

# **NB FOOTWEAR LIMITED**



**34<sup>th</sup> Annual Report  
2021 - 2022**

**NB FOOTWEAR LIMITED**  
**ANNUAL REPORT 2021- 2022**

**BOARD OF DIRECTORS:**

Mrs. Bina S Shah	- Chairperson, Independent Director
Mr. Rajen K Desai	- Non-executive Director
Mr. S. Krishnan	- Executive Director, CFO and Company Secretary
Mr. Neerav B Merchant	- Independent Director
Mr. Kannan A Yadav	- Whole Time Director
Mrs. Krishnaveni K Yadav	- Non-executive Director

**STATUTORY AUDITORS**

- M/s. K Gopal Rao & Co.  
 Chartered Accountant  
 Firm's Registration Number 0009565  
 27, Moosa Street, T Nagar  
 Chennai – 600017

**BANKERS**

Union Bank of India  
 Broadway Branch, Chennai – 600108

**REGISTERED OFFICE**

No. 87/84A, Mosque Street,  
 Seduvalai Village,  
 VELLORE 632 104,  
 Email : [nbfootwearltd@gmail.com](mailto:nbfootwearltd@gmail.com)  
 Website: [www.nbfootwear.in](http://www.nbfootwear.in)

**CORPORATE OFFICE**

Old No 42, New No. 62, 53<sup>rd</sup> Street,  
 Ashok Nagar, Chennai – 600083.

**REGISTRAR & SHARE  
 TRANSFER AGENT**

Cameo Corporate Services Limited  
 'Subramanian Building'  
 No.1, Club House Road,  
 Chennai 600 002

**CIN**

L19201TN1987PLC014902

**NOTICE**

**NOTICE** is hereby given that the 34th Annual General Meeting of the members of **NB FOOTWEAR LIMITED** will be held on Saturday, 24 September 2022 through Video Conferencing / Other Audio-Visual Means at 11.00 am to transact the following businesses the deemed venue for the meeting will be Registered Office of the Company:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31 March 2022, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a director in place of Mrs. Krishnaveni K Yadav, Director (DIN: 00249260), who retires by rotation and being eligible, offers herself for re-appointment.

**SPECIAL BUSINESS:**

3. **TO CONSIDER AND IF THOUGHT FIT TO PASS THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:**

“**RESOLVED THAT** pursuant to Section 196, 197, 203 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 (including any statutory Modification(s) or re-enactment thereof for the time being in force) and pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “SEBI Listing Regulations”) the re-appointment of Mr. Kannan A. Yadav (DIN: 00249225) Managing Director of the Company, as made by the Board of Directors of the Company based on the recommendations of the Nomination and Remuneration Committee in its meeting held on 12 January 2022 for a period of three years effective 01 April 2022 on terms and conditions as set out in the explanatory statement be and is hereby approved and confirmed.

PLACE: Mumbai  
DATE: 30 July 2022

**For NB FOOTWEAR LIMITED**  
(Kannan A Yadav)

Managing Director  
DIN 00249225

**Notes:**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated 08 April 2020, Circular No.17/2020 dated 13 April 2020, Circular No. 20/2020 dated 05 May 2020 and Circular No. 2/2022 dated 05 May 2022. The forthcoming AGM will thus be held through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Statement pursuant to Section 102 (1) of the Act setting out the material facts concerning special business i.e., Item Nos. 3 as set out in the Notice is annexed hereto.
3. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/reappointment at this AGM are annexed herewith.
4. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations (as amended), and MCA Circulars dated 08 April 2020, 13 April 2020 and 05 May 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote evoting as well as the e-voting system on the date of the AGM will be provided by CDSL.
5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. Pursuant to MCA Circular No. 14/2020 dated 08 April 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through evoting.
7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated 13 April 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.nbfootwear.in](http://www.nbfootwear.in) The Notice can also be accessed from the websites of the BSE Limited, the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM at [www.evotingindia.com](http://www.evotingindia.com)).

9. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Cameo Corporate Services Limited in case the shares are held by them in physical form.
10. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting FormNo. SH-13. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to Cameo Corporate Services Limited in case the shares are held in physical form.
11. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Cameo Corporate Services Limited, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
12. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
13. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

**THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER :**

- (i) The voting period begins on Wednesday, 21 September 2022 (9:00 a.m. IST) and ends on Friday, 23 September 2022 (5:00 p.m. IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on 17 September 2022, i.e. the cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The Board of Directors has appointed Amita Saxena, Company Secretary in Practice (FCS 3964, CP 3438) as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
- (iii) The Members who have casted their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.
- (iv) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

**THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL ANNUAL GENERAL MEETINGS OF COMPANY ARE AS UNDER :**

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

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

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

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

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
<p><b>NSDL Depository</b></p>	<ol style="list-style-type: none"> <li data-bbox="399 1093 1327 1271">1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li data-bbox="399 1321 1327 1615">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 &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li data-bbox="399 1665 1327 1731">3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> </ol>

	<p>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 <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be 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.</p>
<p>Individual Shareholders holding securities in demat mode with NSDL Depository</p>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e- Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e- Voting service provider name and you will be redirected to e- Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
<p>Individual Shareholders (holding</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option.</p>

securities in demat mode) login through their <b>Depository Participants (DP)</b>	Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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**Important note :** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

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

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

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.



6) If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For shareholders holding shares in physical form, the details can be used only for evoting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the NB Footwear Limited on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to\ scrutinizer for verification.
- (xviii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at [amitavijay1994@gmail.com](mailto:amitavijay1994@gmail.com) and to the Company at [nbfootwearltd@gmail.com](mailto:nbfootwearltd@gmail.com) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / I Pads for better experience.
5. Further shareholders will be required to use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. Shareholders who would like to share their views/have any query are request to send the same to the Company at its email [nbfootwearltd@gmail.com](mailto:nbfootwearltd@gmail.com) . The Chairperson would suitably address the same and give reply at the time of AGM.
8. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
9. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

### Other Instructions

1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM unblock the votes cast through remote e-voting and voting at AGM and make, within two working days after the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairperson or a person authorised by her in writing, who shall countersign the same.
2. The result declared along with the Scrutinizer's Report shall be placed on the Company's website [www.nbfootwear.in](http://www.nbfootwear.in) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com) immediately. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed.

