following interest bearing loans, the terms and conditions of which are not prejudicial to the interest of the Company. These loans have been repaid in full during the year :

(₹ in Lakh)

	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted /provided during the year				
- Subsidiaries	-	-	10.0	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	580.5	-
Balance outstanding as at balance sheet date in respect of above cases				
- Subsidiaries	-	-	-	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	-	-

- iv) The Company has neither given any loans, guarantee and security covered under Section 185 and 186 of the Act during the year under audit. However, Investments made by the Company during the year are in compliance with the provisions of Section 186 of the Act.
- v) The Company has not accepted any deposits or amounts which are deemed to be deposits during the year and hence paragraph 3 (v) of the Order is not applicable to the Company.
- vi) The Central Government has not prescribed the maintenance of cost records under Sub Section (1) of Section 148 of the Companies Act, 2013 for any of the products/services of the Company.
- vii) (a) According to the records examined by us, the Company is generally regular in depositing with appropriate authorities, the undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, GST, Customs Duty, Excise Duty, VAT and Cess and any other statutory dues applicable to it.

According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as on the last date of the financial year for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise,

- GST, value added tax, cess and other statutory dues which have not been deposited on account of disputes.
- viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix) (a) Based on our audit procedures and according to the information given by the management, the company has not taken any loans or borrowings from any financial institution, bank, government, or any other entity. Hence paragraph 3 (ix)(a) of the Order is not applicable to the Company.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or other lender.
- (c) The company has not obtained any term loans.
- (d) Based on our audit procedures and according to the information given by the management, the company has not raised any funds on short-term basis. Hence paragraph 3 (ix)(c) of the Order is not applicable to the Company.
- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence clause 3(ix)(f) of the Order is not applicable.
- x) (a) The Company has not raised any money by way of any initial public offer or further public offer (including debt instrument) during the year. Hence clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally convertible). Hence clause 3(x)(b) of the Order is not applicable.
- xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) The company has not received any whistle blower complaints during the year.
- xii) The Company is not a Nidhi Company. Hence clause 3 (xii) of the Order is not applicable to the Company.
- xiii) As explained to us and as per the records of the company, in our opinion the transactions with the related parties are in Compliance with Section 177 and Section 188 of the Companies Act, 2013 and the details have been disclosed in the financial statements as required by the applicable accounting standard.
- xiv) In respect of Internal Audit :-
- (a) In our opinion and based on our examination, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv) During the year, the Company has not entered into any non-cash transaction with Directors or person connected with him. Hence, clause 3 (xv) of the Order is not applicable to the Company.
- xvi) (a) The Company is duly registered under section 45-1A of the Reserve Bank of India Act, 1934.
- (b) The company is a registered NBFC duly registered under section 45-1A of the Reserve Bank of India Act, 1934. It has carried out investment activities during the year. It has not carried out any Housing Finance activities during the year.
- (c) In our opinion, the company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India. Hence, clause 3(xvi)(c) of the Order is not applicable.
- (d) As per information and explanations given to us, there is no Core Investment Company in the Group. Hence clause 3(xvi)(d) of the Order is not applicable.
- xvii) The Company has not incurred cash losses during the financial year or in the immediately preceding financial year.
- xviii) There has been resignation of the statutory auditors of the Company during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.

xix) 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 and 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 indicating that 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.

xx) In respect of Corporate Social Responsibility (CSR)

- (a) In respect of other than ongoing projects, there are no unspent amounts towards Corporate Social Responsibility (CSR) requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) There are no unspent amounts towards Corporate Social Responsibility (CSR) in respect of ongoing projects, requiring a transfer, to a Special account in compliance with the provision of section 135(6) of the Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year

For **Tanuj Garg & Associates**
Chartered Accountants
Firm Registration No. 013843C

Monika Garg
Partner

Place : New Delhi
Date : May 28, 2024

Membership No. : 407038
UDIN : 4407038BKHHYE4604

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF PNB FINANCE AND INDUSTRIES LIMITED

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

We have audited the internal financial controls over financial reporting of **PNB Finance and Industries Limited** ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

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

Auditors' responsibility

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

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

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

Meaning of internal financial controls over financial reporting

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial Controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India"

For **Tanuj Garg & Associates**
Chartered Accountants
Firm Registration No. 013843C

Monika Garg
Partner

Place : New Delhi
Date : May 28, 2024

Membership No. : 407038
UDIN : 24407038BKHHYE4604

PNB FINANCE AND INDUSTRIES LIMITED

BALANCE SHEET AS AT MARCH 31, 2024

Particulars	Note no.	As at March 31, 2024 (₹ in lakh)	As at March 31, 2023 (₹ in lakh)
ASSETS			
Financial assets			
Cash and cash equivalents	2 (I)	6.56	214.70
Bank balances other than above	2 (II)	931.87	1,350.35
Investments	3	1,90,760.38	1,91,979.93
Other financial assets	4	78.71	112.62
Non financial assets			
Current tax assets (net)	5	79.36	15.19
Deferred tax assets (net)	6	6.83	5.89
Property, plant and equipments	7	0.33	0.65
Other non -financial assets	8	316.74	5.93
Total		1,92,180.78	1,93,685.26
LIABILITIES AND EQUITY			
Liabilities			
Financial liabilities			
Payables			
Other payables	9		
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues of creditor other than micro and small enterprises		1.62	25.03
Other financial liabilities	10	1.87	2.50
Non- financial liabilities			
Provisions	11	24.18	20.75
Deferred tax liabilities	12	39,675.98	40,273.59
Other non-financial liabilities	13	4.06	9.94
Equity			
Equity share capital	14	320.00	320.00
Other equity	15	1,52,153.07	1,53,033.45
Total		1,92,180.78	1,93,685.26
Accounting policies and notes on financial statements	1-38		

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For Tanuj Garg & Associates

Chartered Accountants

Firm Regn. No. 013843C

For and on behalf of the Board of Directors

Monika Garg

Partner

Membership No. 407038

Govind Swarup

Director

DIN: 00003145

Rakesh Dhamani

Director

DIN: 07065199

Place: New Delhi

Date: May 28, 2024

Shweta Saxena

Director & Company Secretary

DIN: 03120958/M.No: A18585

Viveka Nand Jha

Chief Financial Officer

PAN - AEXPJ2176H

PNB FINANCE AND INDUSTRIES LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	Note no.	For the year ended March 31, 2024 (₹ in lakh)	For the year ended March 31, 2023 (₹ in lakh)
Income :			
Other income			
Interest income	16	357.26	408.57
Dividend income from equity instruments		478.02	390.84
Net gain on fair value changes	17	103.81	264.55
Others	18	0.07	1.64
Total income		939.16	1,065.60
Expenses :			
Employee benefits expense	19	70.84	57.50
Depreciation and amortization expense	20	0.32	0.96
Other expenses	21	218.99	269.03
Total expenses		290.15	327.49
Profit before exceptional items and tax		649.01	738.11
Exceptional items (expense)	22	-	21.68
Profit before tax		649.01	716.43
Tax expense :			
Current tax		107.73	114.02
Deferred tax charge/(-)credit		(1.14)	(1.03)
Earlier year tax provision (net)		0.16	0.31
Total tax expenses		106.75	113.30
Profit after tax for the year (A)		542.26	603.13
Other comprehensive income (OCI)			
(I) Items that will be reclassified to the profit or loss			
Fair value changes in debt instruments through OCI		251.88	140.87
Less: reclassified to profit or loss from OCI on sale		(103.81)	(264.55)
Less: income tax (deferred tax) effect on above		(32.95)	37.15
	(I)	115.12	(86.53)
(II) Items that will not be reclassified to the profit or loss			
Fair value changes in equity instruments through OCI		(2,172.83)	13,266.45
Less: income tax (deferred tax) effect on above		630.56	(1,197.87)
Profit/(loss) on write off/sale of equity instruments through OCI		(4.31)	(28.49)
Less: income tax effect on above		-	-
Remeasurement of the defined benefit plans		0.70	(4.85)
Less: income tax (deferred tax) effect on above		(0.20)	1.35
	(II)	(1,546.08)	12,036.59
Total other comprehensive income, net of tax	(B= I+II)	(1,430.96)	11,950.06
Total comprehensive income for the year	(A+B)	(888.70)	12,553.19
Earnings per equity share	23		
(Face value of ₹ 10/- each)			
Basic (in ₹)		16.95	18.85
Diluted (in ₹)		16.95	18.85
Accounting policies & notes on financial statements	1-38		

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For Tanuj Garg & Associates

Chartered Accountants

Firm Regn. No. 013843C

For and on behalf of the Board of Directors

Monika Garg

Partner

Membership No. 407038

Govind Swarup

Director

DIN: 00003145

Rakesh Dhamani

Director

DIN: 07065199

Place: New Delhi

Date: May 28, 2024

Shweta Saxena

Director & Company Secretary

DIN: 03120958/M.No: A18585

Viveka Nand Jha

Chief Financial Officer

PAN - AEXPJ2176H

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024

Particulars	For the year ended March 31, 2024 (₹ in lakh)	For the year ended March 31, 2023 (₹ in lakh)
A Cash flow from operating activities		
Profit before tax	649.01	716.43
Adjustment for:		
Dividend income	(478.02)	(390.84)
(Gain)/loss on sale of investment in debt mutual funds (realised)	(103.81)	(264.55)
Interest on investments in bonds, debentures & deposit	(305.69)	(343.79)
Interest income on loan	(3.59)	(4.41)
Premium (net of discount) on bonds amortised	8.09	9.28
Interest on fixed deposits with bank	(56.07)	(69.65)
Non - cash items :		
Provision for leave encashment and gratuity (net)	4.13	3.88
Depreciation	0.32	0.96
Amount written off	-	1.51
Provision no longer required written back	(0.07)	-
Operating profit before working capital changes	(285.70)	(341.18)
Adjustments for changes in working capital:		
(Increase)/ decrease in other non-financial assets	(310.81)	(5.42)
Increase/(decrease) in other payables	(23.34)	21.36
Increase/(decrease) in other non-financial liabilities	(5.88)	2.90
Cash generated from /(used in) operations	(625.73)	(322.34)
Income tax paid(net of refund)	(172.06)	(114.07)
Net cash from/(used in) operating activities	(797.79)	(436.41)
B Cash flow from investing activities		
Proceeds on sale of property, plant and equipment	-	0.05
Dividend received(includes TDS)	478.02	390.84
Interest received (includes TDS) on deposits, bonds and FDR	395.67	645.38
Maturity of investment in bonds and deposits	2,990.00	1,000.00
Maturity of fixed deposits with bank	1,347.85	1,300.94
Fixed deposits made with bank	(930.00)	(1,347.85)
Loan repaid/refunded	590.50	126.00
Loan given	(590.50)	-
Interest received (includes TDS) on Loan	3.59	6.39
Purchase of investments in mutual funds	(3,868.50)	(3,516.50)
Purchase of investments in shares	(922.60)	(1,327.28)
Investments in shares of subsidiary	-	(619.04)
Proceeds from sale of shares	-	168.69
Proceeds from sale/redemption of mutual funds	1,095.62	3,819.52
Net cash from/(used in) investing activities	589.65	647.14

PNB FINANCE AND INDUSTRIES LIMITED

Particulars	For the year ended March 31, 2024 (₹ in lakh)	For the year ended March 31, 2023 (₹ in lakh)
C Cash flow from financing activities		
Net cash from/(used in) financing activities C	-	-
Net increase/(decrease) in cash and cash equivalents (A+B+C)	<u>(208.14)</u>	<u>210.73</u>
Cash and cash equivalents at the beginning of the year	<u>214.70</u>	<u>3.97</u>
Total cash and cash equivalents at the end of the year	<u>6.56</u>	<u>214.70</u>
<u>Components of cash and cash equivalents:</u>		
Cash on hand	0.03	0.03
Balances with HDFC bank in current account	6.53	39.67
Fixed deposits with HDFC bank (short term maturity i.e. less than 3 months)	-	175.00
Total	<u>6.56</u>	<u>214.70</u>

Note : (i) The above Cash flow statement has been prepared under the Indirect method as set out in Indian Accounting Standard (Ind AS-7) "Statement of Cash Flow".

(ii) Previous year figures have been regrouped/ rearranged wherever considered necessary.

As per our report of even date attached

For Tanuj Garg & Associates

Chartered Accountants

Firm Regn. No. 013843C

For and on behalf of the Board of Directors

Monika Garg

Partner

Membership No. 407038

Govind Swarup

Director

DIN: 00003145

Rakesh Dhamani

Director

DIN: 07065199

Place: New Delhi

Date: May 28, 2024

Shweta Saxena

Director & Company Secretary

DIN: 03120958/M.No: A18585

Viveka Nand Jha

Chief Financial Officer

PAN - AEXPJ2176H

PNB FINANCE AND INDUSTRIES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

A. Equity Share Capital

(₹ in lakh)

Particulars	Balance as at March 31, 2022	Changes during the year	Balance as at March 31, 2023	Changes during the year	Balance as at March 31, 2024
Equity Shares	320.00	-	320.00	-	320.00
	320.00	-	320.00	-	320.00

B. Other Equity

(₹ in lakh)

Particulars	Reserves and surplus				Accumulated balance of other comprehensive income (OCI)		Total other equity
	Securities premium	General reserve	Special reserve u/s 45-IC of RBI Act, 1934	Retained earnings (surplus)	Debt instruments through OCI	Equity instruments through OCI	
Balance as at March 31, 2022	103.91	1,515.16	2,345.17	7,690.06	709.83	1,28,116.13	1,40,480.26
Changes during the year ended March 31, 2023:							
Add : profit/(-) loss for the year	-	-	-	603.13	-	-	603.13
Add : other comprehensive income for the year :							
fair value changes of financial instruments through OCI (net of reclassification)	-	-	-	-	(123.68)	13,266.45	13,142.77
Income tax (deferred tax) on above	-	-	-	-	37.15	(1,197.87)	(1,160.72)
Profit/(loss) on sale of equity instruments (net of tax)	-	-	-	-	-	(28.49)	(28.49)
Remeasurement of defined benefit plan (net of deferred tax)	-	-	-	(3.50)	-	-	(3.50)
Add/less: profit/(loss) on sale of equity instruments transferred	-	-	-	(28.49)	-	28.49	-
Add/less: transfer to general reserve	-	20.00	-	(20.00)	-	-	-
Add/less: transfer to special reserve	-	-	120.63	(120.63)	-	-	-
Balance as at March 31, 2023	103.91	1,535.16	2,465.80	8,120.57	623.30	1,40,184.71	1,53,033.45
Changes during the year ended March 31, 2024:							
Add : profit/(-) loss for the year	-	-	-	542.26	-	-	542.26
Add : other comprehensive income for the year :							
fair value changes of financial instruments through OCI (net of reclassification)	-	-	-	-	148.07	(2,172.83)	(2,024.76)
Income tax (deferred tax) on above	-	-	-	-	(32.95)	630.56	597.61
Loss on write off equity instruments (net of tax)	-	-	-	-	-	(4.31)	(4.31)
Remeasurement of defined benefit plan (net of deferred tax)	-	-	-	0.50	-	-	0.50
Add/less: loss on write off equity instruments transferred	-	-	-	(4.31)	-	4.31	-
Add/less: transfer to general reserve	-	20.00	-	(20.00)	-	-	-
Add/less: transfer to special reserve	-	-	108.45	(108.45)	-	-	-
Add: Other adjustments (earlier year)	-	-	-	8.32	-	-	8.32
Rounding off	-	-	(0.01)	0.03	(0.02)	-	-
Balance as at March 31, 2024	103.91	1,555.16	2,574.24	8,538.92	738.40	1,38,642.44	1,52,153.07

As per our report of even date attached

For Tanuj Garg & Associates

Chartered Accountants

Firm Regn. No. 013843C

For and on behalf of the Board of Directors

Monika Garg

Partner

Membership No. 407038

Govind Swarup

Director

DIN: 00003145

Rakesh Dhamani

Director

DIN: 07065199

Place: New Delhi

Date: May 28, 2024

Shweta Saxena

Director & Company Secretary

DIN: 03120958/M.No: A18585

Viveka Nand Jha

Chief Financial Officer

PAN - AEXPJ2176H

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Corporate Overview

PNB Finance and Industries Limited ('the Company') is a public limited company domiciled and incorporated in India under the provisions of Indian Companies Act.

The shares of the Company are listed with The Calcutta Stock Exchange Ltd.

The Company is registered with the RBI as a Non-Banking Financial Institution (non-deposit accepting/non-deposit taking).

Presently, the Company is not engaged in any business operations, except investment of surplus funds in low-risk instruments and earning income therefrom.

Note -1: Basis of preparation of Financial Statements, Accounting Estimates, Judgements, Assumptions and Accounting Policies

1.1: Basis of preparation of financial statements

The financial statements of the Company comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 (the Act) read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and disclosures are made in accordance with the requirement of Division III of Schedule III of the Act and other relevant provisions of the Act and RBI guidelines/ regulation as an NBFC Company to the extent applicable.

The financial statements are approved by the Board of Directors on May 28, 2024.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities that are measured and carried at fair value (refer accounting policy regarding financial instruments).

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency.

All amounts have been rounded-off to the nearest lakhs (up to two decimal point), as per the requirements of Schedule III, unless otherwise stated.

1.2: Significant accounting judgments, estimates and assumptions

The preparation of the financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, financial assets, non-financial assets, financial and non-financial liabilities and disclosure of the contingent liabilities at the end of each reporting period. Actual may differ from these estimates.

The information about each of these estimates and judgements is included in relevant notes. Estimation and underlying assumptions are reviewed on ongoing basis. Revisions to estimates are recognised prospectively.

1.3: Summary of material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.3.1: Revenue recognition

Income is recognized on accrual basis to the extent that it is probable that the economic benefits will flow to the Company and can be reliably measured. Where significant uncertainty exists on realization of revenue at the time of accrual, underlying revenue is not recognized to that extent.

- **Interest income**

Interest income from debt instruments is recognised using effective interest rate method (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

When calculating the EIR, the company estimates the expected cash flows by considering all the contractual terms of the financial instruments (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Interest income on Bank Deposits and other non -financial deposits is recognized on accrual basis considering, the amount invested/ outstanding / and the rate of interest applicable.

Interest on tax refund is accounted for on receipt basis.

- **Dividend income**

Dividends are recognised in the statement of profit and loss only when the right to receive the payment is established and it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount can be measured reliably.

Dividend income from equity instruments measured at fair value through other comprehensive income has been recognised in the statement of profit and loss.

Interest and Dividend is included under Other Income in Statement of Profit and Loss.

1.3.2: Property, plant and equipment

- **Recognition and measurement**

Property, Plant & Equipment (PPE) is stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable expenses for bringing the assets to their present location and conditions for its intended use.

When parts of an item of PPE have different useful lives, they are accounted for as separate items (major components) of PPE. All other expenses on an existing PPE including day to day repair and maintenance expenditure and cost of replacing parts (other than major components), are charged to the statement of profit and loss for the period during which such expenses are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date are disclosed under 'Other Non –Financial assets'.

- **Disposal**

An item of PPE is derecognised upon disposal or when no future benefits are expected from its use or disposal. Gains and losses on disposal of an item of PPE are determined by comparing the proceeds from disposal with the carrying amount of PPE and are recognised within other income/ expenses in the statement of profit and loss.

- **Depreciation**

Depreciation on Property, Plant & Equipment (PPE) is provided on written down value as per rates arrived at based on useful life and manner prescribed under Schedule II of the Act.

In case addition /deletion of PPE during the year, depreciation on those PPEs has been provided for on a pro rata basis from the date of such addition or, as the case may be, up to the date of deletion of such asset.

1.3.3: Impairment of Property, Plant and Equipment and Other Non –financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal or its value in use.

Where 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.

An impairment loss, if any, is charged to Statement of Profit and Loss in the year in which the assets is identified as impaired. The impaired loss recognized in prior accounting periods is reversed / adjusted if there has been a change in the estimate of the recoverable amount.

1.3.4: Cash and cash equivalents

Cash and cash equivalents 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.

1.3.5: Fair value measurement

The Company measure financial instruments such as investments in debt mutual funds and in equity shares (other than investment in subsidiaries/associates) at fair value at each reporting (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 considers 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.

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

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

1.3.6: Financial instruments

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

Financial Assets

a. Initial Recognition and Measurement

Financial assets are initially recognised on the trade date i.e. the date that the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value. Financial assets which are not at fair value through profit and loss, are at fair value plus transaction costs that are directly attributable to the acquisition of such financial assets. Transaction costs of those financial assets carried at "fair value through profit or Loss" are expensed in statement of profit and loss.

Financial assets are classified at the initial recognition as financial assets measured at amortised costs or at fair value.

b. Subsequent Measurement

For subsequent measurement, financial assets are broadly classified in two broad categories:

- Financial assets carried at amortised cost,
- Financial assets at fair value [either through other comprehensive income (FVTOCI) Or through profit or loss (FVTPL)]

For assets classified as “at fair value”, gains and losses are either recognised in statement of profit and loss or recognised in Other Comprehensive Income, as elected. For assets classified as “at amortised cost”, this will depend on the business model and contractual terms of the cash flows.

i) **Financial assets carried at amortised cost**

A financial asset is measured at amortised cost if it meets the following two conditions:

- (a) Business Model Test: The objective of the company’s business model is to hold the financial assets to collect contractual cash flows.
- (b) Cash flow characteristic test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets i.e. debentures, bonds and corporate deposits etc. meeting the above conditions are measured at amortised cost and interest income from such financial assets has been recognised using the effective interest rate.

ii) **Financial Assets at fair value through other comprehensive income (FVTOCI)**

A Financial Asset is subsequently measured at fair value through Other Comprehensive Income if:

- (i) The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets and
- (ii) The contractual terms of the financial asset represent solely payments of principal and interest on the principal amount outstanding.