### EXPLANATORY STATEMENT

**The Explanatory Statement pursuant to Section 102 of the Act given hereunder sets out all material facts relating to the special resolution to be passed as mentioned in the accompanying notice of AGM**

#### ITEM NO. 3 :

Mr. Kannan A. Yadav (DIN: 00249225), Managing Director whose previous tenure of appointment was concluded on 31 March 2022 was reappointed as Managing Director by the Board of Directors of your Company in its meeting held on 12 January 2022 for further period of three years effective 01 April 2022.

Mr. Kannan A. Yadav is a Commerce Graduate and has an experience of more than two decades in the field of Finance and Accounts. Keeping in view his knowledge and expertise, Board of Directors on the recommendation of Nomination and Remuneration Committee has re-appointed him Managing Director. During the tenure of his appointment as Managing Director, Mr. Kannan A Yadav shall be entitled to remuneration and perquisites as may be recommended by Nomination and Remuneration Committee from time to time subject to the same not exceeding the limit as prescribed in Section 197 of the Companies Act, 2013 read with Schedule V of the Act.

The above may be treated as an abstract of the terms of appointment and memorandum of concern or interest, pursuant to Section 190 of the Act as well as disclosure under SEBI Listing Regulations and Secretarial Standard 2 (SS-2)

Except Mr. Kannan A. Yadav and Mrs. Krishnaveni K Yadav, none of the other directors and key managerial personnel of the Company and their relatives is concerned or interested financially or otherwise, in the resolution set out at item No. 3 of the Notice. Your Directors recommend the resolution for your approval.

For NB FOOTWEAR LIMITED

PLACE: Mumbai  
DATE: 30 July 2022

(Kannan A Yadav)  
Managing Director

**Annexure A:**

Information required under Regulation 36(3) of the SEBI Listing Regulations and as per Secretarial Standard 2 (SS-2) with respect to the Directors proposed to be appointed/ reappointed:

Name of the Director	Mrs. Krishnaveni K Yadav	Mr. Kannan A Yadav
DIN	00249260	00249225
Date of Birth, (Age)	August 22, 1966 (56 Years)	May 24, 1963 (59 Years)
Qualification	B. Com	B. Com
Expertise	Accounts	Finance and Accounts
No. of Directorships held in other Public Companies (Excluding Private Companies)	Nil	One
Chairman of other Companies	Nil	One
Shareholding	Nil	2,20,000
Relationship with other Directors & KMP	Spouse of Mr. Kannan A Yadav, Director	Spouse of Mrs. Krishnaveni K. Yadav, Director
Date of first appointment on Board	May 29, 2015	March 22, 1996
Terms and Conditions for reappointment	Appointment on account of retirement by rotation, No change in terms	Re-appointed as Managing Director for three years effective 01 April 2022
Remuneration	Not Applicable	Not to exceed the limit as prescribed in Section 197 of the Companies Act, 2013 read with Schedule V of the Act

For other details such as number of meetings of the board attended during the year and remuneration drawn, please refer to the corporate governance report which is a part of this Annual Report.

**DIRECTORS' REPORT**

Dear Members,

Your Directors are pleased to submit their **Thirty-Fourth Annual Report**, together with the Audited Financial Statements of your Company for the financial year ended 31 March 2022.

**Financial Results**

(Rs. in lakhs)

Particulars	Current year ended 31 March 2022	Previous year ended 31 March 2021
Income	0.00	0.00
Total Expenditure	13.10	34.19
Profit/ (Loss) before exceptional and extraordinary items	(13.10)	(34.19)
Exceptional and Extraordinary items	0.00	0.00
Tax Expenses	0.00	0.00
Net Profit/ (Loss) after Tax	(13.10)	(34.19)

**Review of Business Operations**

Due to various reasons your Company could not carry on any business activity during the year. The expenditure incurred towards administrative activities were carried to the balance sheet as losses.

**Dividend and Reserves**

In view of losses your directors have not recommended any dividend to the equity shareholders. Further no amount has been transferred to reserve as well.

**Change in the Nature of Business, if any**

There was no change in the nature of business during the year under review.

**Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report**

No material changes and commitments affecting the financial position of the Company have occurred in the Company since the end of Financial Year 2021-22 till the date of this report.

**Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future**

No regulatory order has been passed during the year under review that may impact the going concern status and Company's operations in future.

**Subsidiaries, Associates and Joint Venture Companies**

Your Company is not having any subsidiary, associate or joint venture. Further during the financial year under review, no company has become or ceased to be subsidiary, joint venture or associate of the Company.

**Directors Responsibility Statement**

Pursuant to sub section 3 (c) of section 134 of the Companies Act, 2013, the Board of Directors of the Company hereby state and confirm that:

- (i) in the preparation of annual accounts, applicable Indian Accounting Standards have been followed and there are no material departures in adoption of these standards;
- (ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and the Loss of the Company for the year;
- (iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors had prepared annual accounts on a going concern basis;
- (v) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- (vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**Directors and Key Managerial Personnel**

Following were the changes in directors and key managerial personnel during the financial year ended 31 March 2022.

- (i) Mr. Somnath . K. Wani (DIN 00292071), Independent Director and Mr. Sudhakar M. Shetty (DIN 00249448), Independent Director resigned from the office of director on 11 August 2021
- (ii) Mrs. Bina S Shah (DIN 00349612) and Mr. Neerav B Merchant (DIN 00222393) joined the Board as Independent Directors effective 11 August 2021
- (iii) The Board has re-appointed Mr. Kannan A Yadav (DIN 00249225) as Managing Director for further period of three years effective 01 April 2022 in its meeting held on 12 January 2022.

Apart from the above there was no other change in directors of your Company during the year under review.

In terms of the provisions of Section 152(6) of the Act, Mrs. Krishnaveni A Yadav (DIN 00249260), Director of the Company, shall retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

**Key Managerial Personnel**

Pursuant to the provisions of Section 203 of the Act read with the rules made there under, the following employees are the whole time key managerial personnel of the Company:

1. Mr. Kannan A Yadav – Managing Director;
2. Mr. S Krishnan – Director, CFO and Company Secretary.

**Evaluation of Board, it's Committees and Individual Directors**

Your Company has devised a formal process for annual evaluation of performance of the Board, its Committees and Individual Directors ("Performance Evaluation"). It covers the areas relevant to the functioning as Independent Directors or other directors, member of Board or Committees of the Board.

The Board reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc. In a separate meeting of independent directors, performance of non-independent directors and the board as a whole was evaluated. The Independent Directors in the said meeting also evaluated 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. Additionally, the Chairperson of the Board was also evaluated on key aspects of her role, taking into account the views of executive directors and non-executive directors. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated as provided in the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India.

**Criteria for determining qualifications, positive attributes and independence of a director**

The policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Director, and also remuneration for key managerial personnel and other employees, forms part of the Corporate Governance Report annexed to this Annual Report.

**Familiarisation programme for the independent directors**

Company is having in place a programme to familiarise the Independent Directors with the Company at the time of their appointment. It is designed to include compliances required from him/ her under the Act, SEBI Listing Regulations and other relevant regulations.

**Policies of the company**

The Company is determined in maintaining a good corporate governance practice and has a robust system for smooth and effective functioning of the Board. Various policies have been framed by the Board of Directors as required under the Act and SEBI Listing Regulations in order to follow a uniform system of procedures. These policies are periodically reviewed and updated by the Board of Directors of the Company from time to time. Following are some of the major policies adopted by the Company and placed at its website at [www.nbfootwear.in](http://www.nbfootwear.in):



1. Code of Conduct for Corporate Governance;
2. Code of Conduct for Prevention of Insider Trading;
3. Code of Practice and Procedure for fair disclosure of Un-published Price Sensitive Information;
4. Policy on determination of Material Criteria for Disclosure;
5. Policy on Related Party Transactions
6. Policy on Nomination and Remuneration;
7. Policy on Preservation of documents;
8. Whistle Blower Policy.

#### **Internal Control Systems and their adequacy**

Your Company has a sound internal control system commensurate with its size and nature of business which provides a reasonable assurance in respect of financial and operational information, safeguarding its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal financial control system in the Company, its compliance with operating systems, accounting procedures, application of the instructions and policies fixed by the senior management of the Company. The Audit Committee reviews the observations made by internal auditors, if any, on quarterly basis.

Based on the assessment carried out by the Audit Committee, the internal financial controls were adequate and effective and no material weakness or significant deficiencies in the design or operation of internal financial controls were observed during the financial year ended 31 March 2022.

#### **Board and Committee Meetings held during the year**

The Board of Directors duly met 4 (FOUR) times during the financial year ended 31 March 2022. The dates on which the Board meetings were held are 04 June 2021, 11 August 2021, 13 November 2021 and 12 January 2022. Other details of the Board Meetings, regarding attendance of directors, are furnished in the Corporate Governance Report.

#### **Board Committees**

Pursuant to the Act and SEBI Listing Regulations Board of Directors has constituted following Committees:

- Audit Committee;
- Nomination and Remuneration Committee;
- Stakeholders Relationship Committee.

The details of the aforesaid Committees as at 31 March 2022 have been provided in the report on Corporate Governance.

#### **Annual Return and Extract of Annual Return**

In compliance with section 92 (3) and 134(3)(a) of the Act, Annual Return of the Company for the year ended 31 March 2021 has been posted at the web-site of the Company at [www.nbfootwear.in](http://www.nbfootwear.in) and that of current year be posted after filing of the same with MCA on conclusion of AGM.

**Corporate Social Responsibility**

Pursuant to Section 135 of the Act, provisions of Corporate Social Responsibility are not applicable to your Company as your Company has not earned net profit of Rs.5 crore or more during previous financial year, neither it has the net worth of Rs.500 crores or more, nor the turnover of the Company was of Rs.1,000 crores or more for the previous financial year.

**Disclosure under the Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013**

The Company has zero tolerance towards any action on the part of any employee which may fall under the ambit of 'Sexual Harassment' at workplace, and is fully committed to uphold and maintain the dignity of every women employee working in the Company. The Company values the dignity of individuals and strives to provide a safe and respectable work environment to all its employees.

The Company is committed to provide an environment, which is free of discrimination, intimidation and abuse. However since Company does not have specified number of employee at any place of its business and hence, the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, are not applicable to it. It has been notified that in case any employee faces any such incidence she may communicate the same to the Chairperson of Audit Committee for appropriate action.

**Risk Management**

Pursuant to Section 134 of the Act, the Company has a risk management policy in place for identification of key risks to the business objectives of the Company, impact assessment, risk analysis, risk evaluation, risk reporting and disclosures, risk mitigation and monitoring, and integration with strategy and business planning.

A detailed exercise is being carried out to identify, evaluate, manage and monitor both business and non business risk. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework.

**Whistle blower policy/Vigil mechanism**

As required under Regulation 22 of the SEBI Listing Regulations, the Company has an effective Whistle Blower Policy in place to deal with the instances of fraud and mismanagement. The policy is available on the Company's website at [www.nbfootwear.in](http://www.nbfootwear.in)

The policy provides Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the code of conduct /business ethics. The vigil mechanism provides for adequate safeguards against victimisation of the Director(s) and employee(s) who avail this mechanism. All Directors and employees have direct access to the Chairperson of the Audit Committee.

**Compliance of Secretarial Standards**

The Board of Directors hereby confirms that all the applicable Secretarial Standards have been duly complied with during the year under review.

### Particulars of Employees

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable as a Company is not paying any remuneration to its directors and/or employees.

### Disclosure required pursuant to Section 197 of the Act read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- (i) The Company has no employee drawing remuneration equal to or exceeding Rs.1.02 Crore when employed throughout the financial year;
- (ii) The Company has no employee drawing remuneration equal to or exceeding Rs.8.5 Lakh per month in case employed for part of the year;
- (iii) The Company has no employee drawing remuneration more than the Managing Director and holding himself or along with spouse and dependent children 2% or more shares in the capital of the Company.

Disclosure pursuant to Section 197(14) of the Act is not applicable to the Company.

### Deposits

The Company has neither invited nor accepted any deposits which would be covered under Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) during the year under review.