The dividend income on financial assets at FVTOCI is recognised under profit or loss. The company’s investments in financial assets i.e. debt instruments being debt based mutual funds are measured at fair value through other comprehensive income (OCI) and fair value changes on these financial assets are recognised in OCI.

On derecognition/ sale of investments measured at FVTOCI, the fair value changes (on other than equity instruments measured at FVTOCI) in OCI, are subsequently reclassified to the statement of profit and loss.

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

A Financial asset which is not classified in any of the above categories are measured at fair value through profit or loss.

Equity instruments which are held for trading are required to measure at FVTPL. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Equity instruments at fair value through other comprehensive income

For equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value through other comprehensive income. The Company makes such election on an instrument-by-instrument basis.

For investments in equity shares (not held for trading and other than investment in subsidiary /associates), the company has made an irrevocable election to account for these at fair value through other comprehensive income (FVTOCI).

If the Company decides to classify an equity instruments as at FVTOCI, then all fair value changes on such instruments excluding dividend income, are recognised in the other comprehensive income (OCI). Dividend on equity instrument measured at FVTOCI is recognised at statement of profit and loss.

Fair value changes on these equity instruments never recycled (not subsequently transferred/reclassified) from OCI to profit or loss, however on de-recognition / sale of the equity instruments measured at FVTOCI, cumulative gain or losses are transferred/ reclassified within equity i.e. balance of cumulative gain or losses transferred to retained earnings.

c. Investments in Subsidiary

The Company's investment in subsidiaries are recognised at cost as per Ind AS 27. Cost represents amount paid for acquisition of the said investments.

The Company assesses at the end of each reporting period, if there are any indication that the said investments may be impaired. If impairment exists, the Company estimates the recoverable value/ amount of the investments and provides for impairment, if any i.e. the deficit in the recoverable amount / value over cost. The impairment loss, if any, is recognised in the statement of profit and loss.

On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognised in the statement of profit and loss.

d. Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at FVTPL.

The Company assesses on a forward-looking basis the expected credit losses associated with its financial assets considered for ECL. The impairment methodology applied depends on whether there has been a significant increase in credit risk and if so, assess the needs to provide for the same in the statement of Profit and Loss.

The company assess impairment based on Expected credit losses (ECL) model for the following:

- (1) Financial assets measured at amortised cost,
- (2) Financial assets measured at FVTOCI,
- (3) Other financial assets like trade/ other receivables.

The Company follows "Simplified Approach" for recognition of impairment loss allowance on trade receivables. For application of "Simplified Approach" the company does not require to track changes in credit risk instead the company uses the provision matrix to determine loss allowance on trade / other receivables.

ECL is the difference between all contractual cash flows that are due to the company in accordance with contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original EIR.

The Company's investment in Debt instruments (fixed income securities being bonds, corporate deposits, debentures etc.), the risk parameters like tenor, the probability of default, tracking of ratings etc. for each of these instruments/ issuer ratings etc. is considered in estimating probable credit losses over balance tenor of these instruments.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense / income in the statement of profit and loss.

However, ECL impairment loss allowance (or reversal) if any, on Equity shares measured at fair value through OCI (FVTOCI) has been recognized through other comprehensive income.

ECL is presented as an allowance i.e. as an integral part of the measurement of those assets in the Balance sheet. ECL reduces the net carrying amount, unless the financial asset meets write off criteria, the company does not reduce impairment allowance from the gross carrying amount.

Financial Liabilities

a. Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of borrowings and payables, net of directly attributable transaction costs.

The company's financial liabilities include Trade/ other payables having short maturities.

b. Subsequent measurement

Financial liabilities comprise interest bearing borrowings (from banks/others) if any, are carried at amortized cost using the effective interest method.

For trade and other financial liabilities maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial assets and liabilities

Financial Assets

A Financial asset is derecognised by the Company only when:

- (i) The contractual rights to the cash flows from the financial asset expired OR
- (ii) The Company has transferred the right to receive cash flow from financial assets and where the entity has transferred the assets, the company evaluates whether it has transferred substantially all risk and rewards of ownership of such financial assets. OR
- (iii) In any other case, transfer qualifies for other de-recognition criteria under Ind- AS 109.

Financial Liabilities

A Financial liability (or a part thereof) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expired.

Reclassification of financial assets and liabilities

The company does not reclassify its financial assets subsequent to initial measurement, apart from exceptional circumstances as permitted. Financial Liabilities are not reclassified.

Off setting

Financial assets and liabilities are off set and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events. It must be enforceable in the normal course of business and also in the event of default, insolvency or bankruptcy of the Company or the counterparty.

1.3.7: Employee benefits

• Short-term employee benefits

Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised in the period in which the employee renders the related service.

• Post-employment benefits

Defined contribution plans

Employees of the Company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both employees and employer make monthly contributions to the plan at a pre-determined rate of employee's basic salary. These contributions are made to a central government's employees provident organisation account (EPFO) contributions by Company to provident fund are expensed in the Statement of Profit and Loss when the contributions are due. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Defined benefit plans

The employees' gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the projected unit credit method.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used

for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the reporting date, having maturity periods approximating to the terms of related obligations.

Remeasurements, comprising of actuarial gains and losses, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income (OCI) in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

When the benefits of the plan are changed or when a plan is curtailed, the resulting change in benefits that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. Net interest is calculated by applying the discount rate to the net defined benefit liability. The company recognises gains/ losses on settlement of a defined plan when the settlement occurs.

Other long-term employee benefits (compensated leaves)

The employees can carry-forward a portion of the unutilized accrued leave and utilize it in future service periods or receive cash compensation on resignation/termination of employment.

Accumulated Leaves, which is expected to be utilised within the next 12 months, is treated as short term employee benefit. Since a substantial part of the compensated leaves do not fall due wholly within 12 months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within 12 months after the end of such period, the benefit of such leaves is classified as a long-term employee benefit.

The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method at year end.

Remeasurements, comprising of actuarial gains and losses, are recognised immediately in the Statement of profit and loss.

1.3.8: Income tax

Income tax expense comprises current tax, deferred tax and earlier year tax, if any.

Current and deferred tax is recognised in profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the current tax / deferred tax is also recognised in other comprehensive income or directly in equity, respectively.

- **Current tax**

Current tax expenses or credit for the period is the tax payable on the current period's taxable income based on the tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current tax assets and liabilities are offset only if there is a legally enforceable right to set it off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Minimum Alternate Tax (MAT) paid in a year under the provisions of the Income-tax Act, 1961 is charged to the statement of profit and loss as current tax for the year.

Minimum Alternate Tax (MAT) credit, if applicable is recognised as deferred tax asset only when and to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The company reviews the 'MAT credit entitlement' asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

- **Deferred tax**

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses/tax credits only if it is probable that future taxable amounts will be available to utilise those temporary differences/credits and losses.

Deferred tax assets and liabilities are off set when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

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 assets 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 profit will allow the deferred tax assets to be recovered.

1.3.9: Provisions and contingent liabilities

The company creates a provision when there is present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

Provisions are measured at the present value of management's best estimates of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as interest expense.

Contingent liability is not recognised but disclosed in the case of:

- (i) A present obligation that arising out of past events, when it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation,
- (ii) A present obligation that arising out of past events, when no reliable estimate of the amount is possible,
- (iii) A possible obligation arising from past events unless the probability of outflow of resources is remote.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

1.3.10: Earnings per share (EPS)

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

The weighted average number of equity shares outstanding during the year/period and all periods presented is adjusted for events, such as bonus equity shares, other than the conversion of potential equity shares that have changed the no. of equity shares outstanding without a corresponding change in resources.

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

1.3.11: Dividend on equity shares

The company recognises a liability to make cash distributions to equity holders when the distribution is authorised, and the distribution is no longer at the discretion of the company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2 CASH AND BANK BALANCES

(₹ in lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
2 (I) : Cash and cash equivalents		
Cash on hand	0.03	0.03
Balances with HDFC bank in current account	6.53	39.67
Fixed deposits with HDFC bank (short term maturity i.e. less than 3 months)	-	175.00
Sub total-I	6.56	214.70
2 (II) : Bank balance other than above (I)		
Fixed deposits with HDFC bank (Maturity above 3 months)	-	1,347.85
Fixed deposits with HDFC bank (Maturity: July 10, 2024)	305.00	-
Fixed deposits with HDFC bank (Maturity: March 20, 2027)	625.00	-
Earmarked balances with HDFC Bank (in unclaimed dividend accounts)	1.87	2.50
Sub total-II	931.87	1,350.35
Total (I+II)	938.43	1,565.05

3 INVESTMENTS

(Investment in India & other than trade)

Particulars	Face value per Unit/bond/ NCD/share (in ₹)	As at March 31, 2024		As at March 31, 2023	
		Units/bonds/ NCDs shares in No.*	Value (₹ in lakh)	Units/bonds/ NCDs shares in No.*	Value (₹ in lakh)
(1) In debt mutual funds					
Unquoted					
(Carried at fair value through OCI (FVTOCI))					
Non current					
ICICI Prudential Short Term Fund-Direct Plan- Growth	10	-	-	25,023	13.60
Bandhan Bond Fund - Medium Term Plan - Direct - Growth (Earlier IDFC Bond Fund/IDFC Super Savings Income Fund-Medium Term Plan)	10	30,39,459	1,362.22	32,37,533	1,350.35
Bandhan Bond Fund- Short Term Plan-Direct Growth (Earlier IDFC Bond Fund/ Super Savings Income Fund- Short Term Plan)	10	-	-	48,792	24.90
Kotak Banking & PSU Debt Fund - Direct- Growth	10	26,00,041	1,595.33	28,04,264	1,594.87
Kotak Bond Fund (Short term) - Direct - Growth	10	-	-	2,46,778	117.77
Nippon India Nivesh Lakshya Fund - Direct-Growth	10	64,325	10.59	64,325	9.63
HSBC Banking and PSU Debt Fund - Direct - Growth	10	-	-	4,49,452	96.76
Total [1]			2,968.14		3,207.88
(2) In equity mutual funds					
Unquoted					
(Carried at fair value through OCI (FVTOCI))					
Non current					
HDFC Index Fund Nifty 50 Plan Direct Growth	10	6,78,545	1,455.40	6,78,545	1,114.57
UTI Nifty 50 Index Fund - Direct - Growth	10	13,19,299	2,020.31	-	-
SBI Nifty Index Fund - Direct Plan- Growth	10	6,60,491	1,353.84	-	-
ICICI Prudential Bluechip Fund- Direct Plan Growth	10	27,02,728	2,848.68	27,02,728	1,978.40
Total [2]			7,678.23		3,092.97

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Particulars	Face value per Unit/bond/ NCD/share (in ₹)	As at March 31, 2024		As at March 31, 2023	
		Units/bonds/ NCDs shares in No.*	Value (₹ in lakh)	Units/bonds/ NCDs shares in No.*	Value (₹ in lakh)
(3) In bonds / NCDs					
Quoted					
(Carried at amortised cost)					
Current					
9.56%, State Bank of India Perpetual Bond (Call date : 04-12-2023)	10,00,000	-	-	100	1,000.53
9.45%, State Bank of India Bonds,Taxable Perpetual Bonds (Call Date-22-03-2024)	10,00,000	-	-	199	1,997.57
8.40%, TATA Capital Financial Services Ltd, (Secured NCD- Series -III), (5 Years & Call Date- 26-08-2024)	1,000	50,000	500.00	-	-
8.20% TATA Capital Housing Finance Ltd, (Secured, Non-Convertible Debentures-Series -III) (5 Years & Call Date-14-01-2025)	1,000	19,000	190.00	-	-
Non current					
8.40%, TATA Capital Financial Services Ltd, (Secured NCD- Series -III), (5 Years & Call Date- 26-08-2024)	1,000	-	-	50,000	500.00
8.20% TATA Capital Housing Finance Ltd, (Secured, Non Convertible Debentures-Series -III) (5 Years & Call Date-14-01-2025)	1,000	-	-	19,000	190.00
Total (3)			690.00		3,688.10
(4) In equity shares @					
(a) Quoted					
(Carried at fair value through OCI (FVTOCI))					
Non current					
Fully paid up shares of :					
Camac Commercial Company Ltd.	10	35,000	6,827.13	35,000	6,784.94
HDFC Bank Ltd.	1	24,38,280	35,311.17	24,38,280	39,250.21
ICICI Bank Ltd.	2	1,38,900	1,522.14	1,38,900	1,218.43
Tata Consultancy Services Ltd.	1	5,268	204.59	5,268	168.88
Susmit Trading Ltd.	10	29,400	-	29,400	-
Jantej Commercial Enterprises Ltd.@@	10	-	-	50,000	-
Sagar Investments Ltd.@@	10	-	-	1,00,000	-
The Pioneer Ltd.	10	100	-	100	-
Total [4(a)]			43,865.03		47,422.46
(4) In equity shares @					
(b) Unquoted					
(Carried at fair value through OCI (FVTOCI))					
Non current					
Fully paid up shares of :					
Bennett,Coleman & Co Ltd.	10	2,66,65,848	99,610.28	2,66,65,848	1,02,183.53
(Includes bonus shares-2,66,63,976)					
Ashoka Viniyoga Ltd.	10	55,000	15,686.08	55,000	14,147.91
Excel Publishing House Ltd.	10	23,500	321.30	23,500	31.91
Artee Viniyoga Ltd.	10	2,49,860	2,640.82	2,49,860	2,701.59
Bennett Property Holdings Company Ltd.#	10	44,44,308	15,438.64	44,44,308	14,851.54
Pearl Printwell Ltd.	10	19,800	287.22	19,800	-
Sahu Jain Services Ltd.	10	8,000	871.15	-	-
Nandavrat Properties and Developers Ltd.	10	2,94,990	37.05	-	-
Shantiniketan Estate Ltd.	100	975	11.50	-	-
Bennett Advisory Services Ltd.	10	9,750	2.90	-	-
Total [4(b)]			1,34,906.94		1,33,916.48
(5) Investments in subsidiaries (wholly owned)					
Equity shares - unquoted					
(Carried at cost)					
Non current					
Fully paid up shares of :					
Punjab Mercantile & Traders Ltd.	10	51,696	624.04	51,696	624.04
Esoterica Services Ltd (Earlier Jacaranda Corporate Services Ltd.)	10	2,00,000	20.00	2,00,000	20.00
Total [5]			644.04		644.04

Particulars	Face value per Unit/bond/ NCD/share (in ₹)	As at March 31, 2024		As at March 31, 2023	
		Units/bonds/ NCDs shares in No.*	Value (₹ in lakh)	Units/bonds/ NCDs shares in No.*	Value (₹ in lakh)
(6) Other investment					
Non current					
(Carried at cost)					
Investment in paintings			8.00		8.00
Total [6]			8.00		8.00
Grand total (1+2+3+4(a)+4(b)+5+6)			1,90,760.38		1,91,979.93
Summary of investments:					
Total investments measured & carried:					
At fair value through OCI (FVTOCI)			1,89,418.34		1,87,639.79
At amortised cost			690.00		3,688.10
At cost			652.04		652.04
Total			1,90,760.38		1,91,979.93
Total investments current & non-current:					
Current (within 12 months)			690.00		2,998.10
Non -current (long term)			1,90,070.38		1,88,981.83
Total			1,90,760.38		1,91,979.93
Total investments as quoted and unquoted:					
Quoted			44,555.03		51,110.56
Unquoted			1,46,205.35		1,40,869.37
Total			1,90,760.38		1,91,979.93

*Units are rounded off to the nearest unit.

In pursuance of scheme of arrangement entered between Bennett, Coleman & Co. Ltd. (BCCL) and Bennett Property Holdings Company Limited (BPHCL) as approved by the Bombay High Court order dated December 02, 2011 the Company has received shares of BPHCL in proportion of 1:6.

@ The fair value change of investment in unquoted equity shares and those quoted shares, which have not been traded / no latest quotes are available, has been considered based on latest available audited/unaudited financial statements of the respective investee companies.

@@ During the current financial year, investment in equity shares of “Jantej Commercial Enterprises Ltd” and “Sagar Investments Ltd” have been written off and accordingly, loss of ₹ 4.31 Lakh (loss as cost of Investment on write off) on Equity Instruments (Equity shares) have been booked and routed through “Other Comprehensive Income (OCI)” under statement of profit and loss.

Particulars		As at March 31, 2024 (₹ in lakh)	As at March 31, 2023 (₹ in lakh)
4	OTHER FINANCIAL ASSETS		
	Interest accrued on bonds/NCDs and deposits	25.68	64.07
	Interest accrued on bank fixed deposits #	53.03	48.55
	Total	78.71	112.62
	# includes interest accrued on bank fixed deposits for ₹ 34.82 Lakh (P.Y.- Nil), which is receivable after 12 months.		
5	CURRENT TAX ASSETS (NET)		
	(Unsecured, considered good)		
	Advance income tax & TDS	187.09	317.66
	Provision for income tax	(107.73)	(302.47)
	Total	79.36	15.19

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Particulars	As at March 31, 2024 (₹ in lakh)	As at March 31, 2023 (₹ in lakh)
6 DEFERRED TAX ASSETS (NET)		
Deferred tax assets (net) on account of deductible temporary difference between tax base and carrying amount of assets/liabilities:		
On employee benefits liabilities (gratuity & leave encashment)	6.72	5.77
On property, plant and equipments	0.11	0.12
Total	6.83	5.89

Particulars	Office Equipments (Computers & Others)	Tangible Assets Furniture & Fixture	(₹ in lakh) Total
7 PROPERTY, PLANT AND EQUIPMENTS			
At cost			
Gross carrying amount			
Balance as at March 31, 2022	5.76	0.30	6.06
Addition during the year	-	-	-
Deletion/disposal during the year	(1.13)	-	(1.13)
Balance as at March 31, 2023	4.63	0.30	4.93
Addition during the year	-	-	-
Deletion/disposal during the year	-	-	-
Balance as at March 31, 2024	4.63	0.30	4.93
Accumulated depreciation			
Balance as at March 31, 2022	4.31	0.10	4.41
Addition during the year	0.91	0.05	0.96
Deletion/disposal during the year	(1.09)	-	(1.09)
Balance as at March 31, 2023	4.13	0.15	4.28
Addition during the year	0.31	0.01	0.32
Deletion/disposal during the year	-	-	-
Balance as at March 31, 2024	4.44	0.16	4.60
Net Carrying Amount			
As at March 31, 2024	0.19	0.14	0.33
As at March 31, 2023	0.50	0.15	0.65
As at March 31, 2022	1.45	0.20	1.65

Particulars	As at March 31, 2024 (₹ in lakh)	As at March 31, 2023 (₹ in lakh)
8 OTHER NON-FINANCIAL ASSETS		
(Unsecured, considered good)		
Staff Advance	10.00	5.00
Prepaid expenses	1.64	0.93
Amount deposited with SEBI, as per SAT Order #	305.00	-
Other receivables (advance for expenses)	0.10	-
Total	316.74	5.93

Refer "Note -28 : Contingent liabilities & committments" for detailed disclosure.

Particulars	As at March 31, 2024 (₹ in lakh)	As at March 31, 2023 (₹ in lakh)
9 OTHER PAYABLES		
Payable to micro and small enterprises #	-	-
Payable to others	1.62	25.03
Total	1.62	25.03

Other payables ageing as at March 31, 2024

Particulars	MSME	Others	Disputed dues – MSME	Disputed dues – Others	Total
Outstanding from due date of payment					
Less than 1 year	-	1.62	-	-	1.62
1-2 years	-	-	-	-	-
2-3 years	-	-	-	-	-
More than 3 years	-	-	-	-	-
Total	-	1.62	-	-	1.62

Other payables ageing as at March 31, 2023

Particulars	MSME	Others	Disputed dues – MSME	Disputed dues – Others	Total
Outstanding from due date of payment					
Less than 1 year	-	23.90	-	-	23.90
1-2 years	-	0.95	-	-	0.95
2-3 years	-	0.18	-	-	0.18
More than 3 years	-	-	-	-	-
Total	-	25.03	-	-	25.03

Based on the information available with the Company in respect of micro, small and medium enterprises, there are no outstanding/ delays in payment of dues to such enterprises. The required details as per The MSMED Act, 2006 is given below :

Particulars	As at March 31, 2024 (₹ in lakh)	As at March 31, 2023 (₹ in lakh)
<u>Dues to micro, small and medium enterprise under the MSMED Act, 2006</u>	-	-
a) Interest paid and payments made to the supplier beyond the appointed day.	Nil	Nil
b) Interest due and payable for delay (which has been paid but beyond the appointed day), but without adding the interest under the MSMED Act.	Nil	Nil
c) Amount due and unpaid at the end of accounting year : - Principal amount and Interest due - Interest accrued and remaining unpaid	Nil	Nil
d) Interest remaining due and payable even in the succeeding years.	Nil	Nil

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Particulars	As at March 31, 2024 (₹ in lakh)	As at March 31, 2023 (₹ in lakh)
10 OTHER FINANCIAL LIABILITIES		
Unpaid dividends*	1.87	2.50
Total	<u>1.87</u>	<u>2.50</u>
* Unclaimed portion only		
11 PROVISIONS		
Provision for employee benefits		
- for leave encashment #	6.53	5.70
- for gratuity #	17.65	15.05
Total	<u>24.18</u>	<u>20.75</u>
# Refer note no. 30 for detailed disclosures.		
12 DEFERRED TAX LIABILITIES		
Deferred tax liabilities on account of deductible temporary difference between tax base and carrying amount of assets/liabilities :		
Investment in debt instruments (measured at FVTOCI)	211.38	178.43
Investment in equity instruments (measured at FVTOCI)	39,464.60	40,095.16
Total	<u>39,675.98</u>	<u>40,273.59</u>
13 OTHER NON-FINANCIAL LIABILITIES		
Others		
TDS payable	1.91	4.14
GST payable	1.69	5.48
Provident fund payable	0.46	0.32
Total	<u>4.06</u>	<u>9.94</u>
14 SHARE CAPITAL		
Equity share capital		
Authorised share capital		
50,00,000 (P.Y. -50,00,000) equity shares of ₹ 10 each	500.00	500.00
	<u>500.00</u>	<u>500.00</u>
Issued share capital		
32,00,000 (P.Y. -32,00,000) shares of ₹10 each	320.00	320.00
	<u>320.00</u>	<u>320.00</u>
Subscribed & fully paid share capital		
a) 8,01,288.5 (P.Y. - 8,01,288.5) shares of ₹ 10 each fully paid up. (On reduction of share capital through High Court order dated 15-11-1973)	80.13	80.13
b) 23,98,711.5 (P.Y.-23,98,711.5) shares of ₹ 10 each fully paid up (including 131 equity shares of ₹ 10 each in the form of fractional coupons)	239.87	239.87
Total	<u>320.00</u>	<u>320.00</u>

(i) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

The dividend, if any, is proposed by the Board of Directors will be subject to the approval of shareholders in the ensuing annual general meeting. The payment of dividend will be made in Indian rupees.

In the event of the liquidation of the Company, the holders of equity shares will be entitled to remaining assets of the company, after meeting all liabilities.

(ii) Reconciliation of equity shares held at the beginning and at the end of the year

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount in lakh	No. of shares	Amount in lakh
At the beginning of the year	32,00,000	320.00	32,00,000	320.00
Movement during the year	-	-	-	-
At the end of the year	32,00,000	320.00	32,00,000	320.00

(iii) There is no change in the share capital in the period of five years immediately preceding the date as at which the balance sheet is prepared. There has been no allotment of shares pursuant to contract(s) without payment being received in cash or by way of bonus issue and no shares have been bought back in the five years immediately preceding the balance sheet date i.e. March 31, 2024.

(iv) Details of shareholders holding more than 5 % shares in the Company

Name of the shareholders	As at March 31, 2024	As at March 31, 2023
	No. of shares	No. of shares
Artee Viniyoga Limited	8,01,710	8,01,710
Ashoka Viniyoga Limited	6,51,660	6,51,660
Camac Commercial Company Limited	5,20,000	5,20,000
Mr. Samir Jain	5,18,827	5,18,827
Mrs. Meera Jain	2,73,604	2,73,604
Combine Holding Limited	1,61,437	1,61,437

(v) Details of shareholding of promoters in the Company

Promoter name	As at March 31, 2024			As at March 31, 2023		
	No. of shares held	% of total shares	% change during the year	No. of shares held	% of total shares	% change during the year
NIL	NIL	NIL	NIL	NIL	NIL	NIL

Particulars

**As at
March 31, 2024
(₹ in lakh)**

**As at
March 31, 2023
(₹ in lakh)**

15 OTHER EQUITY

I. Reserve & Surplus

A. Securities premium

Balance as per last financial statements

103.91

103.91

Add/less : addition/(adjustment) during the year

-

-

Balance at the end of the year

103.91

103.91

B. General reserve

Balance as per last financial statements

1,535.16

1,515.16

Add/less : addition/(adjustment) during the year

20.00

20.00

Balance at the end of the year

1,555.16

1,535.16

C. Special reserve u/s 45-IC of RBI Act, 1934

Balance as per last financial statements

2,465.80

2,345.17

Add/less : addition/(adjustment) during the year

108.45

120.63

Rounding off

(0.01)

-

Balance at the end of the year

2,574.24

2,465.80

PNB FINANCE AND INDUSTRIES LIMITED

Particulars	As at March 31, 2024 (₹ in lakh)	As at March 31, 2023 (₹ in lakh)
<u>D. Retained earnings (surplus)</u>		
Balance as per last financial statements	8,120.57	7,690.06
Add - profit for the year	542.26	603.13
Add - other adjustments (earlier year)	8.32	-
Item of OCI recognised directly in retained earnings		
Add : remeasurement of the defined benefit plans (net of deferred tax) for the year	0.50	(3.50)
Add : profit/(loss) (net of tax) transferred from OCI on write off/sale of equity instruments	(4.31)	(28.49)
Less:- transfer to general reserve	(20.00)	(20.00)
Less:- transfer to special reserve	(108.45)	(120.63)
Rounding off	0.03	-
Balance at the end of the year	<u>8,538.92</u>	<u>8,120.57</u>
Total reserve & surplus at the end of the year (I= A+B+C+D)	<u>12,772.23</u>	<u>12,225.44</u>
<u>II. Accumulated balance of other comprehensive income (OCI)</u>		
(E) Debt instruments through OCI		
Opening balance	623.30	709.83
Add: fair value changes in debt instruments through OCI for the year	251.88	140.87
Less: reclassified to profit or loss from OCI on sale	(103.81)	(264.55)
Less: income tax (deferred tax) effect on above	(32.95)	37.15
Rounding off	(0.02)	-
Closing balance at the end of the year	<u>738.40</u>	<u>623.30</u>
(F) Equity instruments through OCI		
Opening balance	1,40,184.71	1,28,116.13
Add : fair value changes on equity instruments through OCI for the year	(2,172.83)	13,266.45
Less :income tax (deferred tax) effect on above	630.56	(1,197.87)
Add :profit/(loss) on write off/ sale of equity instruments	(4.31)	(28.49)
Less :income tax effect on above	-	-
Less :profit/(loss) (net of tax) transferred from OCI to retained earnings	4.31	28.49
Closing balance at the end of the year	<u>1,38,642.44</u>	<u>1,40,184.71</u>
Total accumulated balance of OCI at the end of the year (II= E+F)	<u>1,39,380.84</u>	<u>1,40,808.01</u>
Total other equity (I+II)	<u>1,52,153.07</u>	<u>1,53,033.45</u>

Nature and purpose of reserve

Nature and purpose of each reserve has been disclosed as part of the qualitative disclosure :

Securities premium

It was created in earlier years, by amount of premium received upon issuance of equity shares. This can be utilised in accordance with provisions of the Companies Act, 2013.

General reserve

The Company continues to transfer certain percentage of profits to general reserve before declaring dividends. This can be utilised in accordance with provisions of the Companies Act, 2013.

Special reserve u/s 45-IC of RBI Act,1934

The Company, being an NBFC company, has created a special reserve pursuant to section 45 IC the Reserve Bank of India Act, 1934 by transferring amount not less than twenty per cent of its net profit every year as disclosed in the statement of profit and loss.

As prescribed by Section 45 IC of the Reserve Bank of India Act, 1934, No appropriation of any sums from the Reserve Fund shall be made by company except for the purpose as may be specified by RBI from time to time.

Retained earnings (surplus)

It is created out of accretion of profits or loss and represents the amount of accumulated earnings of the Company. It also includes effect of remeasurement of defined benefit obligations. This reserve can be utilised in accordance with provisions of the Companies Act, 2013.

Accumulated balance of other comprehensive income (OCI)- debt instruments

This reserve represents the cumulative unrealised gains (net of loss) on fair valuation of debt instruments (including debt mutual funds) measured at fair value through other comprehensive income (FVTOCI), net of amount reclassified, if any, to profit or loss, when those instruments are disposed off.

Accumulated balance of other comprehensive income (OCI)- equity instruments

This reserve represents the cumulative unrealised gains (net of loss) on fair valuation of equity instruments measured at fair value through other comprehensive income (FVTOCI), net of amount reclassified, if any, to retained earnings when those instruments are disposed off.

Particulars	For the year ended March 31, 2024 (₹ in lakh)	For the year ended March 31, 2023 (₹ in lakh)
16 INTEREST INCOME		
Interest income on investments in bonds, debentures & deposit (investments measured at amortised cost)	305.69	343.79
Amortisation adjustment of bonds purchased at premium/ discount	(8.09)	(9.28)
Interest income on loan to subsidiary company	0.12	4.41
Interest income on loan to Others	3.47	-
Interest income on deposits with bank	56.07	69.65
Total	357.26	408.57
17 NET GAIN ON FAIR VALUE CHANGES		
(a) Net gain/(loss) on financial instruments at FVTPL : on trading portfolio/ on financial instruments designated through FVTPL	-	-
(b) Others		
Gain(net) reclassified from OCI to profit or Loss on sale of investments in debt mutual funds	103.81	264.55
Total	103.81	264.55
<u>Break up of gains (net) :</u>		
Realised	103.81	264.55
Unrealised	-	-
Total	103.81	264.55

PNB FINANCE AND INDUSTRIES LIMITED

Particulars	For the year ended March 31, 2024 (₹ in lakh)	For the year ended March 31, 2023 (₹ in lakh)
18 OTHERS (INCOME)		
Interest on income tax refund	-	1.64
Provisions no longer required written back	0.07	-
Total	<u>0.07</u>	<u>1.64</u>
19 EMPLOYEE BENEFITS EXPENSE#		
Salaries	61.88	50.04
Contribution to provident and other funds	2.79	1.96
Provision for gratuity and leave encashment	4.13	3.88
Staff welfare expenses	2.04	1.62
Total	<u>70.84</u>	<u>57.50</u>
# Includes remuneration to Whole-Time Director of ₹ 33.04 lakh for current financial year (₹ 30.46 lakh pertaining to previous financial year ended March 31, 2023).		
20 DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation on property, plant and equipments (refer note -7)	0.32	0.96
Total	<u>0.32</u>	<u>0.96</u>
21 OTHER EXPENSES		
Director's sitting Fee	6.20	6.20
Legal and professional charges	154.08	198.03
Travelling & conveyance expenses	7.46	6.21
GST paid under reverse charge	26.65	35.29
AGM expenses	0.05	-
Bank Charges	5.46	-
Printing & stationery	0.19	0.31
Postage & telephone and internet charges	1.02	0.97
Advertisement expenses	1.15	1.09
Listing fees	0.47	0.47
Custodian fees	0.21	0.21
Document storage charges	1.66	1.56
Software charges	1.41	0.31
Manager remuneration	0.02	0.12
Filing fees	0.11	0.06
Auditor's remuneration \$	1.21	0.85
CSR contribution 2023-24 \$\$	10.23	-
CSR contribution 2022-23 \$\$	-	14.51
Amount written off	-	1.51
Miscellaneous expenses	1.41	1.33
Total	<u>218.99</u>	<u>269.03</u>

Particulars	For the year ended March 31, 2024 (₹ in lakh)	For the year ended March 31, 2023 (₹ in lakh)
\$ Auditor's remuneration (inclusive of GST):		
As auditor		
Audit fees	0.60	0.40
Limited review fees	0.24	0.20
Other service fees (including certification fees)	0.04	-
Out of pocket expenses	0.14	0.12
GST on above	0.19	0.13
Total	1.21	0.85
\$\$ Disclosure towards corporate social responsibility (CSR) activities :		
(a) Gross amount required to be spent as per section 135 of the Act read by the Company during the year	10.23	14.51
(b) Amount of expenditure incurred (contributed in cash) during the year on :		
(i) Construction /acquisition of any asset	-	-
(ii) On purpose other than above (i)	10.23	14.51
(c) Amount shortfall (unspent) at the end of the year	-	-
(d) Total of previous year shortfall	-	-
(e) Reason for shortfall,	-	-
(f) Nature of CSR activities	CSR amount has been contributed towards furtherance of education.	CSR amount has been contributed towards furtherance of education.
(g) Details of related party transactions (e.g., contribution to a trust controlled by the Company)	-	-
(h) Movement in provision, if any, towards any liability incurred by entering into a contractual obligation	-	-

Particulars	For the year ended March 31, 2024 (₹ in lakh)	For the year ended March 31, 2023 (₹ in lakh)
22 EXCEPTIONAL ITEMS (EXPENSE)		
Settlement amount paid to SEBI #	-	21.68
Total	-	21.68
# Refer “Note -28 : Contingent liabilities & committments” for detailed disclosure.		
23 EARNINGS PER SHARE (EPS)		
Profit after tax as per statement of profit and loss (₹ in lakh)	542.26	603.13
Weighted average number of equity shares (Face value per equity share ₹ 10/-)	32,00,000	32,00,000
Basic EPS (in ₹)	16.95	18.85
Diluted EPS (in ₹) #	16.95	18.85

The Company has not issued any potential equity shares, and accordingly, diluted earnings per share is equal to the basic earnings per share.

24 SEGMENT INFORMATION

The company is not carrying any business operations except generating income from investment of surplus funds and these activities fall in a single business segment, thus there is no reportable segment within the meaning of Ind AS - 108 “Operating Segments”.

25 IMPAIRMENT OF ASSETS

The management is of the opinion that there is no impairment of assets as contemplated in Ind AS -38 “Impairment of Assets”.

26 DISCLOSURES AS REQUIRED BY IND AS -24 -“RELATED PARTY DISCLOSURE”

In accordance with Ind AS -24 “Related Party Disclosure”, disclosure of related parties & related party trasactions entered into during the year are given below -

(a) Related parties and nature of relationship :

Subsidiary Company

1. Punjab Mercantile & Traders Ltd.
2. Esoterica Services Limited (Formerly known as Jacaranda Corporate Services Limited)

Key Management Personnel (KMP)

Name	Relationship
1. Mr. Govind Swarup	Director
2. Mr. Ashish Verma	Director
3. Ms. Saumya Agarwal	Director
4. Mr. Rakesh Dhamani	Director
5. Mrs. Shweta Saxena	Director & Company Secretary
6. Mr. Viveka Nand Jha	Chief Financial Officer
7. Mr. Vijay Kumar Bakshi	Manager (up to May 31, 2023)
8. Mr. Tarun Verma	Manager (w.e.f. June 01, 2023)

- (b) **Related Party Transactions entered during the year in ordinary course of business and outstanding balances payable/ (receivable) at the end of the year :**

(₹ in lakh)

Name of the Party	Nature of Transaction	Transactions entered during the year ended on		Balance outstanding as at	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Punjab Mercantile & Traders Ltd.	Loan given to subsidiary	10.00	-	-	-
	Loan refunded/repaid by subsidiary	10.00	126.00	-	-
	Interest on loan	0.12	4.41	-	-
Mr. Govind Swarup	Director's sitting fees	3.80	3.60	-	-
Mr. Ashish Verma	Director's sitting fees	1.60	1.60	-	-
Mrs. Saumya Agarwal	Director's sitting fees	0.80	1.00	-	-
Mrs. Shweta Saxena	Remuneration to Whole Time Director#	33.04	30.46	-	-
Mr. Viveka Nand Jha	Remuneration to Chief Financial Officer#	24.80	19.58	-	-
Mr. Tarun Verma	Remuneration to Manager#	3.63		-	
Mr. Vijay Kumar Bakshi	Remuneration to Manager	0.02	0.12	-	-

#Excluding PF and other retiral benefits.

27 FOREIGN EXCHANGE EARNINGS AND OUTGO

Information related to foreign exchange earnings & outgo during the year are as follows:-	Year ended March 31, 2024 (₹ in lakh)	Year ended March 31, 2023 (₹ in lakh)
Earnings & Outgo	Nil	Nil

28 CONTINGENT LIABILITIES & COMMITMENTS

- (a) **Contingent liabilities not provided for :**

Particulars	Year ended March 31, 2024 (₹ in lakh)	Year ended March 31, 2023 (₹ in lakh)
Penalty levied pursuant to SEBI Adjudication Orders dated March 28, 2023 \$	1,220.00	1,220.00

\$ The Securities and Exchange Board of India ("SEBI") had issued 3 (three) Show Cause Notices to the Company in October 2020, one as a listed entity and two others as Promoter and a Shareholder of Ashoka Viniyoga Limited ("AVL") and Camac Commercial Company Limited ("CCCL") respectively alleging violation of certain provisions of the SEBI Act, 1992 and regulations thereunder.

In the case of AVL, SEBI had accepted the Company's application under the SEBI (Settlement Proceedings) Regulations, 2018 to settle such proceedings without admitting or denying any findings of fact and conclusions of law. Upon payment of a sum of ₹ 21.68 lakhs by the Company and a subsequent Settlement Order dated September 07, 2022 issued by SEBI, these proceedings stood settled.

In the case of (i) the Company as a listed entity, as well as (ii) Promoter and a Shareholder of CCCL, both listed at non-operational Calcutta Stock Exchange, however, SEBI rejected the Company's applications under the Settlement Regulations in December, 2022 and thereafter issued Adjudication Orders on March 28, 2023. These Orders issued by the Whole-Time Member of SEBI concluded violation of various provisions of SEBI Act, 1992 and regulations issued thereunder, by the Company.

Under the said Orders, in the case of (i) above, SEBI levied ₹ 1200 lakhs monetary penalty on the Company, and directed the Corporate Shareholders (Viz: AVL, Artee Viniyoga Ltd, CCCL and Combine Holding Ltd) and Individual Shareholders (viz: Samir Jain and Meera Jain), besides levying certain penalties on each of them, to declare themselves as Promoters of the Company and restrained them from certain activities until Minimum Public Shareholding (MPS) of 25% is achieved in the Company. In the case of (ii) above, besides levying a monetary penalty of ₹ 20 lakhs on the Company, the said Order also restrained the Company from accessing capital market and prohibited from buying or selling of securities or otherwise dealing in securities (including Mutual Funds), until MPS compliance is achieved by CCCL. Subsequently, both the Adjudication Orders were challenged by the Company before the Securities Appellate Tribunal (SAT) and vide its Orders passed on April 26, 2023, SAT had stayed the effect and operation of the said SEBI Orders subject to payment of 25% of the levied penalty(ies) by the Company. The company has made payment of the requisite amount [25% i.e. ₹ 305 Lakh] to SEBI as per the said SAT Orders. The matter is sub-judice as on date.

The above referred “Settlement amount paid for ₹ 21.68 lakhs” has been disclosed under “Note -22 : Exceptional Items (Expense)”.

The abovementioned requisite payment [25% i.e. ₹ 305 Lakh] made to SEBI as per SAT Order, has been disclosed under “Note 8 : Other Non-financial Assets”.

(b) **Commitment as on March 31, 2024 : Nil** (Previous year ended March 31, 2023 : Nil).

29 INCOME TAXES EXPENSES & RECONCILIATION

(a) **Tax expense recognised in the Statement of profit and loss**

(i) **Tax expense recognised under “Profit or Loss” section**

Particulars	Year ended March 31, 2024 (₹ in lakh)	Year ended March 31, 2023 (₹ in lakh)
<u>Current tax</u>		
Current tax	107.73	114.02
Earlier year that provision (Net)	0.16	0.31
Sub total	107.89	114.33
<u>Deferred tax charge/(credit)</u>		
Related to origination and reversal of deductible temporary difference	(1.14)	(1.03)
Sub total	(1.14)	(1.03)
Total	106.75	113.30

(ii) **Tax expense recognised under “Other Comprehensive Income (OCI)” section**

Particulars	Year ended March 31, 2024 (₹ in lakh)	Year ended March 31, 2023 (₹ in lakh)
<u>Deferred tax charge / (credit) on :</u>		
<u>On account of deductible temporary difference on items measured through OCI</u>		
Investment in debt instruments (on fair value change)	32.95	(37.15)
Investment in equity instruments (on fair value change)	(630.56)	1,197.87
Remeasurement gains of the defined benefit plans (gratuity plan)	0.20	(1.35)
Total	(597.41)	1,159.37

- (b) The Company continues with existing provisions of corporate taxation and had not opted the concessional rate schemes provided vide section 115BAA in the Income Tax Act, 1961. The section 115BAA in the Income Tax Act, 1961, provides existing domestic companies with an irrevocable option to pay tax at a reduced rate of 22% with applicable surcharge and cess, which come with the consequential surrender of specified deductions/ incentives and not eligible to utilised MAT credit entitlements and take any other deduction / benefits.

(c) Reconciliation of current tax expenses

Reconciliation of current tax expenses between “Amount calculated as accounting profit multiplied by the statutory income tax rate applicable to the Company” and “current tax expenses as per effective income tax rate reported in the statement of profit and loss of the Company” is given below :

Particulars	Year ended March 31, 2024 (₹ in lakh)	Year ended March 31, 2023 (₹ in lakh)
Profit before tax	649.01	716.43
Enacted applicable income tax rate (including applicable cess) on company in India (in %)	27.82%	27.82%
Current tax amount calculated (accounting profit multiplied by the applicable enacted tax rate) for the year	180.55	199.31
<u>Tax effects of amounts which are not deductible/taxable in computing taxable Income</u>		
CSR expenditure	2.85	4.04
Tax at lower rate/difference in case of capital gain	(15.67)	(52.04)
Amortisation adjustment of bonds (net amount as exp.)	2.25	2.58
Other adjustments	1.14	1.19
<u>Tax effects of amounts which are deductible /non taxable in computing taxable Income</u>		
Deduction under Chapter VI A (80G)	(1.42)	(2.02)
Other adjustments	-	-
Balance	169.70	153.06
MAT credit utilised	(61.97)	(39.04)
Current tax expense at effective rate as reported in the statement of profit and loss	107.73	114.02

(d) The movement in deferred tax assets(net) during the year ended March 31, 2023 and March 31, 2024:

(₹ in lakh)

Particulars	Provision of gratuity & leave encashment liabilities	Property, plant and equipments (dep.)	Total
As at March 31, 2022	3.50	0.01	3.51
Credit/ (charge) in statement of profit or loss during the year	0.92	0.11	1.03
Credit/ (charge) in statement of OCI during the year	1.35	-	1.35
As at March 31, 2023	5.77	0.12	5.89
Credit/ (charge) in statement of profit or loss during the year	1.15	(0.01)	1.14
Credit/ (charge) in statement of OCI during the year	(0.20)	-	(0.20)
As at March 31, 2024	6.72	0.11	6.83

(e) The movement in deferred tax liabilities during the year ended March 31, 2023 and March 31, 2024:

(₹ in lakh)

Particulars	Investment in debt instruments (measured at FVTOCI)	Investment in equity instruments (measured at FVTOCI)	Total
As at March 31, 2022	215.58	38,897.29	39,112.87
Credit/ (charge) in statement of OCI during the year	(37.15)	1,197.87	1,160.72
As at March 31, 2023	178.43	40,095.16	40,273.59
Credit/ (charge) in statement of OCI during the year	32.95	(630.56)	(597.61)
As at March 31, 2024	211.38	39,464.60	39,675.98

- (f) As a matter of prudence and considering uncertainty of sufficient future taxable income, the company has not recognised any deferred tax asset on unused tax losses i.e. brought forward business losses and unused tax credits (MAT credit entitlements) in the balance sheet.