### Disclosure on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings/Outgo u/s 134(3)(m) of the Act

#### A) Conservation of Energy

- (i) **The steps taken or impact on conservation of energy:**  
The Company, being a responsible corporate citizen, makes conscious efforts to reduce its energy consumption wherever feasible.
- (ii) **Steps taken by the Company for utilizing alternate source of energy:**  
The management is continuously exploring feasible alternate sources of energy.
- (iii) **The capital investment on energy conservation equipment:**  
There is no capital investment on energy conservation equipment during the period under review.

#### B) Technology Absorption

- (i) **The efforts made towards technology absorption and benefits derived:**  
The Company evaluates technology developments on a continuous basis and keep the organisation updated. However, considering the business activities of the Company, the Company did not use any particular technology.
- (ii) **The Company has not imported any technology during the year.**
- (iii) **The Company has not incurred any expenditure on Research and Development during the period under review.**

#### C) Foreign Exchange Earnings and Outgo

There was no foreign exchange earning and outgo during the year under review.

**Corporate Governance and Management Discussion and Analysis**

The Board has been committed to adopt, besides any obligations under applicable laws or regulations, relevant best practices for Corporate Governance. Further, the Company is regular in submitting compliance reports on Corporate Governance to BSE Limited, the Stock Exchange whereat its securities are listed and has fully implemented all the requirements as prescribed under the SEBI Listing Regulations. The report on Corporate Governance as stipulated under SEBI Listing Regulations forms part of the Annual Report. The requisite certificate from K Gopal Rao & Co., Chartered Accountants, (Firm Registration No. 0009565) Statutory Auditors of the Company, confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.

The aforesaid Certificate does not contain any adverse remark, reservation, qualification or disclaimer remark.

A detailed discussion on the overview of the industry and important changes in the industry during the last year; external environment and economic outlook; induction of strategic and financial partners during the year; business performance, information on the operational and financial performance among others, and future outlook as stipulated under the SEBI Listing Regulations and Section 134(3) is included in the Management Discussion and Analysis Report forming an integral part of the Annual Report.

**Share Capital**

The paid up share capital of the Company as on 31 March 2022 was Rs.145,000,000/- comprising of 1,350,000 equity shares of Rs.10/- each and 100000 redeemable Preference shares of Rs. 100/- each. The equity share capital of the Company is listed on BSE Limited.

There was no change in the capital structure of the Company during the year.

**Other Disclosures**

1. Your Company is not required to obtain credit rating.
2. The Company does not have any scheme or provision of money for the purchase of or subscription to its own shares by the employees/ Directors or by trustees for the benefit of the employees/ Directors.
3. There is no Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016.
4. During the year under review, there has been no one time settlement of loans taken from banks and financial institutions

**Acknowledgement**

Your Directors wish to place on record their appreciation of the support and co-operation received from the Government authorities and the Company's Bankers. Yours Directors' also commend the contribution made by the employees.

By order of the Board of Directors  
For NB FOOTWEAR LIMITED

PLACE: Mumbai  
DATE : 30 July, 2022

(Kannan A Yadav)  
Managing Director  
(DIN-00249225)

(Rajen K Desai)  
Director  
(DIN-00382740)

### Corporate Governance and Management Discussion and Analysis

The Board has been committed to adopt, besides any obligations under applicable laws or regulations, relevant best practices for Corporate Governance. Further, the Company is regular in submitting compliance reports on Corporate Governance to BSE Limited, the Stock Exchange whereat its securities are listed and has fully implemented all the requirements as prescribed under the SEBI Listing Regulations. The report on Corporate Governance as stipulated under SEBI Listing Regulations forms part of the Annual Report. The requisite certificate from K Gopal Rao & Co., Chartered Accountants, (Firm Registration No. 0009565) Statutory Auditors of the Company, confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.

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There was no change in the capital structure of the Company during the year.

### Other Disclosures

1. Your Company is not required to obtain credit rating.
2. The Company does not have any scheme or provision of money for the purchase of or subscription to its own shares by the employees/ Directors or by trustees for the benefit of the employees/ Directors.
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4. During the year under review, there has been no one time settlement of loans taken from banks and financial institutions.

### Acknowledgement

Your Directors wish to place on record their appreciation of the support and co-operation received from the Government authorities and the Company's Bankers. Yours Directors' also commend the contribution made by the employees.

By order of the Board of Directors  
For NB FOOTWEAR LIMITED

PLACE: Mumbai  
DATE : 30 July, 2022

(Kannan A Yadav)  
Managing Director  
(DIN-00249225)

(Rajen K Desai)  
Director  
(DIN-00382740)

**FORM No. MR-3**  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022  
[Pursuant to Section 204 (1) of the Companies Act, 2013 and rule No.9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members of  
NB FOOTWEAR LIMITED  
No. 87/84A, Mosque Street,  
Seduvalai Village,  
VELLORE 632 104,  
Tamil Nadu

I have conducted Secretarial Audit of compliance with the applicable statutory provisions and adherence to good corporate practices by NB FOOTWEAR LIMITED having CIN L19201TN1987PLC014902 (hereinafter called 'the Company') for the Financial Year ended March 31, 2022. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

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

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

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - Not applicable as there was no reportable event during the financial year under review;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 – Not applicable as the Company has not issued any shares during the year under review;
- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - Not applicable as the Company has not issued any shares/options to directors/employees under the said guidelines/regulations during the year under review;
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 -Not applicable as the Company has not issued any debt securities during the year under review;
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 - Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the year under review;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable as the Company has not delisted / proposed to delist its equity shares during the year under review;
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 -Not applicable as the Company has not bought back / proposed to buy-back any of its securities during the year under review;
- i) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013- Not applicable as the Company has not issued Non-Convertible and Redeemable Preference Shares;
- (vi) Other laws applicable to the Company: The Company was in the business of tanners, processors, manufacturer and dealer in the hides of skins of all animal leather, leather goods and footwear of all kinds, however due to various economic reasons it has discontinued its business. During the year under audit it has not carried on any business activity and accordingly was not required to comply with any sector specific law and provisions.

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

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreement entered into with the BSE Limited,

During the period under review and as per the explanations and clarifications given to me and the representations made by the Management, and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India in view of Covid -19 pandemic, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

I further report that:

- ❖ The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors including Women Director;
- ❖ Adequate notices were given to all Directors to schedule Board Meetings; agenda and detailed notes on agenda were sent at least seven days in advance before the meeting, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting;
- ❖ As per the minutes the decisions of the Board and Committees were taken unanimously.