30 EMPLOYEE BENEFITS

- I). During the year, liability of Company as an employer towards contribution to provident and other fund has been recognized as an expenses in the statement of profit and loss. The detail is given below:

Defined contribution plan

Employer's contribution to provident and other funds - ₹ 2.79 Lakh (previous year : ₹ 1.96 lakh)

II). **Gratuity and other post employment benefit plans :**

During the year, the company has recognised the expenses and liability towards gratuity and leave encashment based on actuarial valuation in conformity with the principles set out in the Indian Accounting Standards -19. The detail are given below :

- (a) The assumptions used to determine the benefit obligations are as follows:

Particulars	Gratuity (Non -Funded)		Leave Encashment (Non -Funded)	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Discounting rate (p.a.)	7.20%	7.38%	7.20%	7.38%
Future salary increase (p.a.)	8.00%	10.00%	8.00%	10.00%
Expected rate of return of plan assets	N.A	N.A	N.A	N.A
Expected average remaining working lives of employees (years)	16.42	14.92	16.42	14.92
Mortality table used	IALM(2012-14)	IALM(2012-14)	IALM(2012-14)	IALM(2012-14)
Retirement age (years)	58	58	58	58
Withdrawal rate (%)				
Up to 30 years	3	3	3	3
From 31 to 44 years	2	2	2	2
Above 44 years	1	1	1	1

(b) Change in present value of obligation/ defined benefit obligations :

(₹ in lakh)

Particulars	Gratuity (Non -Funded)		Leave Encashment (Non -Funded)	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Present value of obligation(PBO) at beginning of year	15.05	8.56	5.70	3.46
Past service cost	-	-	-	-
Current service cost	2.19	1.04	0.71	0.39
Net interest cost	1.11	0.60	0.42	0.24
Benefits paid	-	-	-	-
Remeasurement [actuarial (-) gain /loss]	(0.70)	4.85	(0.30)	1.61
Present value of obligation (PBO) at year end	17.65	15.05	6.53	5.70

(c) Liability recognised in the balance sheet:

(₹ in lakh)

Particulars	Gratuity (non -funded)		Leave encashment (non -funded)	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Liability amount (net) at beginning of year	15.05	8.56	5.70	3.46
Provisions made/(reversed) during the year	3.30	1.64	1.13	0.63
Benefits paid	-	-	-	-
Remeasurement [actuarial (-) gain/loss]	(0.70)	4.85	(0.30)	1.61
Liability amount (net) at year end	17.65	15.05	6.53	5.70
Break up of liability/PBO at end of the year				
Current liability (within 12 Months)	0.29	0.20	0.11	0.08
Non-current liability	17.36	14.85	6.42	5.62
Total	17.65	15.05	6.53	5.70

(d) Expense/ (income) recognized in the statement of profit and loss:

(₹ in lakh)

Particulars	Gratuity (non -funded)		Leave encashment (non-funded)	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Current service cost	2.19	1.04	0.71	0.39
Net interest cost	1.11	0.60	0.42	0.24
Net actuarial (-) gain / loss recognized in the year	-	-	(0.30)	1.61
Expenses recognized in the statement of profit and loss	3.30	1.64	0.83	2.24

(e) Remeasurements [actuarial (gain)/loss] through other comprehensive income (OCI): (₹ in lakh)

Particulars	Gratuity (non -funded)	
	March 31, 2024	March 31, 2023
Actuarial (gain) / loss for the year on PBO	(0.70)	4.85
Actuarial (gain) / loss for the year on plan asset	-	-

(f) Sensitivity analysis: (₹ in lakh)

Particulars	Gratuity		Leave encashment	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Impact of the change in discount rate				
Present value of obligation at the end of the year	17.65	15.05	6.53	5.70
(i) Impact due to increase of 0.5%	(1.04)	(0.94)	(0.39)	(0.36)
(i) Impact due to decrease of 0.5%	1.12	1.01	0.43	0.39
Impact of the change in salary increase				
Present value of obligation at the end of the year	17.65	15.05	6.53	5.70
(i) Impact due to increase of 0.5%	1.10	0.98	0.42	0.37
(i) Impact due to decrease of 0.5%	(1.04)	(0.92)	(0.39)	(0.35)

(g) Maturity profile of defined benefit obligations : (₹ in lakh)

Particulars	Gratuity		Leave encashment	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
a) 0 to 1 Year	0.29	0.20	0.11	0.08
b) 1 to 2 Year	0.24	0.29	0.09	0.11
c) 2 to 3 Year	0.24	0.19	0.09	0.07
d) 3 to 4 Year	0.24	0.19	0.09	0.07
e) 4 to 5 Year	0.25	0.20	0.09	0.07
f) 5 to 6 Year	0.25	0.20	0.09	0.08
f) 6 year onwards	16.14	13.78	5.97	5.22

31 FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in a orderly transactions in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) , regardless of whether that price is directly observable or estimated using a valuation technique.

The following methods and assumptions are used to estimate the fair value :

- (a) The fair value of quoted equity shares is derived from quoted market prices in active markets.

- (b) The fair value of unquoted equity shares (FVTOCI financial instruments) is derived as per level 3 techniques, in case observable market data is not available.
- (c) The fair value of mutual funds is derived from the available declared /quoted NAV of units.
- (d) Assets held for collection of contractual cash flow where cash flows represent solely payment of principle and interest like bonds/ debentures /corporate deposit are measured at amortised cost. interest income from these financial assets is calculated using the effective interest rate method.

The management has assessed that cash and cash equivalents, other receivables (financial assets) and trade payables are approximate at their carrying amounts largely due to the short term maturities of these instruments

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices /declared NAVs in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: inputs which are not based on observable market data.

Financial assets and liabilities

The carrying value and fair value of financial instruments by categories as at March 31, 2024 are as follows:

(₹ in lakh)

Particulars	FVTPL	FVTOCI	Amortised Cost	Total Carrying Value	Fair Value
Financial assets					
Cash and cash equivalents	-	-	6.56	6.56	6.56
Bank balances other than above	-	-	931.87	931.87	931.87
Investments :					
Debt mutual funds	-	2,968.14	-	2,968.14	2,968.14
Equity mutual funds	-	7,678.23	-	7,678.23	7,678.23
Bonds /debentures	-	-	690.00	690.00	690.00
Equity shares (other than investment in subsidiary)	-	1,78,771.97	-	1,78,771.97	1,78,771.97
Other financial assets	-	-	78.71	78.71	78.71
Total	-	1,89,418.34	1,707.14	1,91,125.48	1,91,125.48
Financial liabilities					
Other payables	-	-	1.62	1.62	1.62
Other financial liabilities	-	-	1.87	1.87	1.87
Total	-	-	3.49	3.49	3.49

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The carrying value and fair value of financial instruments by categories as at March 31, 2023 are as follows:

(₹ in lakh)

Particulars	FVTPL	FVTOCI	Amortised Cost	Total Carrying Value	Fair Value
Financial assets					
Cash and cash equivalents	-	-	214.70	214.70	214.70
Bank balances other than above	-	-	1,350.35	1,350.35	1,350.35
Investments :					
Debt mutual funds	-	3,207.88	-	3,207.88	3,207.88
Equity mutual funds	-	3,092.97	-	3,092.97	3,092.97
Bonds /debentures	-	-	3,688.10	3,688.10	3,688.10
Equity shares (other than investment in subsidiary)	-	1,81,338.94	-	1,81,338.94	1,81,338.94
Other financial assets	-	-	112.62	112.62	112.62
Total	-	1,87,639.79	5,365.77	1,93,005.56	1,93,005.56
Financial liabilities					
Other payables	-	-	25.03	25.03	25.03
Other financial liabilities	-	-	2.50	2.50	2.50
Total	-	-	27.53	27.53	27.53

Fair value estimation

For financial instruments measured at fair value in the balance sheet, a three level fair value hierarchy is used that reflects the significance of inputs used in the measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements).

For Financial assets which are carried at fair value, the classification of fair value calculations by category is summarised below:

(₹ in lakh)

Particulars	Carrying Value	Fair Values					
		measured through Profit and Loss (FVTPL)			measured through OCI (FVTOCI)		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
As at March 31, 2024							
Financial assets							
Debt mutual funds	2,968.14	-	-	-	2,968.14	-	-
Equity mutual funds	7,678.23	-	-	-	7,678.23	-	-
Equity shares (other than investment in subsidiary)	1,78,771.97	-	-	-	37,037.90	-	1,41,734.07
Total	1,89,418.34	-	-	-	47,684.27	-	1,41,734.07
As at March 31, 2023							
Financial assets							
Debt mutual funds	3,207.88	-	-	-	3,207.88	-	-
Equity mutual funds	3,092.97	-	-	-	3,092.97	-	-
Equity shares (other than investment in subsidiary)	1,81,338.94	-	-	-	40,637.52	-	1,40,701.42
Total	1,87,639.79	-	-	-	46,938.37	-	1,40,701.42

There are no changes in classification and no movements between the fair value hierarchy classifications of financial assets during the years.

32 CAPITAL MANAGEMENT

a) **Objective, policies and processes of capital management**

The Company is cash surplus and capital structure of the Company consists of equity capital only i.e. paid up equity share capital and retained earnings and other accumulated reserves disclosed in the statement of changes in equity. The Company does not have any borrowings.

Investment objective while managing fund of the Company is to provide safety and to generate steady return from low risk investment avenues. The surplus fund of the Company is being invested in Income generating debt instruments i.e. bonds, corporate deposits & debt /equity mutual funds and in equity shares.

The Company's objectives when managing capital are to :

- (i) maximize the shareholder value with low risk, and
- (ii) safeguard their ability to continue as a going concern, so that they can continue to provide returns and growth to shareholders and benefits for other stakeholders.

No changes are made in the objectives, policies and process of capital management during the reported years.

(b) **Dividend on equity shares**

No dividend has been proposed for the financial year ended March 31, 2024 (No dividend was proposed for the financial year ended March 31, 2023).

33 FINANCIAL RISK MANAGEMENT

The Company is not carrying any business operations, however income has been generated from investments of its surplus funds being investment in debt securities, equity instruments and bank deposits. The Company's financial assets are investment in debt securities (bonds, debentures, corporate deposits, debt based mutual funds, etc.) cash and cash equivalents, bank deposits other than cash and cash equivalents, loan and other receivables & financial liabilities are trade/other payables and other financial liabilities.

The Company's activities expose to financial risk i.e. liquidity risk, market risk, credit risk etc. The Board of Directors provide guiding principles for overall risk management, as well as principle for investment of available funds including review of such policies for managing each of applicable type of financial risks, which are summarised as below :

(a) **Liquidity risk**

The Company's principal source of liquidity are "cash and cash equivalents" and cash in flow that are generated from income from investments. Liquidity risk is defined as a risk that the company will not be able to settle or meet its obligations on time.

Liquidity risk management implies maintenance of sufficient cash to meet the obligations as and when due. The Company manages its liquidity risk by ensuring as far as possible that it will have sufficient liquidity to meet its short term and long term liabilities as and when due. The Company has invested its surplus fund also in fixed income securities /instruments of similar profile thereby ensuring availability of liquidity as and when required. Anticipated future cash flows are expected to be sufficient to meet the liquidity requirements of the Company and accordingly, no liquidity risk is perceived.

The following is the contractual maturities of the financial liabilities (₹ in lakh)

Particulars	Carrying amount (At amortised cost)	1-12 months	More than 12 months
<u>Non-derivative liabilities</u>			
<u>As at March 31, 2024</u>			
Other payables	1.62	1.62	-
Other financial liabilities	1.87	1.87	-
Total	3.49	3.49	-
<u>As at March 31, 2023</u>			
Other payables	25.03	25.03	-
Other financial liabilities	2.50	2.50	-
Total	27.53	27.53	-

(b) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk generally comprises three types of risk: interest rate risk, currency risk and price risk. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that affect market sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including quoted investments, deposits, foreign currency receivables, payables and loans and borrowings.

(i) Foreign currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has neither payables & receivables in foreign currency, not holding foreign assets and also not entered into transactions in the foreign currency during the year under report, therefore the Company activities are not exposed to foreign exchange risk.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The interest rate risk exposure is mainly from changes in fixed and floating interest rates. The company interest rate risk from investments is in debt securities (bonds, debentures, corporate deposits etc.). In order to optimise the Company's position with regard to interest income, the management manages the interest rate risk by diversifying its debt investments portfolio across tenures.

(iii) Price Risk

Price risk arises due to volatility in the market prices of financial instruments for which market prices are available (i.e. quoted price for quoted equity shares and declared NAV/ quoted NAV for debt /equity MF). The Company is exposed to price risk arising mainly from investment measured at fair value through OCI (FVTOCI) being equity shares (quoted) and debt & equity mutual funds. The Company's exposure to debt based mutual funds falls in very low risk category due to investments are in high rated schemes. To optimise price risk, policy of diversification has been followed in case company's debt based MF portfolio. As regards the Company's investment in unquoted equity shares, which are long term in nature and fair valuation of these Investments are largely depend on performance of these company and hence the price risk emanating from shortfall in performance has been reviewed closely.

(c) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. The Company is not carrying any business activities and thus has no transactions with customers. In case of the Company's investment portfolio, credit risk may arise from bank balances (including fixed deposits) and investment in debt securities like bonds, debentures, corporate deposits and debt based mutual funds.

To manage credit risk on these financial assets, the Company has an investment policy which allows the Company to invest only in high rated schemes/ papers/ bonds /NCD /corporate deposits etc. considering the safety of investment first along with lower risk and reasonable returns. The Company tracks credit worthiness of counterparty and closely reviews the rating of investments and takes immediate suitable remedial actions as far as possible.

34 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below set out analysis of the carrying amount of assets and liabilities according to when they are expected to be realised or settled.

(₹ in lakh)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	6.56	-	6.56	214.70	-	214.70
Bank balances other than above	306.87	625.00	931.87	1,350.35	-	1,350.35
Investments	690.00	1,90,070.38	1,90,760.38	2,998.10	1,88,981.83	1,91,979.93
Other financial assets	43.89	34.82	78.71	112.62	-	112.62
Non financial assets						
Current tax assets (net)	79.36	-	79.36	15.19	-	15.19
Deferred tax assets (net)	-	6.83	6.83	-	5.89	5.89
Property, plant and equipments	-	0.33	0.33	-	0.65	0.65
Other non -financial assets	11.74	305.00	316.74	5.93	-	5.93
TOTAL ASSETS	1,138.42	1,91,042.36	1,92,180.78	4,696.89	1,88,988.37	1,93,685.26
LIABILITIES						
Financial liabilities						
Payables						
Dues of micro and small enterprises	-	-	-	-	-	-
Dues of other creditors	1.62	-	1.62	25.03	-	25.03
Other financial liabilities	1.87	-	1.87	2.50	-	2.50
Non- financial liabilities						
Provisions	0.40	23.78	24.18	0.28	20.47	20.75
Deferred tax liabilities	-	39,675.98	39,675.98	-	40,273.59	40,273.59
Other non-financial liabilities	4.06	-	4.06	9.94	-	9.94
TOTAL LIABILITIES	7.95	39,699.76	39,707.71	37.75	40,294.06	40,331.81
NET	1,130.47	1,51,342.60	1,52,473.07	4,659.14	1,48,694.31	1,53,353.45

35 PARTICULARS AS PER RBI DIRECTIONS FOR NBFC

The Company is registered with the RBI as a Non-Banking Financial Institution (non deposit accepting/Non-deposit taking). Pursuant to definition of “Type I - NBFC-ND” provided vide RBI Press Release : 2015-2016/2935 dated June 17, 2016, the company meets the conditions/ criteria & eligible to become a “Type-I NBFC -ND”, since company does not accept public funds and does not have customer interface neither it intends to accept public deposits or have customer interface in future also. Accordingly, the Company has applied for Type-I certificate/ registration with RBI. Till the time, the Company receives the Type-I certificate from RBI, the Company shall be categorised as Middle Layer NBFC (NBFC-ML) in terms of asset size criteria as specified in the applicable “Master Direction Reserve Bank of India (Non-Banking Financial Company Scale Based Regulation) Directions, 2023 (as updated) “Master Directions of RBI”.

However as per earlier Master Direction, which is repealed [Master Direction- Non-Banking Financial Company -Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016], the company is a Systemically Important Non -Deposit taking NBFC (NBFC-ND-SI).

The company does not carry on lending activities, not accepting public funds and having no customer Interface, however generating income from investment of surplus funds.

Pursuant to the applicable “Master Directions of RBI”, the disclosures required to be given in the Annual Financial Statements of NBFC categorized under Middle Layer, are hereby given below to the extent applicable on the company :

(I). Capital to risk asset ratio (CRAR)

S. No.	Particulars	As at March 31, 2024	As at March 31, 2023
a	CRAR (%) #	105.53%	135.87%
b	CRAR - tier I capital (%) #	105.53%	135.87%
c	CRAR - tier II capital (%)	-	-
d	Amount of subordinated debt raised as tier-II capital	-	-
e	Amount raised by issue of perpetual debt instruments	-	-

The disclosure pertaining to current financial year ended March 31, 2024, has been made in terms of “Regulatory guidance on implementation of Indian Accounting standards by NBFC” enumerated under Para 10 of the applicale “Master Directions of RBI”.

Accordingly, in terms of above mentioned guidance on Regulatory Capital & Ratios, net unrealised gains arising on fair valuation of financial instruments (as Investments) have been excluded/ not been considered, while calculating the Tier I Capital/ Net Owned Fund & Risk weighed Assets.

In case disclosure pertaining to previous financial year ended March 31, 2023, similar guidance to arrive Regulatory Capital, Risk weighed Assets & Ratios were enumerated in earlier Master Direction i.e. “Regulatory guidance on implementation of Indian Accounting standards by NBFC” enumerated under Para 9 of “Master Direction - Non-Banking Financial Company -Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016”(as amended).

(II). Liquidity coverage ratio (LCR) :

S. No.	Particulars	As at March 31, 2024	As at March 31, 2023
i	Liquidity coverage ratio (LCR)	@	@@

@ In terms of “Guidelines on Maintenance of Liquidity Coverage Ratio (LCR)” enumerated under Para 89 of “Master Directions of RBI”, LCR level with specified timeline/ LCR norms [i.e. maintenance of required LCR level (liquidity buffer) in specified timeline and ensuring sufficient High Quality Liquid Assets (HQLAs)], has not been prescribed for those NBFCs which Asset Size is below ₹ 5000 Crore.

Further these guidelines will not apply to Type-I NBFCs & others as specified. Pursuant to definition of “Type-I NBFC-ND” provided vide RBI Press Release : 2015-2016/2935 dated June 17,2016, the Company meets the conditions/ criteria & eligible to become a “Type-I NBFC -ND”, since the Company has not accepting public funds and not having customer interface during current / previous financial years.

Considering above i.e Asset size, which is below ₹ 5000 Crore and the Company meets the conditions/ criteria & eligible to become a “Type-I NBFC , the Liquidity Coverage Ratio (LCR) has not been furnished for current financial year.

@@ In previous year ended March 31, 2023, similar guidelines [Guidelines on Maintenance of Liquidity Coverage Ratio (LCR)] were enumerated under para 15B in earlier Master Direction i.e. Master Direction - Non-Banking Financial Company -Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016”(as amended). Under these guideline, LCR Level / Norms has not been prescribed for those NBFC-NDs whose asset size is below ₹ 5000 Crore.

Accordingly in previous year, the Liquidity Coverage Ratio (LCR) had not been furnished.

(III). Investments

(₹ in lakh)

S. No.	Particulars	As at March 31, 2024	As at March 31, 2023
(1)	Value of investments		
(i)	Gross value of investment		
(a)	In India	1,90,760.38	1,91,979.93
(b)	Outside India		-
(ii)	Provision for diminution		
(a)	In India	-	-
(b)	Outside India	-	-
(iii)	Net value of investments		
(a)	In India	1,90,760.38	1,91,979.93
(b)	Outside India	-	-
(2)	Movement of provisions on investments		
(i)	Opening balance	-	-
(ii)	Add: provisions made during the year	-	-
(iii)	Less: write Off/ write back of excess provisions during the year	-	-
(iv)	Closing balance	-	-

(IV). Provisions and contingencies

(₹ in lakh)

S. No.	Particulars	As at March 31, 2024	As at March 31, 2023
	The following 'Provisions and Contingencies' shown in the statement of profit and loss account to the extent applicable:		
(i)	Provision on diminution in value of investments	-	-
(ii)	Provision towards NPA	-	-
(iii)	Provision made towards income tax	107.73	114.02
(iv)	Other provision and contingencies	-	-
(v)	Provision on standard assets	-	-

(V). Exposure

(A) Exposure to real estate sector

(₹ in lakh)

S. No.	Particulars	As at March 31, 2024	As at March 31, 2023
1	Direct exposure		
(a)	Residential mortgages	-	-
(b)	Commercial real estate	-	-
(c)	Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
2	Indirect exposure		
(i)	Investment in secured, non-convertible debentures of TATA Capital Housing Finance Ltd	190.00	190.00
	Total	190.00	1,190.00

(B) Exposure to capital market

S. No.	Particulars	As at March 31, 2024	As at March 31, 2023
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt.	51,543.26	50,515.43
(ii to viii)	All others exposures [other than (i) above]	-	-
	Total	51,543.26	50,515.43

(VI). Asset liability management -maturity pattern of certain items of assets and liabilities

Pursuant to definition of “Type-I NBFC-ND” provided vide RBI Press Release : 2015-2016/2935 dated June 17, 2016, the Company meets the conditions/ criteria & eligible to become a “Type-I NBFC -ND”, since the Company has not accepting public funds and not having customer interface during current / previous financial years.