I further report that based on review of compliance mechanism established by the Company and on the basis of representations made by the Management and relied upon by me, I am of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

I further report that during the audit period, in the Company, no event occurred that has bearing on the affairs of the Company in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

Place: Thane

Date: July 30, 2022

Peer Review Certificate No. 1040/2020 Dt. 24.12.2020

ICSI UDIN : F003964D000712144

Amita Saxena

FCS No: 3964 CP No: 3438

This Report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.



**'Annexure A'**

To,

The Members,  
NB Footwear Limited

My Secretarial Audit Report for the financial year ended March 31, 2022 of even date is to be read along with this letter.

**Management's Responsibility:**

1. It is the responsibility of management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

**Auditor's Responsibility:**

2. My responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. I have followed the audit practice and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis
4. I believe that audit evidence and information obtained from the Company's management is adequate and appropriate for me to provide a basis for my opinion.
5. Wherever required, I have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer:**

6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted affairs of the Company.
7. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

Place: Thane  
Date: July 30, 2022  
Peer Review Certificate No. 1040/2020 Dt. 24.12.2020  
ICSI UDIN : F003964D000712144

Amita Saxena  
FCS No: 3964 CP No: 3438

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****ECONOMIC AND INDUSTRY OVERVIEW****GLOBAL ECONOMY**

The World Economic Outlook (WEO) in its report dated April 19, 2022 has projected that the Global growth to slow from an estimated 6.1 percent in 2021 to 3.6 percent in 2022. The war in Ukraine has triggered a costly humanitarian crisis that demands a peaceful resolution. At the same time, economic damage from the conflict will contribute to a significant slowdown in global growth in 2022 and add to inflation. Fuel and food prices have increased rapidly, hitting vulnerable populations in low-income countries hardest. War-induced commodity price increases and broadening price pressures have led to 2022 inflation projections of 5.7 percent in advanced economies and 8.7 percent in emerging market and developing economies—1.8 and 2.8 percentage points higher than projected last January.

Multilateral efforts to respond to the humanitarian crisis, prevent further economic fragmentation, maintain global liquidity, manage debt distress, tackle climate change, and end the pandemic are essential.

**INDIAN ECONOMY**

Though the United Nation in its 'World Economic Situation and Prospects 2022' report issued in January 2022 stated that economic recovery of India is on a "solid path". In its report it has further expects that India's GDP to expand by 6.7 per cent in 2022. UN in its report credited the vaccination drive, less stringent social restrictions, and supportive monetary stances as reasons for the growth.

However, in its recent report the united Nation has downgraded the Indian economic growth for by over two per cent to 4.6%. The decrease is attributed to the ongoing war in Ukraine, with New Delhi expected to face restraints on energy access and prices, reflexes from trade sanctions, food inflation, tightening policies and financial instability.

Despite the restraints that India may face on several fronts like energy access and prices, primary commodity bottlenecks, reflexes from trade sanctions, food inflation, tightening policies and financial instability, it has emerged as the fastest-growing major economy in the world. It is expected that Indian economy to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

**INDUSTRY STRUCTURE AND DEVELOPMENTS**

The footwear sector is a very significant segment of the leather industry in India; rather it is the engine of growth for the entire Indian leather industry. India is the second largest global producer of footwear after China. Keeping in view its past performance, current trends in global trade, the industry's inherent strengths and growth prospect s, the footwear industry aims to augment production, thereby enhancing its exports from the current level.

However due to various reasons your Company was unable to carry on any business activity during the current year. Management is looking out for various options to revive the Company.

**OPPORTUNITIES, THREATS, RISKS AND CONCERNS**

Due to losses the capital of the Company has been eroded. Company is looking for options to revive the Company.

**OPERATIONAL PERFORMANCE:**

As the Company has no business activity for last so many years, it is incurring only essential expenses towards administration of the Company and payment of its legal obligations.

**FINANCIAL PERFORMANCE**

Since the Company did not have regular operations during the year ended March 31, 2022 and March 31, 2021, the operating ratios have not been computed.

**INTERNAL CONTROL SYSTEMS**

The Company has effectively and efficiently laid down policies, guidelines and procedures keeping in mind the nature, size and complexity of Company's business objectives. The Company maintains proper and adequate system of internal controls with well-defined policies, systems, process guidelines and operating procedures. The Company positively ensures strict adherence to various procedures, laws, rules and statutes. All transactions are recorded and reported in accordance with the applicable Accounting Standards and within the terms of accounting policies.

The Company has also ensured the periodical Internal Audit by an independent auditor, whose report is submitted to the Audit Committee and Board of Directors for consideration. During the Audit Process no material discrepancies have been reported by the Internal Auditor.

The Audit Committee is responsible to ensure the monitoring of Internal Control System and oversees the various financial transactions on a regular basis and any deviations are promptly reported to the Senior Management to ensure normalcy is established at the earliest, though, no such deviations had been reported by the Audit Committee during the FY 2021-22.

**CAUTIONARY STATEMENT**

Statements made in the Management Discussion and Analysis describing the Company's projection, estimates and expectations may be interpreted as "forward looking statements" within the meaning of applicable securities, laws and regulations. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent information or events.

**CORPORATE GOVERNANCE REPORT**

The detailed report on Corporate Governance as per the format prescribed by SEBI under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “SEBI Listing Regulations”), is set out below:

**1. THE COMPANY’S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE**

The Company believes that good corporate governance practice should be enshrined in all the activities of the Company which would ensure efficient conduct of the affairs of the Company and help the Company in achieving its goal of maximizing value for all its stakeholders.

The Company will continue to seek enhancement of shareholders value within the framework of business ethics, regulatory compliance and contribution to society

**2. BOARD OF DIRECTORS**

i. The Board of Directors of your Company has an optimum combination of Independent and Non-Independent Directors, as well as Non-Executive and Executive Directors that come from diverse backgrounds and possesses range of expertise, talent, experience, knowledge and independence. SEBI Listing Regulations prescribes that where the Company is having a non-executive independent director as Chairman then at least one third of the Board shall comprise of independent directors. The composition of the Board of director of the Company as at 31 March 2022 was as follows:

Category	No of Directors
Non-Executive, Independent Directors	2
Non-Executive / Promoter Director	2
Executive Director (Managing Director and CEO)	1
Executive Director	1
Total	6

- ii. The composition of the Board of Directors is in conformity with the requirements of Regulation 17 of the SEBI Listing Regulations as well as the Act read with the rules framed thereunder. The Board is chaired by Non- Executive Independent Chairman. The Board periodically reviews its composition and size and evaluates the need for change, if required.
- iii. The Company requires skills/expertise/competencies in the areas of strategy, finance, accounting, economics, legal and regulatory matters, mergers and acquisitions, the environment, green technologies, sustainability to efficiently carry on the businesses of the Company. The Board is satisfied that the current composition reflects an appropriate mix of knowledge, skills, experience, expertise, diversity and independence. All directors on the board have skill and expertise required for conduct of business. The Board provides leadership, strategic guidance, an objective and independent view to the Company’s management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure.

- iv. None of the directors on the board hold directorships in more than Eight Listed Entities. The Executive Director is not serving as an Independent Director in any other Listed Entity. Further, none of them is a member of more than ten committees of Board or chairman of more than five committees across all the public companies in which he/she is a director. Necessary disclosures regarding committee positions in other public companies as on 31 March 2022 have been made by the directors.
- v. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of the independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under SEBI Listing Regulations and Section 149 of the Act and have entered their details in the Independent Director Data Base. Based on the disclosures received from all Independent Directors and also in the opinion of the Board, the independent directors are independent of the Management.
- vi. Except Mrs. Krishnaveni Kannan Yadav and Mr. Kannan A. Yadav who are spouse of each other, none of the other directors are inter-se related with other director.
- vii. The names and categories of the directors on the board and the number of directorships and committee chairmanships/ memberships held by them in other public companies as on 31 March 2022 are given below. Other directorships do not include directorships of private limited companies. Chairmanships/ memberships of board committees

Sr. No.	Name of Director	Category of Directorship	Number of Other Director Ships *	Total Number of Membership(s) in Other Board Committees**	
				Chairman	Member
1	Mrs. Bina S Shah - Chairperson (DIN : 00349612)	Independent, Non-Executive Director	1	2	2
2	Mr. Neerav B Merchant (DIN : 00222393)	Independent, Non-Executive Director	1	Nil	2
3	Mr. Rajen Kapil Desai (DIN: 00382740 )	Promoter, Non-Executive Director	1	Nil	Nil
4	Mr. Krishnaveni Kannan Yadav (DIN: 00249260)	Promoter, Non-Executive Director	Nil	Nil	Nil
5	Mr. Kannan Adhikesavan Yadav (DIN: 00249225 )	Managing Director (CEO)	1	Nil	Nil
6.	Mr. Subramaniam Krishnan (DIN: 00583985 )	Executive Director	Nil	Nil	Nil

\*Excluding Directorship in NB Footwear Limited, Private Limited Companies and Foreign Companies.

\*\*Includes Chairmanships/memberships of Audit Committee and Stakeholders Relationship Committee only. However, it excludes Chairmanships/Memberships in the committees of NB Footwear Limited.

- viii. During the financial year ended 31 March 2022, FOUR meetings of the Board of Directors were held respectively on 04 June 2021, 11 August 2021, 13 November 2021 and 12 January 2022.

The Company adheres to the provisions of the Act read with the Rules issued thereunder, Secretarial Standards and SEBI Listing Regulations with respect to convening and holding the meetings of the Board of Directors and its Committees.

The necessary quorum was present for all the meetings.

The attendance of Directors at the Board Meetings and at previous AGM is as under:

Sr. No.	Director	No. of entitled to attend	No. of meetings attended	Attendance at previous AGM
1.	Mrs. Bina S. Shah	2	2	Yes
2.	Mr. Neerav B Merchant	2	2	No
3.	Mr. Rajen K. Desai	4	4	No
4.	Mr. Krishnaveni K. Yadav	4	4	No
5.	Mr. Kannan A. Yadav	4	4	Yes
6.	Mr. S. Krishnan	4	1	Yes

- ix. During the year 2021-22, the information as mentioned in Regulation 17(7) read with Part A of Schedule II of SEBI Listing Regulations was regularly placed before the Board on quarterly basis for its consideration.
- x. The terms and conditions of appointment of the independent directors are in conformity of the provisions of the Section 149(6) of the Act and Regulation 16(1)(b) of SEBI Listing Regulations.
- xi. Company provides formal letter of appointment to the Independent Director as provided in the Act and the SEBI Listing Regulations at the time of their appointment.

The terms and conditions of the letter of appointment along with the detailed profile of the Independent Directors and familiarisation programme as being imparted to the independent director has been placed at the website of the Company at [www.nbfootwear.in](http://www.nbfootwear.in)

- xii. Independent Directors have an independent standing in their respective field/profession, and who effectively contribute to the Company's business and policy decisions of the Company. Every Independent Director, at the first meeting of the Board in which he/ she participates as director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he/she meets with the criteria of independence as provided under the Act.
- xiii. A separate meeting of the independent directors was held on 12 January 2022 inter-alia to review the performance of non-independent directors and of the board as a whole.

- xiv. The independent directors ascertain and ensure that the Company has an adequate and functional vigil mechanism and ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use.
- xv. The Board periodically reviews compliance reports of all laws applicable to the Company, prepared by the management of the Company.
- xvi. Details of equity shares of the Company held by the Directors as at 31 March 2022 are given below:

Sr. No.	Name of the Director	Category	No. of equity shares held
1.	Mrs. Bina S. Shah	Independent, Non-Executive	NIL
2.	Mr. Neerav B Merchant	Independent, Non-Executive	NIL
3.	Mr. Rajen K. Desai	Promoter, Non-Executive	114,900
4.	Mr. Krishnaveni K. Yadav	Promoter, Non-Executive	NIL
5.	Mr. Kannan A. Yadav	Managing Director (CEO)	220, 000
6.	Mr. S. Krishnan	Executive Director	NIL

### 3. COMMITTEES OF THE BOARD

#### A. AUDIT COMMITTEE

The Audit Committee has been constituted in compliance of the SEBI Listing Regulations and the Act and consists of three Non-Executive Directors as its members, majority of them being Independent Directors. The head of Finance & Accounts and the representatives of the Statutory and Internal Auditors are permanent invitees to the Audit Committee. Mrs. Bina S. Shah, the Chairperson of the Committee, is a Non-Executive Independent Director having expertise in accounting and financial matters.