Since the Company meets the conditions/ criteria & eligible to become a “Type-I NBFC-ND”, thus the Maturity pattern of certain items of assets and liabilities in various time buckets in terms of the “Guidelines on Maintenance of Liquidity Coverage Ratio (LCR)” enumerated under Para 89 of “Master Directions of RBI”, has not been furnished.

(VII). Miscellaneous disclosures

S. No.	Particulars	Disclosures
1	Registration obtained from other financial sector regulators	Apart from RBI, the company being a listed company, is also governed by SEBI & MCA.
2	Disclosure of penalties imposed by RBI and other regulators	During current financial year, no penalty was imposed by RBI and other regulators, however penalty imposed by SEBI during previous financial year has been disclosed in Note 28 : Contingent Liabilities & Commitments.
3	Related party transactions	Refer note no. 26 for detail of related party transactions.
4	Summary of Significant Accounting Policies	Refer Note no.1 for detail of Material Accounting Policies.
5	Overseas Assets (for those with Joint Ventures and Subsidiaries abroad) and Off-balance Sheet SPVs sponsored	Nil
6	Others \$:	
(i)	Disclosure related to Derivatives -Transactions & Risk Exposures	Nil
(ii)	Disclosure related to Unsecured Advances	Nil
(iii)	Ratings assigned by credit rating agencies and migration of ratings during the year	Nil
(iv)	Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC	Nil
(v)	Details of financing of parent company products	Nil
(vi)	Concentration of Advances, Exposures and NPAs	Nil
(vii)	Disclosure of Customer Complaints	Nil

\$ The Company is a non deposit accepting/taking NBFC (NBFC -ND) and it does not carry out lending activities and having no customer Interface, thus being disclosed as “Nil” .

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(VIII) Schedule to the Balance Sheet of an NBFC

(as required in terms of Paragraph 31 of “Master Directions of RBI”.

Particulars		As on March 31, 2024	
		Amount outstanding (₹ in crore)	Amount overdue (₹ in crore)
	Liabilities side :		
1	Loans and advances availed by the non -banking financial company inclusive of interest accrued thereon but not paid:		
	(a) Debentures : Secured	NIL	NIL
	: Unsecured	NIL	NIL
	(Other than falling within the meaning of public deposits)		
	(b) Deferred credits	NIL	NIL
	(c) Term loans	NIL	NIL
	(d) Inter-corporate loans and borrowing	NIL	NIL
	(e) Commercial paper	NIL	NIL
	(f) Public deposits	NIL	NIL
	(g) Other loans (specify nature)	NIL	NIL
2	Break-up of (1)(f) above (outstanding public deposits inclusive of interest accrued thereon but not paid)		
	(a) In the form of unsecured debentures	NIL	NIL
	(b) In the form of Partly Secured Debentures i.e. debentures where there is a shortfall in the value of security .	NIL	NIL
	(c) Other public deposits	NIL	NIL
	Assets side :	Amount outstanding	
3	Break-up of loans and advances including bills receivables [other than those included in (4) below] :	NIL	
	a) Secured	NIL	
	b) Unsecured	NIL	
4	Break up of leased assets and stock on hire and other assets counting towards asset financing activities		
	(i) Lease assets including lease rentals under sundry debtors:	NIL	
	(a) Financial lease	NIL	
	(b) Operating lease	NIL	
	(ii) Stock on hire including hire charges under sundry debtors:	NIL	
	(a) Assets on hire	NIL	
	(b) Repossessed assets	NIL	
	(iii) Other loans counting towards asset financing activities	NIL	
	(a) Loans where assets have been repossessed	NIL	
	(b) Loans other than (a) above	NIL	
5	Break-up of investments :		
	Current investments :		
	1. Quoted:		
	(i) Shares : (a) Equity	NIL	
	(b) Preference	NIL	
	(ii) Debentures and bonds	6.90	
	(iii) Units of mutual funds	NIL	
	(iv) Government securities	NIL	
	(v) Others	NIL	
	2. Unquoted		
	(i) Shares : (a) Equity	NIL	
	(b) Preference	NIL	
	(ii) Debentures and bonds	NIL	
	(iii) Units of mutual funds	NIL	
	(iv) Government securities	NIL	
	(v) Others	NIL	

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	Assets side :	Amount outstanding		
	<u>Long term investments\$:</u> 1. Quoted: (i) Shares : (a) Equity (b) Preference (ii) Debentures and bonds (iii) Units of mutual funds (iv) Government securities (v) Others (please specify) 2. Unquoted (i) Shares : (a) Equity (b) Preference (ii) Debentures and bonds (iii) Units of mutual funds (iv) Government securities (v) Others (investment in paintings)	438.65 NIL - NIL NIL NIL 1,355.51 NIL NIL 106.46 NIL 0.08		
	\$ Non-current investments stated in the Note-3 Investments have been reported as “Long Term Investments”.			
6	Borrower group-wise classification of assets financed as in (3) and (4) above :			
	Category 1. Related parties (a) Subsidiaries (b) Companies in the same group (c) Other related parties 2. Other than related parties Total	Amount of net provisions		
		Secured	Unsecured	Total
		NIL	NIL	NIL
		NIL	NIL	NIL
		NIL	NIL	NIL
		NIL	NIL	NIL
		NIL	NIL	NIL
		NIL	NIL	NIL
7	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):			
	Category 1. Related parties (a) Subsidiaries (b) Companies in the same group (c) Other related parties 2. Other than related parties# Total	Market value / break up or fair value or NAV (₹ in crore)		Book value (net of provisions) (₹ in crore)
		1,110.96		6.44
		225.13		225.13
		NIL		NIL
		1,675.95	1,675.95	
		3,012.04	1,907.52	
8.	Other information			
	Particulars		Amount	
	I Gross non-performing assets			
	(a) Related parties		NIL	
	(b) Other than related parties		NIL	
	II Net non-performing assets			
	(a) Related parties		NIL	
	(b) Other than related parties		NIL	
	III Assets acquired in satisfaction of debt		NIL	

The break up value of investments in unlisted companies having negative net worth has been taken at Nil above.

Total value of investments excludes investment in paintings of ₹ 0.08 Crore [₹ 8 lakh at cost as specified in “Investment Note No.-3.”]

- 36** The Company is not engaged in any business operations, except generating income from Investment of surplus funds in low risk instruments. While the Company has been registered as a NBFC by virtue of the applicable RBI NBFC Guidelines/Regulations on a Company, it does not carry on investment activities as a business operation. The income earned by company from investment of surplus funds has been classified and disclosed under “Other Income” and this classification/disclosure has been consistently followed by the company. Other income comprises mainly income in the nature of (i) dividend income, (ii) interest on bonds, NCDs and corporate deposits etc., (iii) realised gain on sale of debt instruments / debt mutual funds (other than equity instruments) and (iv) interest on bank deposits.
- 37** Disclosure pertaining to “Undisclosed Income” under Income Tax.
- During the current / previous financial year, the Company has not surrendered or disclosed any income in the tax assessment/ under any scheme in this regard of the Income Tax Act.
- 38** Previous year figures have been re-grouped/re-casted wherever considered necessary to conform to this year’s classification.

As per our report of even date attached

For Tanuj Garg & Associates

Chartered Accountants

Firm Regn. No. 013843C

Monika Garg

Partner

Membership No. 407038

Place: New Delhi

Date: May 28, 2024

For and on behalf of the Board of Directors

Govind Swarup

Director

DIN: 00003145

Shweta Saxena

Director & Company Secretary

DIN: 03120958/M.No: A18585

Rakesh Dhamani

Director

DIN: 07065199

Viveka Nand Jha

Chief Financial Officer

PAN - AEXPJ2176H

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

PNB FINANCE AND INDUSTRIES LIMITED

Report on the Audit of Consolidated Financial Statements for the year ended March 31, 2024

Opinion

We have audited the Consolidated Financial Statements of **PNB Finance And Industries Limited** (hereinafter referred to as “the Holding Company”) and its subsidiaries (the Holding Company and its subsidiaries together referred to as ‘the Group’) which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss including Other Comprehensive Income) and the Statement (of Cash Flows for the year then ended and notes to financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the Consolidated Financial Statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2024, and its Profit, and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s 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 Consolidated Financial Statements.

Emphasis of matter

We draw attention to the following matters in the Notes to the Ind AS Consolidated Financial Statements:

Refer to Note No. 30 of the Accompanying Consolidated Financial Statements, the Holding Company has received adjudication orders from SEBI dated March 28, 2023 (i) as the Holding Company being a listed entity, as well as (ii) Promoter and Shareholder of CAMAC Commercial Company Ltd. Under the said orders, apart from levying monetary penalties as referred in Note No. 28, SEBI directed the Corporate Shareholders (viz: Ashoka Viniyoga Ltd., Artee Viniyoga Ltd, CAMAC Commercial Company Ltd. and Combine Holding Ltd.) and Individual Shareholders (viz: Samir Jain and Meera Jain), to make complete and proper disclosures as Promoters of the Company. Further, the order restrained them from certain activities until Minimum Public Shareholding (MPS) of 25% is achieved in the Company.

The Holding Company has preferred an appeal against these orders in SAT. The SAT vide its order dated April 26, 2023 issued stay orders on the operation of the SEBI orders upon payment of 25% of penalty amount. The Holding Company has made the requisite payment to SEBI as per the said SAT orders. The matter is under sub-judice as on date.

Our Opinion is not modified in respect of the above matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the following key audit matters to be communicated in our report:

S. No.	Key audit matters	How our audit addressed the key audit matter
1.	Contingent Liabilities The Company is subject to legal, regulatory, arbitration and tax cases for which final outcome cannot be easily predicted and which could potentially result in significant liabilities. The assessment of whether a liability is recognised as a provision or disclosed as a contingent liability in the standalone financial statements is inherently subjective and requires significant management judgement in determination of the cash outflows from the business, interpretation of applicable laws and regulations, and careful examination of pending assessments at various levels of regulatory authorities. We identified this as a key audit matter because the estimates on which these amounts are based involve a significant degree of management judgement in interpreting the cases and it may be subject to management bias. (Refer Note No. 1.3 and Item No. 1.3.9 of the Material Accounting Policy to the standalone financial statements)	We have adopted the following audit procedures • Understood and tested the design and operating effectiveness of controls as established by the management for obtaining all relevant information for pending litigation cases • Discussed with the management any material developments and latest status of legal matters at the corporate office. • Read various correspondences and related documents pertaining to litigation cases and performed substantive procedures on calculations supporting the disclosure of contingent liabilities Assessed the adequacy and completeness of disclosures. Based on the above procedure performed, the estimations and disclosure of contingent liabilities are considered to be adequate and reasonable

Other information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the consolidated financial statements and our auditors' report thereon.

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

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

Management's responsibility for the consolidated financial statements

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

In preparing the Consolidated Financial Statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our responsibility is to express an opinion on the standalone financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 Consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 Group'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 Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Materiality is the magnitude of misstatement in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the consolidated financial statements.

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

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

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

Report on other legal and regulatory requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, in respect of clause 3(xx), we report that there have been no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

As required by Section 143(3) of the Act, we report that:

- A. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the consolidated financial statements;
- B. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- C. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Consolidated Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement

with the books of account maintained for the purpose of preparation of the consolidated financial statements;

- D. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended;
- E. On the basis of the written representations received from the directors as on March 31, 2024 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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 Holding Company and its subsidiaries, and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting;
- G. With respect to the other matters to be included in the Auditors’ Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- H. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us :
 - i) The Group has disclosed the impact of pending litigations on its financial position in its Consolidated Financial Statements;
 - ii) The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiaries.

For Tanuj Garg & Associates
Chartered Accountants
Firm Registration No. 013843C

Monika Garg
Partner

Place : New Delhi
Date : May 28, 2024

Membership No. : 407038
UDIN : 24407038BKHYYF2786

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF PNB FINANCE AND INDUSTRIES LIMITED

(Referred to in paragraph (F) under ‘Report on other Legal and Regulatory Requirements’ of our report of even date)

Report on the internal financial controls under clause (i) of sub-section 3 of section 143 of the companies act, 2013 (“the act”)

In conjunction with our audit of the consolidated financial statements of PNB FINANCE AND INDUSTRIES LIMITED (the “Holding Company”) & its subsidiaries (the holding company and its subsidiaries together referred to as “the Group”) as at and for the year ended March 31, 2024, we have audited the internal financial controls over financial reporting of the Holding Company and considered the audit reports of its subsidiaries been audited by other auditors covered under the Act, as at that date.

Management’s responsibility for internal financial controls

The Holding Company’s and its subsidiaries management 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”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ responsibility

Our responsibility is to express an opinion on the Group’s internal financial controls over financial reporting based on our audit and reliance placed by us on other auditor’s reports. 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 Act, 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 were 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 includes 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 Holding Company and its subsidiaries internal financial controls system over financial reporting.

Meaning of internal financial controls over financial reporting

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

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

Opinion

In our opinion, the Holding Company and its subsidiaries, have 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 March 31, 2024, based on "the internal control over financial reporting criteria established by the Holding Company and its subsidiaries considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India"

For **Tanuj Garg & Associates**
Chartered Accountants
Firm Registration No. 013843C

Monika Garg
Partner

Place : New Delhi
Date : May 28, 2024

Membership No. : 407038
UDIN : 24407038BKHYYF2786

PNB FINANCE AND INDUSTRIES LIMITED

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2024

Particulars	Note no.	As at March 31, 2024 (₹ in lakh)	As at March 31, 2023 (₹ in lakh)
ASSETS			
Financial assets			
Cash and cash equivalents	2 (I)	8.09	218.01
Bank balances other than above	2 (II)	936.87	1,350.35
Trade Receivables	3	118.80	-
Investments	4	3,31,697.05	3,32,604.44
Other financial assets	5	82.34	116.30
Non financial assets			
Current tax assets (net)	6	80.55	21.32
Deferred tax assets (net)	7	6.83	6.23
Property, plant and equipments	8	0.33	0.65
Other non -financial assets	9	321.74	6.00
Total		3,33,252.60	3,34,323.30
LIABILITIES AND EQUITY			
Liabilities			
Financial liabilities			
Payables			
Other payables	10		
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues of micro and small enterprises		2.14	25.42
Other financial liabilities	11	1.87	2.50
Non- financial liabilities			
Current tax liabilities (net)	12	6.05	-
Provisions	13	24.18	21.44
Deferred tax liabilities	14	70,268.83	68,694.66
Other non-financial liabilities	15	23.86	9.94
Equity			
Equity share capital	16	320.00	320.00
Other equity	17	2,62,605.67	2,65,249.34
Total		3,33,252.60	3,34,323.30
Accounting policies and notes on financial statements	1-38		

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For Tanuj Garg & Associates

Chartered Accountants

Firm Regn. No. 013843C

For and on behalf of the Board of Directors

Monika Garg

Partner

Membership No. 407038

Govind Swarup

Director

DIN: 00003145

Rakesh Dhamani

Director

DIN: 07065199

Place: New Delhi

Date: May 28, 2024

Shweta Saxena

Director & Company Secretary

DIN: 03120958/M.No: A18585

Viveka Nand Jha

Chief Financial Officer

PAN - AEXPJ2176H

PNB FINANCE AND INDUSTRIES LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	Note no.	For the year ended March 31, 2024 (₹ in lakh)	For the year ended March 31, 2023 (₹ in lakh)
Income :			
Revenue from Operations	18	110.00	-
Other income			
Interest income	19	373.04	425.83
Dividend income from equity instruments		488.15	390.84
Net gain on fair value changes	20	183.06	306.15
Others	21	4.00	4.14
Total income		1,158.25	1,126.96
Expenses :			
Employee benefits expense	22	73.59	60.75
Finance cost (interest on income tax)		0.14	-
Depreciation and amortization expense	23	0.32	0.96
Other expenses	24	219.95	272.05
Total expenses		294.00	333.76
Profit before exceptional items and tax		864.25	793.20
Exceptional items (expense)	25	-	491.78
Profit before tax		864.25	301.42
Tax expense :			
Current tax		143.22	122.93
Deferred tax charge/(-)credit		(0.81)	(1.21)
Earlier year tax provision (net)		0.16	0.31
Total tax expenses		142.57	122.03
Profit after tax for the year	(A)	721.68	179.39
Profit for the year attributable to :			
Owners of the Company		721.68	179.39
Non-controlling interest		-	-
Other comprehensive income (OCI)			
(I) Items that will be reclassified to the profit or loss			
Fair value changes in debt instruments through OCI		356.51	228.26
Less: reclassified to profit or loss from OCI on sale		(183.06)	(306.15)
Less: income tax (deferred tax) effect on above		(44.54)	32.61
	(I)	128.91	(45.28)
(II) Items that will not be reclassified to the profit or loss			
Fair value changes in equity instruments through OCI		(1,969.14)	23,549.71
Less: income tax (deferred tax) effect on above		(1,529.63)	(1,836.46)
Profit/(loss) on write off/sale of equity instruments through OCI		(4.31)	(28.49)
Less: income tax effect on above		-	-

PNB FINANCE AND INDUSTRIES LIMITED

Particulars	Note no.	For the year ended March 31, 2024 (₹ in lakh)	For the year ended March 31, 2023 (₹ in lakh)
Remeasurement of the defined benefit plans		0.70	(4.91)
Less: income tax (deferred tax) effect on above		(0.20)	1.37
(II)		<u>(3,502.58)</u>	<u>21,681.22</u>
Total other comprehensive income, net of tax (B= I+II)		<u>(3,373.67)</u>	<u>21,635.94</u>
Other comprehensive income for the year attributable to :			
Owners of the Company		(3,373.67)	21,635.94
Non-controlling interest		-	-
Total comprehensive income for the year (A+B)		<u>(2,651.99)</u>	<u>21,815.33</u>
Total comprehensive income for the year attributable to :			
Owners of the Company		<u>(2,651.99)</u>	<u>21,815.33</u>
Non-controlling interest		-	-
 Earnings per equity share	 26		
(Face value of ₹ 10/- each)			
Basic earnings per share (in ₹)		22.55	5.61
Diluted earnings per share (in ₹)		22.55	5.61
Accounting policies & notes on financial statements	1-38		

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For Tanuj Garg & Associates

Chartered Accountants

Firm Regn. No. 013843C

For and on behalf of the Board of Directors

Monika Garg

Partner

Membership No. 407038

Govind Swarup

Director

DIN: 00003145

Rakesh Dhamani

Director

DIN: 07065199

Place: New Delhi

Date: May 28, 2024

Shweta Saxena

Director & Company Secretary

DIN: 03120958/M.No: A18585

Viveka Nand Jha

Chief Financial Officer

PAN - AEXPJ2176H

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024

Particulars	For the year ended March 31, 2024 (₹ in lakh)	For the year ended March 31, 2023 (₹ in lakh)
A Cash flow from operating activities		
Profit before tax	864.25	301.42
Adjustment for:		
Dividend income	(488.15)	(390.84)
(Gain)/loss on sale of investment in debt mutual funds (realised)	(183.06)	(306.15)
Interest on investments in bonds, debentures & deposit	(321.27)	(365.61)
Premium (net of discount) on bonds amortised	8.09	9.43
Interest income on loan	(3.47)	-
Interest on fixed deposits with bank	(56.39)	(69.65)
Interest on income tax	0.14	-
Non - cash items :		
Provision for leave encashment and gratuity (net)	4.23	4.01
Depreciation	0.32	0.96
Amount written off	-	1.51
Provision no longer required, written back	(0.85)	-
Operating profit before working capital changes	(176.16)	(814.92)
Adjustments for changes in working capital:		
(Increase)/ decrease in other non-financial assets	(315.74)	(5.43)
(Increase)/ decrease in Trade Receivables	(118.80)	-
Increase/(decrease) in other payables	(23.21)	21.45
Increase/(decrease) in other non-financial liabilities	13.92	2.68
Cash generated from /(used in) operations	(619.99)	(796.22)
Income tax paid(net of refund)	(196.71)	(124.53)
Net cash from/(used in) operating activities	(816.70)	(920.75)
B Cash flow from investing activities		
Proceeds on sale of property, plant and equipment	-	0.05
Dividend received (includes TDS)	488.15	390.84
Interest received (includes TDS) on deposits, bonds and FDR	411.62	946.63
Maturity of investment in bonds and deposits	2,990.00	2,400.00
Maturity of fixed deposits with bank	1,347.85	1,300.94
Fixed deposits with bank made	(935.00)	(1,347.85)
Loan repaid/refunded	580.50	-
Loan given	(580.50)	-
Interest received (includes TDS) on loan to others	3.47	-
Purchase of investments in mutual funds	(3,898.20)	(5,272.00)
Purchase of investments in shares	(1,158.19)	(3,829.29)
Proceeds from sale of shares	-	168.69
Proceeds from sale/redemption of mutual funds	1,357.08	6,376.03
Net cash from/(used in) investing activities	606.78	1,134.04

PNB FINANCE AND INDUSTRIES LIMITED

Particulars	For the year ended March 31, 2024 (₹ in lakh)	For the year ended March 31, 2023 (₹ in lakh)
C Cash flow from financing activities		
Net cash from/(used in) financing activities C	-	-
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(209.92)	213.29
Cash and cash equivalents at the beginning of the year	218.01	4.72
Total cash and cash equivalents at the end of the year	8.09	218.01
<u>Components of cash and cash equivalents:</u>		
Cash on hand	0.03	0.03
Balances with bank in current accounts	8.06	42.98
Fixed deposits with HDFC bank (short term maturity i.e. less than 3 months)	-	175.00
Total	8.09	218.01

Note : (i) The above Cash flow statement has been prepared under the Indirect method as set out in Indian Accounting Standard (Ind AS-7) “Statement of Cash Flow”.

(ii) Previous year figures have been regrouped/ rearranged wherever considered necessary.

As per our report of even date attached

For Tanuj Garg & Associates

Chartered Accountants

Firm Regn. No. 013843C

For and on behalf of the Board of Directors

Monika Garg

Partner

Membership No. 407038

Govind Swarup

Director

DIN: 00003145

Rakesh Dhamani

Director

DIN: 07065199

Place: New Delhi

Date: May 28, 2024

Shweta Saxena

Director & Company Secretary

DIN: 03120958/M.No: A18585

Viveka Nand Jha

Chief Financial Officer

PAN - AEXPJ2176H

PNB FINANCE AND INDUSTRIES LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

A. Equity Share Capital

(₹ in lakh)

Particulars	Balance as at March 31, 2022	Changes during the year	Balance as at March 31, 2023	Changes during the year	Balance as at March 31, 2024
Equity Shares	320.00	-	320.00	-	320.00
	320.00	-	320.00	-	320.00

B. Other Equity

(₹ in lakh)

Particulars	Reserves and surplus				Accumulated balance of other comprehensive income (OCI)		Total other equity
	Securities premium	General reserve	Special reserve u/s 45-IC of RBI Act, 1934	Retained earnings (surplus)	Debt instruments through OCI	Equity instruments through OCI	
Balance as at March 31, 2022	103.91	2,988.56	2,345.17	10,618.16	985.77	2,26,392.44	2,43,434.01
<u>Changes during the year ended March 31, 2023:</u>							
Add : profit/(-) loss for the year	-	-	-	179.39	-	-	179.39
Add : other comprehensive income (OCI) for the year :							
fair value changes of financial instruments through OCI (net of reclassification)	-	-	-	-	(77.89)	23,549.71	23,471.82
Income tax (deferred tax) on above	-	-	-	-	32.61	(1,836.46)	(1,803.85)
Profit/(loss) on sale of equity instruments (net of tax)	-	-	-	-	-	(28.49)	(28.49)
Remeasurement of defined benefit plan (net of deferred tax)	-	-	-	(3.54)	-	-	(3.54)
Add/less: transfer to general reserve	-	29.69	-	(29.69)	-	-	-
Add/less: transfer to special reserve	-	-	120.63	(120.63)	-	-	-
Add/less: profit/(loss) on sale of equity instruments transferred	-	-	-	(28.49)	-	28.49	-
Balance as at March 31, 2023	103.91	3,018.25	2,465.80	10,615.20	940.49	2,48,105.69	2,65,249.34
<u>Changes during the year ended March 31, 2024:</u>							
Add : profit/(-) loss for the year	-	-	-	721.68	-	-	721.68
Add : other comprehensive income (OCI) for the year :							
fair value changes of financial instruments through OCI (net of reclassification)	-	-	-	-	173.45	(1,969.14)	(1,795.69)
Income tax (deferred tax) on above	-	-	-	-	(44.54)	(1,529.63)	(1,574.17)
Loss on write off equity instruments (net of tax)	-	-	-	-	-	(4.31)	(4.31)
Remeasurement of defined benefit plan (net of deferred tax)	-	-	-	0.50	-	-	0.50
Add/less: transfer to general reserve	-	55.00	-	(55.00)	-	-	-
Add/less: transfer to special reserve	-	-	108.45	(108.45)	-	-	-
Add/less: loss on write off equity instruments transferred	-	-	-	(4.31)	-	4.31	-
Add: other adjustments (earlier year)	-	-	-	8.32	-	-	8.32
Rounding off	-	-	(0.01)	0.02	(0.01)	-	-
Balance as at March 31, 2024	103.91	3,073.25	2,574.24	11,177.96	1,069.39	2,44,606.92	2,62,605.67

As per our report of even date attached

For Tanuj Garg & Associates

Chartered Accountants

Firm Regn. No. 013843C

For and on behalf of the Board of Directors

Monika Garg

Partner

Membership No. 407038

Govind Swarup

Director

DIN: 00003145

Rakesh Dhamani

Director

DIN: 07065199

Place: New Delhi

Date: May 28, 2024

Shweta Saxena

Director & Company Secretary

DIN: 03120958/M.No: A18585

Viveka Nand Jha

Chief Financial Officer

PAN - AEXPJ2176H

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Corporate Overview

PNB Finance and Industries Limited ('the company') is a public limited company domiciled and incorporated in India under the provisions of Indian Companies Act.

The shares of the Company are listed with The Calcutta Stock Exchange Ltd.

The Company is registered with the RBI as a Non-Banking Financial Institution (non-deposit accepting/non-deposit taking).

Presently, the Company is not engaged in any business operations, except investment of surplus funds in low risk instruments and earning income therefrom.

Note- 1: Basis of preparation, basis of consolidation, and summary of material accounting policies of consolidated financial statements

The Consolidated Financial Statements comprise of financial statements of PNB Finance and Industries Limited ('the Company')/ 'the Parent Company') and its wholly owned subsidiaries (hereinafter collectively referred to as the "Group") for the year ended March 31, 2024.

The Consolidated Financial Statements include financial statements of the subsidiaries of the Company consolidated in accordance with Indian Accounting Standards 110 'Consolidated Financial Statements'.

The Subsidiaries which are considered and included in the consolidation along with Company's holdings are given below:			
S. No.	Name of the company	Ownership in % either directly or through subsidiary at the end of the year	
		2023-24	2022-23
1	Subsidiary (Indian) Punjab Mercantile and Traders Ltd.	100%	100%
2	Esoterica Services Ltd (Earlier Jacaranda Corporate Services Ltd.)	100%	100%

1.1 Basis of preparation:

The Consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 (the Act) read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and disclosures are made in accordance with the requirement of Division III of Schedule III of the Act and other relevant provisions of the Act to the extent applicable.

The consolidated financial statements have been prepared on a historical cost basis, except for the certain financial assets and financial liabilities that are measured and carried at fair value.

The consolidated financial statements are presented in indian rupees (INR), which is the Company's functional currency.

All amounts have been rounded-off to the nearest lakhs (up to two decimal point), as per the requirements of schedule III, unless otherwise stated.

The financial statements are approved by the Board of Directors on May 28, 2024.

1.2 Basis of consolidation

- (i) The consolidated financial statements incorporate the financial statements of the parent company and its subsidiaries. The parent company together with its subsidiaries constitutes the Group. For this purpose, an entity which is, directly or indirectly, controlled by the parent company is treated as subsidiary.

Control is achieved when the Group directly or indirectly:

- has power over the investee.
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

- (ii) The Consolidated financial statements of the Group combine financial statements of parent company and its subsidiaries line by line basis by adding together the like items of assets, liabilities, income and expenses.
- (iii) All intragroup assets and liabilities, equity, income, expenses, unrealised profits/losses and cash flows relating to transactions between the entities of the Group are eliminated on consolidation.
- (iv) The financial statements of all the entities used for the purpose of consolidation are drawn up to the same reporting date as that of the parent company.
- (v) The consolidated financial statements are prepared using uniform accounting policies as the company's standalone financial statements, however where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.
- (vi) Profit or loss, other comprehensive income and total comprehensive income of the subsidiaries are attributed to the owners of the parent company and to the non-controlling interests (NCI) in their respective holdings and have been shown separately in the consolidated financial statements.

Non-controlling interest represents that part of the profit or Loss, other comprehensive income and total comprehensive income and net assets of subsidiaries attributable to interests which are not owned, directly or indirectly, by the parent company.

The subsidiaries considered in the consolidated financial statements are wholly owned by parent company, thus profit or loss, other comprehensive income and total comprehensive income of these subsidiaries are wholly attributed to the owners of the parent company in the financial statements.

- (vii) Investments other than investment in subsidiaries have been accounted for as per Indian Accounting Standard (Ind AS) 109 "Financial Instruments".

1.3 Other material accounting policies

Other material accounting policies followed by the Group are exactly similar to the material accounting policies of the parent company i.e. PNB Finance and Industries Limited; and hence have not been reproduced here.

Refer note 1 [from Note 1.3] of the Standalone financial statements of PNB Finance and Industries Limited for the year ended March 31, 2024 for details with respect to summary of material accounting policies.

These accounting policies have been consistently applied to all the years presented, unless otherwise stated.

2 CASH AND CASH BALANCES

(₹ in lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
2 (I) : Cash and cash equivalents		
Cash on hand	0.03	0.03
Balances with with HDFC bank in current account	8.06	42.98
Fixed deposits with HDFC bank (short term maturity i.e. less than 3 months)	-	175.00
Sub total-I	8.09	218.01
2 (II) : Bank balance other than above (I)		
Fixed deposits with HDFC bank (Maturity above 3 months)	-	1,347.85
Fixed deposits with HDFC bank (Maturity: July 10, 2024)	310.00	-
Fixed deposits with HDFC bank (Maturity: March 20, 2027)	625.00	-
Earmarked balances with HDFC bank (in unclaimed dividend accounts)	1.87	2.50
Sub total-II	936.87	1,350.35
Total (I+II)	944.96	1,568.36

Particulars	As at March 31, 2024 (₹ in lakh)	As at March 31, 2023 (₹ in lakh)
3 TRADE RECEIVABLES		
Trade Receivables #		
Unsecured - considered good	118.80	-
Receivables which have significant increase in credit risk	-	-
Receivables - credit impaired	-	-
	<u>118.80</u>	<u>-</u>
Less : Loss allowance	-	-
Total	<u>118.80</u>	<u>-</u>

No trade receivables are due from directors or officers of the company either severally or jointly with any other person nor any trade receivables are due from firms or private companies in which any director is a partner, a director or member.

Trade receivable ageing Schedule as on March 31, 2024

Particulars	Outstanding for following periods from date of transactions					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables – considered good	118.80	-	-	-	-	118.80
Disputed trade Receivables–considered good	-	-	-	-	-	-
Total	118.80	-	-	-	-	118.80

Trade Receivable ageing schedule as on March 31, 2023

Particulars	Outstanding for following periods from date of transactions					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables – considered good	-	-	-	-	-	-
Disputed trade Receivables–considered good	-	-	-	-	-	-
Total	-	-	-	-	-	-

4 INVESTMENTS

(Investment in India & other than trade)

Particulars	Face value Per share/ bond /unit (in ₹)	As at March 31, 2024		As at March 31, 2023	
		Units/bonds/ shares in No.*	Value (₹ in lakh)	Units/bonds/ shares in No.*	Value (₹ in lakh)
(1) In debt mutual funds					
Unquoted					
(Carried at fair value through OCI (FVTOCI))					
Non current					
Axis Short Term Plan- Direct - Growth	10	2,48,129	75.00	2,81,136	78.79
ICICI Prudential Short Term Fund-Direct Plan- Growth	10	1,71,845	101.27	4,79,988	260.96
Bandhan Bond Fund - Medium Term Plan - Direct - Growth (Earlier IDFC Bond Fund/Super Savings Income Fund-Medium Term Plan)	10	52,27,752	2,342.96	54,25,826	2,263.07
Bandhan Bond Fund- Short Term Plan-Direct Growth (Earlier IDFC Bond Fund - Short Term Plan)	10	1,14,906	63.11	1,39,579	71.23

Particulars	Face value Per share/ bond /unit (in ₹)	As at March 31, 2024		As at March 31, 2023	
		Units/bonds/ shares in No.*	Value (₹ in lakh)	Units/bonds/ shares in No.*	Value (₹ in lakh)
Bandhan Bond Fund- Short Term Plan-Direct Growth (Earlier IDFC Bond Fund/ Super Savings Income Fund- Short Term Plan)	10	-	-	48,792	24.90
Bandhan Banking & PSU Debt Fund - Direct - Growth (Earlier IDFC Banking & PSU Debt Fund)	10	-	-	2,90,127	61.95
Kotak Banking & PSU Debt Fund - Direct- Growth	10	26,00,041	1,595.33	28,04,264	1,594.87
Kotak Bond Fund (Short term) - Direct - Growth	10	-	-	2,46,778	117.77
HSBC Short Duration Fund - Direct - Growth (Earlier L&T Short Duration Fund / L&T Short Term Bond Fund)	10	40,691	10.27	40,691	9.56
HSBC Banking and PSU Debt Fund - Direct - Growth	10	-	-	4,49,452	96.76
Nippon India Nivesh Lakshya Fund - Direct-Growth	10	3,69,701	60.87	3,69,701	55.32
Total [1]			4,248.81		4,635.18
(2) In equity mutual funds					
Unquoted					
(Carried at fair value through OCI (FVTOCI))					
Non current					
ICICI Prudential Bluechip Fund- Direct Plan Growth	10	27,02,728	2,848.68	27,02,728	1,978.40
UTI Nifty 50 Index Fund - Dir - Growth	10	13,31,336	2,038.74	-	-
SBI Nifty Index Fund - Direct Plan- Growth	10	6,61,482	1,355.87	-	-
HDFC Index Fund Nifty 50 Plan - Direct Growth	10	11,28,381	2,414.45	11,28,381	1,853.47
Total [2]			8,657.74		3,831.87
(3) In bonds / NCDs					
Quoted					
(Carried at amortised cost)					
Current					
9.56%, State Bank of India Perpetual Bond (Call date : 04-12-2023)	10,00,000	-	-	100	1,000.53
9.45%, State Bank of India Bonds, Taxable Perpetual Bonds (Call Date-22-03-2024)	10,00,000	-	-	199	1,997.57
8.40%, TATA Capital Financial Services Ltd, (Secured Non-Convertible Debentures, Series -III), (Call Date- 26-08-2024)	1,000	50,000	500.00	-	-
8.20%, TATA Capital Housing Finance Ltd, (Secured, Non-Convertible Debentures-Series -III), (Call Date-14-01-2025)	1,000	38,000	380.00	-	-
Non current					
8.40%, TATA Capital Financial Services Ltd, (Secured Non-Convertible Debentures, Series -III), (Call Date- 26-08-2024)	1,000	-	-	50,000	500.00
8.20%, TATA Capital Housing Finance Ltd, (Secured, Non-Convertible Debentures-Series -III), (Call Date-14-01-2025)	1,000	-	-	38,000	380.00
Total (3)			880.00		3,878.10
(4) In equity shares @					
(a) Quoted					
(Carried at fair value through OCI (FVTOCI))					
Non current					
Fully paid up shares of :					
Camac Commercial Co. Ltd.	10	1,00,975	19,696.28	1,00,975	19,574.54
HDFC Bank Ltd.	1	24,38,280	35,311.17	24,38,280	39,250.21
ICICI Bank Ltd.	2	1,38,900	1,522.14	1,38,900	1,218.43
Tata Consultancy Services Ltd (TCS)	1	5,268	204.59	5,268	168.88
Bajaj Finance Ltd	2	16,353	1,184.01	16,353	918.29
Titan Company Ltd	1	52,262	1,988.45	52,262	1,314.44
Susmit Trading Ltd	10	29,400	-	29,400	-
Jantej Commercial Enterprises Ltd@@	10	-	-	50,000	-
Sagar Investments Ltd@@	10	-	-	1,00,000	-
The Pioneer Ltd	10	100	-	100	-
Total [4(a)]			59,906.64		62,444.79

PNB FINANCE AND INDUSTRIES LIMITED

Particulars	Face value Per share/ bond /unit (in ₹)	As at March 31, 2024		As at March 31, 2023	
		Units/bonds/ shares in No.*	Value (₹ in lakh)	Units/bonds/ shares in No.*	Value (₹ in lakh)
(b) Unquoted					
(Carried at fair value through OCI (FVTOCI))					
Non current					
Fully paid up shares of :					
Bennett,Coleman & Co Ltd	10	5,22,97,848	1,95,358.61	5,22,97,848	2,00,405.36
Ashoka Viniyoga Ltd	10	59,100	16,855.41	59,100	15,202.57
Excel Publishing House Ltd	10	32,000	437.52	23,500	31.91
Artee Viniyoga Ltd.	10	2,49,860	2,640.82	2,49,860	2,701.59
Combine Holding Ltd	10	93,150	8,930.85	93,150	8,475.89
Sahu Jain Ltd	10	4,900	35.29	4,900	61.36
Times Publishing House Ltd	10	24,000	1,857.21	24,000	1,628.94
Sahu Jain Services Ltd	10	10,500	1,143.39	2,500	171.60
Bennett Property Holdings Company Ltd.#	10	87,16,308	30,278.71	87,16,308	29,127.28
Pearl Printwell Ltd	10	26,000	377.16	19,800	-
Nandavrat Properties and Developers Ltd	10	5,19,990	65.31	-	-
Shantiniketan Estate Ltd	100	1,075	12.68	-	-
Bennett Advisory Services Ltd	10	9,750	2.90	-	-
Total [4(b)]			2,57,995.86		2,57,806.50
(5) Other investment					
Non current					
(Carried at cost)					
Investment in paintings			8.00		8.00
Total [5]			8.00		8.00
Grand total (1+2+3+4(a)+4(b)+5)			3,31,697.05		3,32,604.44
<u>Summary of investments :</u>					
<u>Total investments measured & carried :</u>					
At fair value through OCI (FVTOCI)			3,30,809.05		3,28,718.34
At amortised cost			880.00		3,878.10
At cost			8.00		8.00
Total			3,31,697.05		3,32,604.44
<u>Total investments current & non-current :</u>					
Current (within 12 months)			880.00		2,998.10
Non -current (long term)			3,30,817.05		3,29,606.34
Total			3,31,697.05		3,32,604.44
<u>Total investments as quoted and unquoted :</u>					
Quoted			60,786.64		66,322.89
Unquoted			2,70,910.41		2,66,281.55
Total			3,31,697.05		3,32,604.44

*Units are rounded off to the nearest unit.

In pursuance of scheme of arrangement entered between Bennett,Coleman & Co. Ltd.(BCCL) and Bennett Property Holdings Company Limited (BPHCL) as approved by the Bombay High Court order dated December 02, 2011 the Company has received shares of BPHCL in proportion of 1:6.

@The fair value change of investment in unquoted equity shares and those quoted shares, which have not been traded / no latest quotes are available, has been considered based on latest available audited/unaudited financial statements of the respective investee companies.

@@During the current financial year, Investment in equity shares of “Jantej Commercial Enterprises Ltd” and “Sagar Investments Ltd” have been written off and accordingly, loss of ₹ 4.31 Lakh (loss as cost of Investment on write off) on Equity Instruments (Equity shares) has been booked & routed through “Other comprehensive income (OCI)” under statement of profit and loss.

PNB FINANCE AND INDUSTRIES LIMITED

Particulars	As at March 31, 2024 (₹ in lakh)	As at March 31, 2023 (₹ in lakh)
5 OTHER FINANCIAL ASSETS		
Interest accrued on bonds/NCDs and deposits	28.70	67.43
Interest accrued on bank fixed deposits #	53.32	48.55
Deposit with custodian(CDSL) & RTA	0.32	0.32
Total	82.34	116.30
# includes interest accrued on bank fixed deposits for ₹ 34.82 Lakh (P.Y.-Nil), which is receivable after 12 months.		
6 CURRENT TAX ASSETS (NET)		
(Unsecured, considered good)		
Advance income tax & TDS	188.61	332.70
Provision for income tax	(108.06)	(311.38)
Total	80.55	21.32
7 DEFERRED TAX ASSETS (NET)		
Deferred tax assets (net) on account of deductible temporary difference between tax base and carrying amount of assets/liabilities :		
on employee benefits liabilities (gratuity & leave encashment)	6.72	5.95
on property, plant and equipments	0.11	0.12
on long term capital loss	-	0.16
Total	6.83	6.23

Particulars	Tangible Assets		(₹ in lakh)
	Office Equipments (Computers & Others)	Furniture & Fixture	Total
8 PROPERTY, PLANT AND EQUIPMENTS			
At cost			
Gross carrying amount			
Balance as at March 31, 2022	5.76	0.30	6.06
Addition during the year	-	-	-
Addition/ adjustment during the year	(1.13)	-	(1.13)
Balance as at March 31, 2023	4.63	0.30	4.93
Addition during the year	-	-	-
Addition/adjustment during the year	-	-	-
Balance as at March 31, 2024	4.63	0.30	4.93
Accumulated depreciation			
Balance as at March 31, 2022	4.31	0.10	4.41
Depreciation charge during the year	0.91	0.05	0.96
Adjustment/deduction during the year	(1.09)	-	(1.09)
Balance as at March 31, 2023	4.13	0.15	4.28
Depreciation charge during the year	0.31	0.01	0.32
Adjustment/deduction during the year	-	-	-
Balance as at March 31, 2024	4.44	0.16	4.60
Net carrying amount			
As at March 31, 2024	0.19	0.14	0.33
As at March 31, 2023	0.50	0.15	0.65
As at March 31, 2022	1.45	0.20	1.65

PNB FINANCE AND INDUSTRIES LIMITED

Particulars	As at March 31, 2024 (₹ in lakh)	As at March 31, 2023 (₹ in lakh)
9 OTHER NON-FINANCIAL ASSETS		
(Unsecured, considered good)		
Staff Advance	10.00	5.00
Prepaid expenses	1.64	1.00
Amount deposited with SEBI, as per SAT Order #	310.00	-
Other receivables (advance for expenses)	0.10	-
Total	<u>321.74</u>	<u>6.00</u>
# Refer "Note- 30 : Contingent liabilities & committments" for detailed disclosure.		
10 OTHER PAYABLES		
Payable to micro and small enterprises	-	-
Payable to others	2.14	25.42
Total	<u>2.14</u>	<u>25.42</u>

Other payables ageing as at March 31, 2024

(₹ in lakh)

Particulars	MSME	Others	Disputed dues – MSME	Disputed dues – Others	Total
Outstanding from due date of payment					
Less than 1 year	-	2.14	-	-	2.14
1-2 years	-	-	-	-	-
2-3 years	-	-	-	-	-
More than 3 years	-	-	-	-	-
Total	-	2.14	-	-	2.14

Other payables ageing as at March 31, 2023

Particulars	MSME	Others	Disputed dues – MSME	Disputed dues – Others	Total
Outstanding from due date of payment					
Less than 1 year	-	24.29	-	-	24.29
1-2 years	-	0.95	-	-	0.95
2-3 years	-	0.18	-	-	0.18
More than 3 years	-	-	-	-	-
Total	-	25.42	-	-	25.42

Particulars	As at March 31, 2024 (₹ in lakh)	As at March 31, 2023 (₹ in lakh)
11 OTHER FINANCIAL LIABILITIES		
Unpaid dividends*	1.87	2.50
Total	<u>1.87</u>	<u>2.50</u>
* Unclaimed portion only		

PNB FINANCE AND INDUSTRIES LIMITED

Particulars	As at March 31, 2024 (₹ in lakh)	As at March 31, 2023 (₹ in lakh)
12 CURRENT TAX LIABILITIES (NET)		
Provision for income tax	35.16	-
Less : advance income tax & TDS	(29.11)	-
Total	<u>6.05</u>	<u>-</u>
13 PROVISIONS		
<u>Provision for employee benefits</u>	-	-
- for leave encashment #	6.53	5.95
- for gratuity #	17.65	15.49
Total	<u>24.18</u>	<u>21.44</u>
# Refer Note- 32 for detailed disclosures.		
14 DEFERRED TAX LIABILITIES		
Deferred tax liabilities on account of deductible temporary difference between tax base and carrying amount of assets/liabilities :		
Investment in debt instruments (measured at FVTOCI)	306.27	261.73
Investment in equity instruments (measured at FVTOCI)	69,962.56	68,432.93
Total	<u>70,268.83</u>	<u>68,694.66</u>
15 OTHER NON-FINANCIAL LIABILITIES		
<u>Others</u>	-	-
TDS payable	1.91	4.14
GST payable	21.49	5.48
Provident fund payable	0.46	0.32
Total	<u>23.86</u>	<u>9.94</u>
16 EQUITY SHARE CAPITAL		
Equity share capital		
Authorised share capital		
50,00,000 (P.Y. -50,00,000) equity shares of ₹ 10 each	500.00	500.00
Total	<u>500.00</u>	<u>500.00</u>
Issued share capital		
32,00,000 (P.Y. -32,00,000) shares of ₹10 each	320.00	320.00
Total	<u>320.00</u>	<u>320.00</u>
Subscribed & fully paid share capital		
a) 8,01,288.5 (P.Y. - 8,01,288.5) shares of ₹10 each fully paid up. (On reduction of share capital through High Court order dated 15-11-1973)	80.13	80.13
b) 23,98,711.5 (P.Y.-23,98,711.5) shares of ₹10 each fully paid up (including 131 equity shares of ₹ 10 each in the form of fractional coupons)	239.87	239.87
Total	<u>320.00</u>	<u>320.00</u>

(i) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

The dividend, if any, is proposed by the Board of Directors will be subject to the approval of shareholders in the ensuing annual general meeting. The payment of dividend will be made in Indian rupees.