#### CONSTITUTION, MEETINGS AND ATTENDANCE OF AUDIT COMMITTEE:

During the financial year ended 31 March 2022, FOUR meetings of audit committee were held respectively on 04 June 2021, 11 August 2021, 13 November 2021 and 12 January 2022.

The constitution of audit committee and attendance of members at the Audit Committee Meetings is as under:

Sr. No.	Member of Audit Committee	Category of Audit Committee member	No. of meetings entitled to attend	No. of meetings attended
1.	Mrs. Bina S. Shah	Independent Director	2	2
2.	Mr. Neerav B Merchant	Independent Director	2	2
3.	Mr. Rajen K. Desai	Non-Executive Director	4	4

The Company Secretary of the Company acts as Secretary to the Committee.

The minutes of the Audit Committee Meetings are being noted by the Board of Directors at the subsequent Board Meetings.

The previous Annual General Meeting of the Company that was held on 28 September 2021 was attended by Mrs. Bina S. Shah, Chairperson of the Audit Committee to respond to the Shareholder's queries, if any, that were received by the Company.

**Audit Committee performs roles as specified in Part C of Schedule II read with Regulation 18(3) of SEBI Listing Regulations and it broadly includes:**

- (1) Oversight of the Company's financial reporting process and the disclosure of its financial information including Auditors' Report thereon to ensure that the financial statement is correct, sufficient and credible;
- (2) To recommend the appointment, remuneration and terms of appointment of auditors of the Company;
- (3) To approve payment to the statutory auditors for any other services rendered by the statutory auditors;
- (4) To review, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - ❖ matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
  - ❖ changes, if any, in accounting policies and practices and reasons for the same;
  - ❖ major accounting entries involving estimates based on the exercise of judgment by management;
  - ❖ significant adjustments made in the financial statements arising out of audit findings;
  - ❖ compliance with listing and other legal requirements relating to financial statements;
  - ❖ disclosure of any related party transactions;
  - ❖ modified opinion(s) in the draft audit report;
- (5) To review with the management, the quarterly financial statements before submission to the board for approval;
- (6) To review with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (7) To review and monitor the auditor's independence and performance, and effectiveness of audit process;
- (8) To approve or any subsequent modification of transactions of the Company with related parties;
- (9) To scrutinize inter-corporate loans and investments;



- (10) To consider valuation of undertakings or assets of the Company, wherever it is necessary;
- (11) To evaluate internal financial controls and risk management systems;
- (12) To review, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (14) To discuss with internal auditors any significant findings and follow up there on;
- (15) To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (16) To discuss with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) To review the functioning of the whistle blower mechanism;
- (19) To approve appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20) To carry out any other function as is mentioned in the terms of reference of the audit committee.
- (21) To Consider and comment on rational, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholder.
- 22) Audit Committee also reviews related party transactions and compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015

The Audit Committee mandatorily reviews the following information:

- ❖ Management discussion and analysis of financial condition and results of operations;
- ❖ Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- ❖ Management letters / letters of internal control weaknesses issued by the statutory auditors;
- ❖ Internal audit reports relating to internal control weaknesses; and
- ❖ Appointment, removal and terms of remuneration of the chief internal auditor.
- ❖ Statement of deviations:
  - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

**B. NOMINATION & REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee comprises of three Non-Executive Directors, majority of them being Independent Directors. Mr. Neerav B Merchant, an independent director, not being chairman of the Board, is the chairman of the Committee.

Other members of the Committee are Mrs. Bina S. Shah and Mr. Rajen K Desai

The Nomination and Remuneration Committee of the Company is constituted in compliance with Regulation 19 of SEBI Listing Regulations read with Section 178 of the Act.

During the year two meeting of The Nomination and Remuneration Committee were respectively held on 11 August 2021 and 12 January 2022. The meetings were attended by all existing members of the Committee.

Mr. Neerav B Merchant, Chairman of the Nomination and Remuneration Committee could not attend the previous Annual General Meeting ("AGM") of the Company, the queries of shareholders, if any, were replied by the Chairperson of the Board.

**The broad terms of reference of the Nomination and Remuneration Committee are as specified in Regulation 19(4) read with Part D of the Schedule II of SEBI Listing Regulations and it broadly includes:**

- (1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- (2) To evaluate the balance of skills, knowledge and experience of every independent director, proposed to be appointed on the Board and on the basis of such evaluation, to prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee is empowered to:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates.
- (3) Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- (4) Devising a policy on diversity of Board of Directors;
- (5) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- (6) 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.
- (7) Recommends to the board, all remuneration, in whatever form, payable to senior management.

**REMUNERATION POLICY:**

The remuneration policy is directed towards rewarding performance based on review of achievements.

To review the performance of Board members a structured questionnaire covering various aspects such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance was prepared based on the Guidance note issued by SEBI vide circular no. CMD/CIR/P/2017/004 dated January 5, 2017. The performance of individual members is being evaluated based on the response received from the other board members.

The remuneration policy of the Company is placed on its website. It is aimed at attracting and retaining high caliber talent.

**REMUNERATION TO EXECUTIVE DIRECTORS AND/OR NON-EXECUTIVE DIRECTORS:**

Presently Company is neither paying any Remuneration to Executive Directors and/or Whole- Time Directors nor any sitting fee to non-executive directors.

Currently the Company also not have any stock option plan or performance linked incentives for its directors.