In the event of the liquidation of the Company, the holders of equity shares will be entitled to remaining assets of the Company, after meeting all liabilities.

(ii) Reconciliation of equity shares held at the beginning and at the end of the year

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	₹ in lakh	No. of shares	₹ in lakh
At the beginning of the year	32,00,000	320.00	32,00,000	320.00
Movement during the year	-	-	-	-
At the end of the year	32,00,000	320.00	32,00,000	320.00

(iii) There is no change in the share capital in the period of five years immediately preceding the date as at which the balance sheet is prepared. There has been no allotment of shares pursuant to contract(s) without payment being received in cash or by way of bonus issue and no shares have been bought back in the five years immediately preceding the balance sheet date i.e. March 31, 2024.

(iv) Details of shareholders holding more than 5 % shares in the Company

Name of the shareholder	As at March 31, 2024	As at March 31, 2023
	No. of shares	No. of shares
Artee Viniyoga Limited	8,01,710	8,01,710
Ashoka Viniyoga Limited	6,51,660	6,51,660
Camac Commercial Company Limited	5,20,000	5,20,000
Mr. Samir Jain	5,18,827	5,18,827
Mrs. Meera Jain	2,73,604	2,73,604
Combine Holding Limited	1,61,437	1,61,437

(v) Details of shareholding of promoters in the Company

Promoter name	As at March 31, 2024			As at March 31, 2023		
	No. of shares held	% of total shares	% change during the year	No. of shares held	% of total shares	% change during the year
NIL	NIL	NIL	NIL	NIL	NIL	NIL

Particulars

**As at
March 31, 2024
(₹ in lakh)**

**As at
March 31, 2023
(₹ in lakh)**

17 OTHER EQUITY

I. Reserve & Surplus

A. Securities premium

Balance as per last financial statements

103.91

103.91

Add/less : addition/(adjustment) during the year

-

-

Balance at the end of the year

103.91

103.91

Particulars	As at March 31, 2024 (₹ in lakh)	As at March 31, 2023 (₹ in lakh)
<u>B. General reserve</u>		
Balance as per last financial statements	3,018.25	2,988.56
Add/less : addition/(adjustment) during the year	55.00	29.69
Balance at the end of the year	3,073.25	3,018.25
<u>C. Special reserve u/s 45-IC of RBI Act,1934</u>		
Balance as per last financial statements	2,465.80	2,345.17
Add/less : addition/(adjustment) during the year	108.45	120.63
Rounding off adjustment	(0.01)	-
Balance at the end of the year	2,574.24	2,465.80
<u>D. Retained earnings (surplus)</u>		
Balance as per last financial statements	10,615.20	10,618.16
Add - profit for the year	721.68	179.39
Add - Other adjustments (earlier year)	8.32	-
Item of OCI recognised directly in retained earnings		
Add : remeasurement of the defined benefit plans (net of deferred tax) for the year	0.50	(3.54)
Add : profit/(loss) (net of tax) transferred from OCI on write off/sale of equity instruments	(4.31)	(28.49)
Less:- transfer to general reserve	(55.00)	(29.69)
Less:- transfer to special reserve	(108.45)	(120.63)
Rounding off adjustment	0.02	-
Balance at the end of the year	11,177.96	10,615.20
Total reserve & surplus at the end of the year (I= A+B+C+D)	16,929.36	16,203.16
<u>II. Accumulated balance of other comprehensive income (OCI)</u>		
<u>(E) Debt instruments through OCI</u>		
Opening balance	940.49	985.77
Add: fair value changes in debt instruments through OCI for the year	356.51	228.26
Less: reclassified to profit or loss from OCI on sale	(183.06)	(306.15)
Less: income tax (deferred tax) effect thereon	(44.54)	32.61
Rounding off adjustment	(0.01)	-
Closing balance at the end of the year	1,069.39	940.49
<u>(F) Equity instruments through OCI</u>		
Opening balance	2,48,105.69	2,26,392.44
Add : fair value changes on equity instruments through OCI for the year	(1,969.14)	23,549.71
Less: income tax (deferred tax) effect on above	(1,529.63)	(1,836.46)
Add :profit/(loss) on write off/ sale of equity instruments	(4.31)	(28.49)
Less :income tax effect on above	-	-
Less :profit/(loss) (net of tax) transferred from OCI to retained earnings	4.31	28.49
Closing balance at the end of the year	2,44,606.92	2,48,105.69
Total accumulated balance of OCI at the end of the year (II= E+F)	2,45,676.31	2,49,046.18
Total other equity (I +II)	2,62,605.67	2,65,249.34

Nature and purpose of reserve

Nature and purpose of each reserve has been disclosed as part of the qualitative disclosure :

Securities premium

It was created in earlier years, by amount of premium received upon issuance of equity shares. This can be utilised in accordance with provisions of the Act.

General reserve

The Company continues to transfer certain percentage of profits to general reserve before declaring dividends. This can be utilised in accordance with provisions of the Act.

Special reserve u/s 45-IC of RBI Act, 1934

The Company, being an NBFC company, is created a special reserve pursuant to section 45 IC the Reserve Bank of India Act, 1934 by transferring amount not less than twenty per cent of its net profit every year as disclosed in the statement of profit and loss.

As prescribed by Section 45 IC of the Reserve Bank of India Act, 1934, No appropriation of any sums from the Reserve Fund shall be made by company except for the purpose as may be specified by RBI from time to time.

Retained earnings (surplus)

It is created out of accretion of profits or loss and represents the amount of accumulated earnings of the Company. It also includes effect of remeasurement of defined benefit obligations. This reserve can be utilised in accordance with provisions of the Act.

Accumulated balance of other comprehensive income (OCI)- debt instruments

This reserve represents the cumulative unrealised gains (net of loss) on fair valuation of debt instruments (including debt mutual funds) measured at fair value through other comprehensive income (FVTOCI), net of amount reclassified, if any, to profit or loss, when those instruments are disposed off.

Accumulated balance of other comprehensive income (OCI)- equity instruments

This reserve represents the cumulative unrealised gains (net of loss) on fair valuation of equity instruments measured at fair value through other comprehensive income (FVTOCI), net of amount reclassified, if any, to retained earnings when those instruments are disposed off.

Particulars	Year ended March 31, 2024 (₹ in lakh)	Year ended March 31, 2023 (₹ in lakh)
18 REVENUE FROM OPERATIONS #		
Sale of service		
Financial management consulting service	110.00	-
Total	<u>110.00</u>	<u>-</u>
#Revenue from Operations consists of operational income earned by Esoterica Services Limited i.e. one of wholly owned subsidiaries in the Group, since the Company is not engaged in any business operations, except generating income from Investment of surplus funds.		
19 INTEREST INCOME		
Interest income on investments in bonds, debentures & deposit (investments measured at amortised cost)	321.27	365.61
Amortisation adjustment of bonds purchased at premium/ discount	(8.09)	(9.43)
Interest income on loan to others	3.47	-
Interest income on deposits with bank	56.39	69.65
Total	<u>373.04</u>	<u>425.83</u>

Particulars	Year ended March 31, 2024 (₹ in lakh)	Year ended March 31, 2023 (₹ in lakh)
20 NET GAIN ON FAIR VALUE CHANGES		
(a) Net gain/(loss) on financial instruments at FVTPL : on trading portfolio/ on financial instruments designated through FVTPL	-	-
(b) Others		
Gain(net) reclassified from OCI to profit or Loss on sale of investments in debt mutual funds	183.06	306.15
Total	183.06	306.15
<u>Break up of gains (net) :</u>		
Realised	183.06	306.15
Unrealised	-	-
Total	183.06	306.15
21 OTHERS (INCOME)		
Particulars		
Interest on income tax refund	0.65	1.64
Provisions no longer required written back	0.85	-
Miscellaneous income	2.50	2.50
Total	4.00	4.14
22 EMPLOYEE BENEFITS EXPENSE#		
Particulars		
Salaries	64.23	52.75
Contribution to provident and other funds	2.79	1.96
Provision for gratuity and leave encashment	4.23	4.01
Staff welfare expenses	2.34	2.03
Total	73.59	60.75
# Includes remuneration to Whole Time Director of ₹ 33.04 lakh for current financial year (₹ 30.46 lakh pertaining to previous financial year ended March 31, 2023).		
23 DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation on property, plant and equipments (refer note -8)	0.32	0.96
Total	0.32	0.96

Particulars	Year ended March 31, 2024 (₹ in lakh)	Year ended March 31, 2023 (₹ in lakh)
24 OTHER EXPENSES		
Director's sitting Fee	6.20	6.20
Legal and professional charges	154.35	199.12
Travelling & conveyance expenses	7.46	6.21
GST paid under reverse charge	26.65	35.29
Bank charges	5.58	-
AGM expenses	0.05	-
Printing & stationery	0.19	0.31
Postage & telephone and internet charges	1.02	0.97
Advertisement expenses	1.15	1.09
Listing fees	0.47	0.47
Custodian fees	0.33	0.33
Document storage charges	1.66	1.56
Software charges	1.41	0.31
Manager remuneration	0.02	0.12
Filing fees	0.15	1.52
Auditor's remuneration \$	1.55	1.07
CSR contribution 2023-24	10.23	-
CSR contribution 2022-23	-	14.51
Amount written off	-	1.51
Miscellaneous expenses	1.48	1.46
Total	219.95	272.05
\$ Auditor's remuneration (inclusive of GST) :		
As auditor		
Audit fees	0.78	0.56
Limited review fees	0.24	0.20
Other service fees (including certification fees)	0.15	0.03
Out of pocket expenses	0.14	0.12
GST on above	0.24	0.16
Total	1.55	1.07
25 EXCEPTIONAL ITEMS (EXPENSE)		
Settlement amount paid to SEBI #	-	491.78
Total	-	491.78
# Refer "Note -30 : Contingent liabilities & committments" for detailed disclosure.		

Particulars	Year ended March 31, 2024 (₹ in lakh)	Year ended March 31, 2023 (₹ in lakh)
26 EARNINGS PER SHARE (EPS)		
Profit after tax as per consolidated statement of profit and loss (₹ in lakh)	721.68	179.39
Weighted average number of equity shares (Face value per equity share ₹ 10)	32,00,000	32,00,000
Basic EPS (In ₹)	22.55	5.61
Diluted EPS (In ₹) #	22.55	5.61

The Company has not issued any potential equity shares, and accordingly, diluted earnings per share is equal to the basic earnings per share.

27 DISCLOSURES AS REQUIRED BY IND AS -24 -“RELATED PARTY DISCLOSURE”

In accordance with the Ind AS -24 “Related Party Disclosure”, disclosure of related parties & related party transactions entered into by the group during the year are given below -

(a) Related parties and nature of relationship :

Key Management Personnel (KMP)

Name	Relationship
1. Mr. Govind Swarup	Director
2. Mr. Ashish Verma	Director
3. Ms. Saumya Agarwal	Director
4. Mr. Rakesh Dhamani	Director
5. Mrs. Shweta Saxena	Director & Company Secretary
6. Mr. Viveka Nand Jha	Chief Financial Officer
7. Mr. Vijay Kumar Bakshi	Manager (up to May 31, 2023)
8. Mr. Tarun Verma	Manager (w.e.f. June 01, 2023)

(b) Related party transactions entered during the year in ordinary course of business and outstanding balances payable/ (receivable) at the end of the year :

(₹ in lakh)

Name of the party	Nature of transaction	transactions entered during year ended on		Balances outstanding as at	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Mr. Govind Swarup	Director's sitting fees	3.80	3.60	-	-
Mr. Ashish Verma	Director's sitting fees	1.60	1.60	-	-
Mrs. Saumya Agarwal	Director's sitting fees	0.80	1.00	-	-
Mrs. Shweta Saxena	Remuneration to Whole Time Director#	33.04	30.46	-	-
Mr. Viveka Nand Jha	Remuneration to Chief Financial Officer#	24.80	19.58	-	-
Mr. Tarun Verma	Remuneration to Manager #	3.63	-	-	-
Mr. Vijay Kumar Bakshi	Remuneration to Manager	0.02	0.12	-	-

Excluding PF and other retiral benefits.

Note : The financial information in the consolidated financial statements contains financial information of holding/parent company and its wholly owned subsidiaries i.e. Punjab Mercantile & Traders Ltd and Esoterica Services Ltd as a single reporting entity (as a group) and all intra group transactions have been eliminated, thus intra group transactions as RPTs, have not been disclosed.

28 SEGMENT INFORMATION

During current financial year, Revenue from Operations of the Group consists of operational income earned by one of wholly owned subsidiaries however operations of the Group comprise of only one business segment, other than investment of surplus funds. Segment performance evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Hence no separate disclosure is made under segment reporting.

29 IMPAIRMENT OF ASSETS

The management is of the opinion that there is no impairment of assets of group as contemplated in Ind AS -38 "Impairment of Assets".

30 CONTINGENT LIABILITIES AND COMMITMENTS

(i) Contingent liabilities not provided for as a Group :

Particulars	Year ended March 31, 2024 (₹ in lakh)	Year ended March 31, 2023 (₹ in lakh)
Penalties levied pursuant to SEBI adjudication orders dated March 28, 2023		
:In case of the Company [Note (a) below]	1,220.00	1,220.00
:In case of one of wholly owned subsidiary i.e. Punjab Mercantile and Traders Ltd ("PMT") [Note (b) below]	20.00	20.00
Total	1,240.00	1,240.00

Note (a)

The Securities and Exchange Board of India ("SEBI") had issued 3 (three) Show Cause Notices to the Company in October 2020, one as a listed entity and two others as Promoter and a Shareholder of Ashoka Viniyoga Limited ("AVL") and Camac Commercial Company Limited ("CCCL") respectively alleging violation of certain provisions of the SEBI Act, 1992 and regulations thereunder.

In the case of AVL, SEBI had accepted the Company's application under the SEBI (Settlement Proceedings) Regulations, 2018 to settle such proceedings without admitting or denying any findings of fact and conclusions of law. Upon payment of a sum of ₹ 21.68 lakhs by the Company and a subsequent Settlement Order dated September 07, 2022 issued by SEBI, these proceedings stood settled.

In the case of (i) the Company as a listed entity, as well as (ii) Promoter and a Shareholder of CCCL, both listed at non-operational Calcutta Stock Exchange, however, SEBI rejected the Company's applications under the Settlement Regulations in December, 2022 and thereafter issued Adjudication Orders on March 28, 2023. These Orders issued by the Whole-Time Member of SEBI concluded violation of various provisions of SEBI Act, 1992 and regulations issued thereunder, by the Company.

Under the said Orders, in the case of (i) above, SEBI levied ₹ 1200 lakhs monetary penalty on the Company, and directed the Corporate Shareholders (Viz: AVL, Artee Viniyoga Ltd, CCCL and Combine Holding Ltd) and Individual Shareholders (viz: Samir Jain and Meera Jain), besides levying certain penalties on each of them, to declare themselves as Promoters of the Company and restrained them from certain activities until Minimum Public Shareholding (MPS) of 25% is achieved in the Company. In the case of (ii) above, besides levying a monetary penalty of ₹ 20 lakhs on the Company, the said Order also restrained the Company from accessing capital market and prohibited from buying or selling of securities or otherwise dealing in securities (including Mutual Funds), until MPS compliance is achieved by CCCL. Subsequently, both the Adjudication Orders were challenged by the Company before the Securities Appellate Tribunal (SAT) and vide its Orders passed on April 26, 2023, SAT had stayed the effect and operation of the said SEBI Orders subject to payment of 25% of the levied penalty(ies) by the Company. The company has made the payment of the requisite amount [25% i.e. Rs 305 Lakh] to SEBI as per the said SAT Orders. The matter is sub-judice as on date.

Note (b)

The Securities and Exchange Board of India (“SEBI”) had issued 4 (four) Show Cause Notices to the PMT in October 2020, two as a Promoter and a Shareholder of Ashoka Viniyoga Limited (“AVL”) and Camac Commercial Company Limited (“CCCL”), two others as Shareholder of Sahu Jain Ltd (“SJL”) and Combine Holding Ltd (“CHL”) respectively alleging violation of certain provisions of the SEBI Act, 1992 and regulations thereunder.

In the case of AVL, SJL, and CHL, SEBI had accepted the PMT’s applications under the SEBI (Settlement Proceedings) Regulations, 2018 to settle such proceedings without admitting or denying any findings of fact and conclusions of law. Upon an aggregate payment of a sum of ₹ 470.10 lakhs by the PMT and subsequent Settlement Orders dated September 7, 2022 issued by SEBI, these proceedings stood settled.

In the case of CCCL, listed at non-operational Calcutta Stock Exchange, however, SEBI rejected the PMT’s application under the Settlement Regulations in December, 2022 and thereafter issued Adjudication Order on March 28, 2023. This Order issued by the Whole-Time Member of SEBI concluded violation of various provisions of SEBI Act, 1992 and regulations issued thereunder, by the PMT.

Under the said Order, SEBI levied ₹ 20 lakhs monetary penalty on the PMT and restrained the PMT from accessing capital market and prohibited from buying or selling of securities or otherwise dealing in securities (including Mutual Funds), until MPS compliance is achieved by CCCL. The Adjudication Order was challenged by the PMT before the Securities Appellate Tribunal (SAT) and vide its Order passed on April 26, 2023, SAT had stayed the effect and operation of the SEBI Order referred above subject to payment of 25% of the levied penalty by the PMT. PMT has made payment of the requisite amount [25% i.e. ₹ 5 Lakh] to SEBI as per the said SAT Orders. The matter is sub-judice as on date.

The “Settlement amount of ₹ 491.78 lakhs” paid by Group during the previous financial year, as mentioned in Note (a) & Note (b) above, has been disclosed under “Note -25 : Exceptional items (expense)”.

The abovementioned requisite payment [25% i.e. ₹ 310 Lakh], as mentioned above in Note (a) & Note (b), made by Group to SEBI as per SAT Orders, has been disclosed under “Note 9 : Other Non-financial Assets”.

(ii) Commitment as on March 31, 2024 as a Group : Nil (Previous year ended March 31, 2023 : Nil).

31 INCOME TAXES EXPENSES & RECONCILIATION

(a) Tax expense recognised in the consolidated statement of profit and loss

(i) Tax expense recognised under “Profit or Loss” section

Particulars	Year ended March 31, 2024 (₹ in lakh)	Year ended March 31, 2023 (₹ in lakh)
<u>(I) Current tax</u>		
Current tax	143.22	122.93
Earlier year tax provision (net)	0.16	0.31
Sub total	143.38	123.24
<u>(II) Deferred tax charge/ (credit)</u>		
Related to origination and reversal of deductible temporary difference	(0.81)	(1.21)
Sub total	(0.81)	(1.21)
Total (I+II)	142.57	122.03

(ii) Tax expense recognised under “Other Comprehensive Income(OCI)” section

Particulars	Year ended March 31, 2024 (₹ in lakh)	Year ended March 31, 2023 (₹ in lakh)
<u>Deferred tax charge / (credit) on :</u>		
<u>on account of deductible temporary difference on items measured through OCI</u>		
Investment in debt instruments (on fair value change)	44.54	(32.61)
Investment in equity instruments (on fair value change)	1,529.63	1,836.46
Remeasurement gains of the defined benefit plans(gratuity plan)	0.20	(1.37)
Total	1,574.37	1,802.48

- (b) In the Group, the Parent Company and one of subsidiary i.e. Esoterica Services Ltd, continue with existing provisions of corporate taxation and have not opted the concessional rate schemes provided vide section 115BAA in the Income Tax Act, 1961.

However the other subsidiary i.e. Punjab Mercantile & Traders Limited, has opted the concessional rate schemes provided vide section 115BAA in the Income Tax Act, 1961.

The section 115BAA in the Income Tax Act, 1961, provides existing domestic companies with an irreversible option to pay tax at a reduced rate of 22% plus applicable Surcharge and Cess, which come with the consequential surrender of specified deductions/ incentives and not eligible to utilise MAT Credit entitlements and take any other deduction / benefits.

- (c) As a matter of prudence and considering uncertainty of sufficient future taxable income, the group have not recognised any deferred tax asset on unused tax losses being brought forward business losses and unused tax credits (MAT credit entitlements) in the consolidated balance sheet.

(d) **Reconciliation of current tax expenses**

Reconciliation of current tax expenses between “Amount calculated as Accounting Profit multiplied by the statutory income tax rate applicable to the Company” and “Current Tax Expenses as per effective income tax rate reported in the Consolidated Statement of Profit and Loss” is given below :

Particulars	Year ended March 31, 2024 (₹ in lakh)	Year ended March 31, 2023 (₹ in lakh)
Consolidated Profit before tax	864.25	301.42
Enacted applicable income tax rate (including applicable SC & cess) on company (%)	27.82%	27.82%
Current tax amount calculated (accounting profit multiplied by the applicable enacted tax rate) for the year	240.43	83.86
<u>Tax effects of amounts which are not deductible/taxable in computing taxable income</u>		
CSR expenditure	2.85	4.04
Tax at lower rate in case of capital gain	(29.43)	(52.42)
Amortisation adjustment of bonds (net amount as exp.)	2.25	2.62
Tax effect on eliminated intra group transactions (interest - income /Exp.)	-	1.15
Other adjustments	0.98	1.58

Particulars	Year ended March 31, 2024 (₹ in lakh)	Year ended March 31, 2023 (₹ in lakh)
<u>Tax effects of amounts which are deductible /non taxable in computing taxable Income</u>		
Deduction under Chapter VI A (80G)	(1.42)	(2.02)
Other adjustments	0.01	0.01
Sub Total	215.67	38.82
Tax adjustments due to different enacted rate of tax applicable for entities in the group	(0.13)	7.55
Adjustment of tax on (brought forward business Loss set off) / unadjusted business loss to be carried forward for entity in the group	(0.48)	121.25
Balance	215.06	167.62
MAT credit utilised	(71.84)	(44.69)
Current tax expense at effective rate as reported in the consolidated statement of profit and loss	143.22	122.93

- (e) The movement in consolidated deferred tax assets (net) during the year ended March 31, 2023 and March 31, 2024

(₹ in lakh)

Particulars	Provision of gratuity & leave encashment liabilities	Property, plant and equipments (dep.)	Long term capital loss	Total
As at March 31, 2022	3.64	0.01	-	3.65
Credit/ (charge) in statement of profit or loss	0.94	0.11	0.16	1.21
Credit/ (charge) in statement of OCI	1.37	-	-	1.37
As at March 31, 2023	5.95	0.12	0.16	6.23
Credit/ (charge) in statement of profit or loss	0.98	(0.01)	(0.16)	0.81
Credit/ (charge) in statement of OCI	(0.20)	-	-	(0.20)
Rounding off	(0.01)	-	-	(0.01)
As at March 31, 2024	6.72	0.11	-	6.83

- (f) The movement in consolidated deferred tax liabilities during the year ended March 31, 2023 and March 31, 2024:

(₹ in lakh)

Particulars	Investment in debt instruments (measured at FVTOCI)	Investment in equity instruments (measured at FVTOCI)	Total
As at March 31, 2022	294.34	66,596.47	66,890.81
Credit/ (charge) in statement of OCI during the year	(32.61)	1,836.46	1,803.85
As at March 31, 2023	261.73	68,432.93	68,694.66
Credit/ (charge) in statement of OCI during the year	44.54	1,529.63	1,574.17
As at March 31, 2024	306.27	69,962.56	70,268.83

32 EMPLOYEE BENEFITS

- I). During the year, liability of the group as an employer towards contribution to provident and other fund has been recognized as an expenses in the consolidated statement of profit and loss. The detail is given below:

Defined contribution plan

Employer's contribution to provident and other funds - ₹ 2.79 Lakh (previous year : ₹ 1.96 lakh)

- II). **Gratuity and other post employment benefit plans :**

During the year, the group has recognised the expenses and liability towards gratuity and leave encashment based on actuarial valuation in conformity with the principles set out in the Indian Accounting Standards -19. The detail are given below :

- (a) **The assumptions used to determine the benefit obligations are as follows**

Particulars	Gratuity (Non -Funded)		Leave Encashment (Non -Funded)	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Discounting rate (p.a.)	7.20%	7.38%	7.20%	7.38%
Future salary increase (p.a.)	8.00%	10.00%	8.00%	10.00%
Expected rate of return of plan assets	N.A	N.A	N.A	N.A
Mortality table used	IALM(2012-14)	IALM(2012-14)	IALM(2012-14)	IALM(2012-14)
Retirement age (years)	58	58	58	58
Withdrawal rate (%)				
Up to 30 years	3	3	3	3
From 31 to 44 years	2	2	2	2
Above 44 years	1	1	1	1

- (b) **Change in present value of obligation/ defined benefit obligations** (₹ in lakh)

Particulars	Gratuity (Non -Funded)		Leave Encashment (Non -Funded)	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Present value of obligation(PBO) at beginning of year	15.49	8.82	5.95	3.70
Past service cost	-	-	-	-
Current service cost	1.75	1.15	0.46	0.45
Net interest cost	1.11	0.61	0.42	0.26
Benefits paid	-	-	-	-
Remeasurement [actuarial (-) gain /loss]	(0.70)	4.91	(0.30)	1.54
Present value of obligation (PBO) at year end	17.65	15.49	6.53	5.95

(c) Liability recognised in the consolidated balance sheet:

(₹ in lakh)

Particulars	Gratuity (Non -Funded)		Leave Encashment (Non -Funded)	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Liability amount (net) at beginning of year	15.49	8.82	5.95	3.70
Provisions made/(reversed) during the year	2.86	1.76	0.88	0.71
Benefits paid	-	-	-	-
Remeasurement [actuarial (-) gain /loss]	(0.70)	4.91	(0.30)	1.54
Liability amount (net) at year end	17.65	15.49	6.53	5.95
<u>Break up of liability/PBO at end of the year</u>				
Current liability (within 12 months)	0.29	0.20	0.11	0.08
Non-current liability	17.36	15.29	6.42	5.87
Total	17.65	15.49	6.53	5.95

(d) Expense/ (income) recognized in the consolidated statement of profit and loss:

(₹ in lakh)

Particulars	Gratuity (Non -Funded)		Leave Encashment (Non -Funded)	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Current service cost	1.75	1.15	0.46	0.45
Net interest cost	1.11	0.61	0.42	0.26
Net actuarial (-) gain / loss recognized in the year	-	-	(0.30)	1.54
Expenses recognized in the statement of profit and loss	2.86	1.76	0.58	2.25

(e) Remeasurements [actuarial (gain)/loss] through Other Comprehensive Income (OCI)

Particulars	Gratuity (Non -Funded)	
	March 31, 2024	March 31, 2023
Actuarial (-) gain / loss for the year on PBO	(0.70)	4.91
Actuarial (-) gain / loss for the year on plan asset	-	-
Net actuarial (-) gain / loss recognised through OCI- during the year	(0.70)	4.91

(f) Sensitivity analysis:

(₹ in lakh)

Particulars	Gratuity		Leave encashment	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Impact of the change in discount rate				
Present value of obligation at the end of the year	17.65	15.49	6.53	5.95
(i) Impact due to increase of 0.5%	(1.04)	(0.97)	(0.39)	(0.38)
(i) Impact due to decrease of 0.5%	1.12	1.04	0.43	0.41
Impact of the change in salary increase				
Present value of obligation at the end of the year	17.65	15.49	6.53	5.95
(i) Impact due to increase of 0.5%	1.10	1.01	0.42	0.39
(i) Impact due to decrease of 0.5%	(1.04)	(0.95)	(0.39)	(0.37)

(g) Maturity profile of defined benefit obligations :

(₹ in lakh)

Particulars	Gratuity		Leave encashment	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
a) 0 to 1 Year	0.29	0.20	0.11	0.08
b) 1 to 2 Year	0.24	0.30	0.09	0.12
c) 2 to 3 Year	0.24	0.20	0.09	0.08
d) 3 to 4 Year	0.24	0.20	0.09	0.08
e) 4 to 5 Year	0.25	0.21	0.09	0.08
f) 5 to 6 Year	0.25	0.20	0.09	0.08
g) 6 year onwards	16.14	14.18	5.97	5.43

33 FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in a orderly transactions in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) , regardless of whether that price is directly observable or estimated using a valuation technique.

The following methods and assumptions are used to estimate the fair value :

- The fair value of quoted equity shares is derived from quoted market prices in active markets.
- The fair value of unquoted equity shares (FVTOCI financial instruments) is derived as per level 3 techniques, in case observable market data is not available.
- The fair value of mutual funds is derived from the available declared /quoted NAV of units.
- Assets held for collection of contractual cash flow where cash flows represent solely payment of principle and interest like bonds/ bebentures /corporate deposit are measured at amortised cost. interest income from these financial assets is calculated using the effective interest rate method.

The management has assessed that cash and cash equivalents, other receivables (financial assets) and trade /other payables are approximate at their carrying amounts largely due to the short term maturities of these instruments.

The group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices /declared NAVs in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: inputs which are not based on observable market data.

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Financial assets and liabilities

The carrying value and fair value of financial instruments by categories as at March 31, 2024 are as follows:

(₹ in lakh)

Particulars	FVTPL	FVTOCI	Amortised Cost	Total Carrying Value	Fair Value
Financial assets					
Cash and cash equivalents	-	-	8.09	8.09	8.09
Bank balances other than above	-	-	936.87	936.87	936.87
Trade Receivables	-	-	118.80	118.80	118.80
Investments :					
Debt mutual funds	-	4,248.81	-	4,248.81	4,248.81
Equity mutual funds	-	8,657.74	-	8,657.74	8,657.74
Bonds /debentures	-	-	880.00	880.00	880.00
Equity Shares	-	3,17,902.50	-	3,17,902.50	3,17,902.50
Other financial assets	-	-	82.34	82.34	82.34
Total	-	3,30,809.05	2,026.10	3,32,835.15	3,32,835.15
Financial liabilities					
Other payables	-	-	2.14	2.14	2.14
Other financial liabilities	-	-	1.87	1.87	1.87
Total	-	-	4.01	4.01	4.01

The carrying value and fair value of financial instruments by categories as at March 31, 2023 are as follows:

(₹ in lakh)

Particulars	FVTPL	FVTOCI	Amortised Cost	Total Carrying Value	Fair Value
Financial Assets					
Cash and cash equivalents	-	-	218.01	218.01	218.01
Bank balances other than above	-	-	1,350.35	1,350.35	1,350.35
Trade Receivables	-	-	-	-	-
Investments :					
Debt mutual funds	-	4,635.18	-	4,635.18	4,635.18
Equity mutual funds	-	3,831.87	-	3,831.87	3,831.87
Bonds /debentures	-	-	3,878.10	3,878.10	3,878.10
Equity Shares	-	3,20,251.29	-	3,20,251.29	3,20,251.29
Other financial assets	-	-	116.30	116.30	116.30
Total	-	3,28,718.34	5,562.76	3,34,281.10	3,34,281.10
Financial liabilities					
Other payables	-	-	25.42	25.42	25.42
Other financial liabilities	-	-	2.50	2.50	2.50
Total	-	-	27.92	27.92	27.92

Fair value estimation

For financial instruments measured at fair value in the consolidated balance sheet, a three level fair value hierarchy is used that reflects the significance of inputs used in the measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements).

For financial assets which are carried at fair value, the classification of fair value calculations by category of the group in the consolidated balance sheet is summarised below:

(₹ in lakh)

Particulars	Carrying Value	Fair Values					
		measured through Profit and Loss (FVTPL)			measured through OCI (FVTOCI)		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
As at March 31, 2024							
Financial assets							
Debt mutual funds	4,248.81	-	-	-	4,248.81	-	-
Equity mutual funds	8,657.74	-	-	-	8,657.74	-	-
Equity shares	3,17,902.50	-	-	-	40,210.36	-	2,77,692.14
Total	3,30,809.05	-	-	-	53,116.91	-	2,77,692.14
As at March 31, 2023							
Financial assets							
Debt mutual funds	4,635.18	-	-	-	4,635.18	-	-
Equity mutual funds	3,831.87	-	-	-	3,831.87	-	-
Equity shares	3,20,251.29	-	-	-	42,870.25	-	2,77,381.04
Total	3,28,718.34	-	-	-	51,337.30	-	2,77,381.04

There are no changes in classification and no movements between the fair value hierarchy classifications of financial assets of group during the years under report.

34 FINANCIAL RISK MANAGEMENT

The group is not carrying any business operations except generating income from investment of surplus funds. During current financial year, one of subsidiary in group, has commenced operational activities i.e. sale of service. Investment in surplus funds consists of investment in debt securities, equity instruments and bank deposits. The financial assets at group level are investment in debt securities (bonds, debentures, corporate deposits, debt based mutual funds, etc.) cash and cash equivalents, bank deposits other than cash and cash equivalents, Trade and other receivables & financial liabilities are trade/other payables and other financial liabilities.

The activities at group level, expose to financial risk i.e. liquidity risk, market risk, credit risk etc. The management of respective entities in the group provide guiding principles for overall risk management, as well as principle for investment of available funds including review of such policies for managing each of applicable type of financial risks, which are summarised as below :

(a) Liquidity risk

The group's principal source of liquidity are "Cash and Cash equivalents" and cash in flow that are generated from income from investments & from Bank Fixed deposits. Liquidity risk is defined as a risk that the company will not be able to settle or meet its obligations on time.

Liquidity risk management implies maintenance of sufficient cash to meet the obligations as and when due. The group manages its liquidity risk by ensuring as far as possible that it will have sufficient liquidity to meet its short term and long term liabilities as and when due. The surplus fund at group level has also invested in fixed income securities /instruments of similar profile thereby ensuring availability of liquidity as and when required. Anticipated future cash flows are expected to be sufficient to meet the liquidity requirement at group level and accordingly, no liquidity risk is perceived.

The following is the contractual maturities of the financial liabilities:

(₹ in lakh)

Particulars	Carrying amount (At amortised Cost)	1-12 months	More than 12 months
<u>Non-derivative liabilities</u>			
<u>As at March 31, 2024</u>			
Trade/other payables	2.14	2.14	-
Other financial liabilities	1.87	1.87	-
Total	4.01	4.01	-
<u>As at March 31, 2023</u>			
Trade/other payables	25.42	25.42	-
Other financial liabilities	2.50	2.50	-
Total	27.92	27.92	-

(b) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk generally comprises three types of risk: interest rate risk, currency risk and price risk. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that affect market sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including quoted investments, deposits, foreign currency receivables, payables and loans and borrowings.

(i) Foreign currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The group has neither payables & receivables in foreign currency, not holding foreign assets and also not entered into transactions in the foreign currency during the year under report, therefore the activities at group level are not exposed to foreign exchange risk.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The interest rate risk exposure is mainly from changes in fixed and floating interest rates. The interest rate risk at group level is from investments in debt securities (bonds, debentures, corporate deposits etc.). In order to optimise the group's position with regard to interest income, the management of respective entities of group manages the interest rate risk by diversifying its debt investments portfolio across tenures.

(iii) Price risk

Price risk arises due to volatility in the market prices of financial instruments for which market prices are available (i.e. quoted price for quoted equity shares and declared NAV/ quoted NAV for debt /equity MF). The group is exposed to price risk arising mainly from investment measured at fair value through OCI (FVTOCI) being equity shares (quoted) and debt & equity mutual funds. The group's exposure to debt based mutual funds falls in very low risk category due to investments are in high rated schemes. To optimise price risk, policy of diversification has been followed in case of debt based MF portfolio at group level. As regards the group's investment in unquoted equity shares, which are long term in nature and fair valuation of these investments are largely depend on performance of these investee companies and hence the price risk emanating from shortfall in performance has been reviewed closely by management of the respective entities of group.

(c) Credit risk

Credit risk is the risk of financial loss, if a customer or counter-party fails to meet its contractual obligations. No operational activities except operational activities (sale of service) by one of subsidiary in the group, has been carried out during current financial year. Further investment of surplus fund have been carried out at group level and thus there are no transactions with customers at group level except transactions by one of subsidiary in the group. In case of the group's investment portfolio, credit risk may arise from bank balances (including fixed deposits) and investment in debt securities like bonds, debentures, corporate deposits and debt based mutual funds.

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To manage credit risk on these financial assets including trade receivables in case one of subsidiary in the group, the respective entities of the group has an investment policy which allows them to invest only in high rated schemes/ papers/ bonds /NCD /corporate deposits etc. considering the safety of investment first along with lower risk and reasonable returns. At group level, credit worthiness of counterparty has been tracked and the rating of investments have been closely reviewed and as far as possible the immediate suitable remedial actions has been taken.

35 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below set out analysis of the carrying amount of assets and liabilities of Group, according to when they are expected to be realised or settled.. (₹ in lakh)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	8.09	-	8.09	218.01	-	218.01
Bank balances other than above	311.87	625.00	936.87	1,350.35	-	1,350.35
Trade Receivables	118.80	-	118.80	-	-	-
Investments	880.00	3,30,817.05	3,31,697.05	2,998.10	3,29,606.34	3,32,604.44
Other financial assets	47.52	34.82	82.34	116.30	-	116.30
Non financial assets						
Current tax assets (Net)	80.55	-	80.55	21.32	-	21.32
Deferred Tax Assets (net)	-	6.83	6.83	-	6.23	6.23
Property, Plant and Equipments	-	0.33	0.33	-	0.65	0.65
Other Non -Financial assets	11.74	310.00	321.74	6.00	-	6.00
TOTAL ASSETS	1,458.57	3,31,794.03	3,33,252.60	4,710.08	3,29,613.22	3,34,323.30
LIABILITIES						
Financial liabilities						
Payables						
Dues of micro and small enterprises	-	-	-	-	-	-
Dues of other creditors	2.14	-	2.14	25.42	-	25.42
Other financial liabilities	1.87	-	1.87	2.50	-	2.50
Non- financial liabilities						
Current tax liabilities (net)	6.05	-	6.05	-	-	-
Provisions	0.40	23.78	24.18	0.28	21.16	21.44
Deferred Tax Liabilities	-	70,268.83	70,268.83	-	68,694.66	68,694.66
Other Non-financial liabilities	23.86	-	23.86	9.94	-	9.94
TOTAL LIABILITIES	34.32	70,292.61	70,326.93	38.14	68,715.82	68,753.96
NET	1,424.25	2,61,501.42	2,62,925.67	4,671.94	2,60,897.40	2,65,569.34

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36 ADDITIONAL INFORMATION IN TERMS OF SCHEDULE III OF THE COMPANIES ACT, 2013 FOR THE YEAR ENDED MARCH 31, 2024

(₹ in lakh)

Name of the entities in the Group	Net Assets, i.e., Total Assets minus Total Liabilities \$		Share in profit or (loss) \$		Share in Other Comprehensive income (OCI)		Share in Total Comprehensive income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
1. Parent (Indian)								
PNB Finance and Industries Limited	57.75%	1,51,829.02	75.12%	542.14	-42.42%	(1,430.97)	-33.52%	(888.83)
2. Subsidiary Companies (Indian)								
Esoterica Services Ltd (Earlier Jacaranda Corporate Services Ltd.)	34.84%	91,589.42	24.25%	175.01	-64.60%	(2,179.55)	-75.59%	(2,004.54)
Punjab Mercantile and Traders Ltd.	7.42%	19,507.23	0.63%	4.53	7.02%	236.85	9.10%	241.38
3. Minority Interests in all subsidiaries	-	-	-	-	-	-	-	-
Total	100.00%	2,62,925.67	100.00%	721.68	-100.00%	(3,373.67)	-100.00%	(2,651.99)

\$ Net Assets and Share in profit or (loss) are after Intra -group elimination.

37 OTHER DISCLOSURES

Other notes and disclosures to be considered in the consolidated financial statements are similar to those of standalone financial statements of PNB Finance and Industries Ltd; and hence have not been repeated here.

The relevant note reference in the standalone financial statements are given below :

Particulars	Note reference of Standalone financial Statements
1) Dues to micro, small and medium enterprises	Note 9
2) Foreign exchange earnings and outgo	Note 27
3) Capital management	Note 32

There are no changes arising out of inclusion of the subsidiaries in the above disclosures.

38 Previous year figures have been re-grouped/re-casted wherever considered necessary to conform to this year's classification.

As per our report of even date attached

For Tanuj Garg & Associates

Chartered Accountants

Firm Regn. No. 013843C

Monika Garg

Partner

Membership No. 407038

Place: New Delhi

Date: May 28, 2024

For and on behalf of the Board of Directors

Govind Swarup

Director

DIN: 00003145

Shweta Saxena

Director & Company Secretary

DIN: 03120958/M.No: A18585

Rakesh Dhamani

Director

DIN: 07065199

Viveka Nand Jha

Chief Financial Officer

PAN - AEXPJ2176H