**C RISK MANAGEMENT COMMITTEE:** Pursuant to the SEBI Listing Regulations Company is not required to constitute Risk Management Committee. However, a Risk Management Policy has been defined within the Company's operating framework, which is available on the Company's website at [www.nbfootwear.in](http://www.nbfootwear.in)

**D STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Stakeholders Relationship Committee has been constituted in compliance with the provisions of Section 178 of the Act and Regulation 20 of the SEBI Listing Regulations. Present Stakeholders Relationship Committee is having three members namely: Mrs. Bina S. Shah, an independent director as Chairperson, Mr. Rajen K Desai, Non-executive Director and Mr. S Krishnan, Executive Directors as its members. Mr. S Krishnan who is also working as Company Secretary and Compliance Officer acts as Secretary to the Stakeholders Relationship Committee. The Company has appointed Cameo Corporate Services Limited as its Share Transfer Agent. The Stakeholders Relationship Committee holds meetings occasionally when requirement arises. The Compliance Officer of the Company has been authorized to approve the transfer of shares as submitted by the Registrar & Share Transfer Agent. Details of shares transfers/ transmissions approved by the Compliance Officer are placed before the Board and the Stakeholders Relationship Committee on a regular basis.

During the year ended 31 March 2022 a meeting of Stakeholders Relationship Committee was held on 12 January 2022 that was attended by all members of the Committee.

Mrs. Bina S. Shah, Chairperson of the Committee was present at the previous Annual General Meeting held on 28 September 2021 through video conferencing to answer the queries of the Shareholders, as received.

During the year ended on 31 March 2022, the Company has received Nine complaint from its shareholders, that were promptly resolved by the Company/ RTA. As at 31 March 2022 no Complaint was pending to be resolved.

**The broad terms of reference of the Stakeholders Relationship Committee are as specified in Regulation 20(4) read with Part D of the Schedule II of SEBI Listing Regulations and it broadly include:**

- ❖ Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- ❖ Review of measures taken for effective exercise of voting rights by shareholders.
- ❖ Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- ❖ Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- ❖ Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

The Company has obtained certificate from a Company Secretary in Practice confirming that the Company and its RTA issue certificates lodged for transfer, sub-division, consolidation etc. within a period of thirty days from the date of lodgment, and submits a copy thereof to the Stock Exchanges in terms of Regulation 40(10) of the SEBI Listing Regulations for the year ended on 31 March 2022. Further, the Compliance Certificate under Regulation 7 of the SEBI Listing Regulations, confirming that all activities in relation to share transfer facility are maintained by Registrar and Share Transfer Agent has also been obtained by the Company.

#### **4. DISCLOSURES**

##### **i) Related Party Transactions**

During the financial year 2021-22 the Company has not entered into any related party transactions as specified in Section 188 of the Act. Details of related party transactions as required under Ind-AS-24 'Related Party Disclosures' are reported in the explanatory notes to the financial statements.

Details of related party transactions, if any, are regularly placed before the Audit Committee and also before the Board for its approval. Wherever required prior approval of the Audit Committee is obtained and such transactions are placed before the Audit Committee and the Board of Directors.

The Company has formulated a policy on dealing with related party transactions and a policy on materiality of related party transactions the same have been placed at the website of the Company at [www.nbfootwear.in](http://www.nbfootwear.in)

**ii) Accounting treatment:**

The financial statements of the Company have been prepared to comply in all material aspects with the Accounting Standard notified under Section 133 of the Act as per the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS), as amended from time to time, and other relevant provisions of the Act and rules framed there under. The financial statements have been prepared on accrual basis under the historical cost convention.

**iii) Proceeds from public issue, rights issue, preferential issues:**

During the financial year under review, the Company has not raised funds through public issue, right issue, preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of SEBI Listing Regulations.

**iv) CEO/ CFO certification**

A certificate given by the Managing Director and CFO was placed before the Audit Committee and the Board. The Certificate verifies that according to best of the knowledge and belief of Managing Director and CFO there was no transaction entered into by the Company during the year which was fraudulent, illegal or in violation of the Company's Code of Conduct.

**v) Compliances by the Company**

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities, including provisions of regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations, on all matters related to capital markets during the last three years except few delays in filing. The fines imposed by BSE on account of such delays were paid by the Company and no further action was initiated against the Company in those matters.

**vi) Confirmation that none of the Directors is disqualified:**

Company has obtained a certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as director of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.

**vii) Disclosures with respect to demat suspense account/ unclaimed suspense account:**

During the year under review Company has none of its shares in the demat suspense account or unclaimed suspense account.

**viii) Total fees for all services paid by the Company, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part, given below:**

Payment to Statutory Auditors for the F.Y. : 2021-22	F.Y. : 2021-22 (Rs.)
Statutory Audit fees	40,000
For Other Services	-
<b>Total</b>	<b>40,000</b>

**ix) Code of Conduct for Directors and Senior Management**

The Board has prescribed Code of Conduct ("Code") for all the Board Members and Senior Management of the Company. The policy of the Company on the Code of Conduct has been placed at its web-site at [www.nbfootwear.in](http://www.nbfootwear.in)

All Board Members and Senior Management personnel have confirmed compliance with the Code for the year 2021-22. A declaration as required under SEBI Listing Regulations to this effect has been included in CEO/CFO Certificate.

**5. GENERAL BODY MEETINGS:**

(a) **Location and time, where last three Annual General Meetings were held is given below:**

Financial Year	Date	Location of Meeting	Time
2018-2019	30 September 2019	Hotel Khanna, No. 16, Officers Lane, Vellore - 632104	10.00 a.m.
2019-2020	Called on 30 September 2020 Adjourned for want of quorum and adjourned AGM was held on 07 October 2020	Through Video Conferencing	9.30 a.m.
2020-2021	28 September 2021	Through Video Conferencing	11.00 a.m.

(b) **Details of special resolution passed in the previous three Annual General Meetings:**

One special resolution was passed at 31 AGM held on 30 September 2019 towards appointment of Mr. S. K. Wani as independent director.

No special resolution was proposed and passed at 32 AGM held 30 September 2020 and at 33 AGM held on 28 September 2021.

(c) **Resolution passed through Postal Ballot:**

(i) No resolution was passed last year through Postal Ballot.

(ii) No special resolution is proposed to be conducted through Postal Ballot.

## 6. WHISTLE BLOWER POLICY

The Board of Directors of the Company has adopted a Whistle Blower Policy and the same is available on Company's website at [www.nbfootwear.in](http://www.nbfootwear.in)

Other information as provided in regulation 16 to 27 and 46 of the SEBI Listing Regulations are also available on Company's website at [www.nbfootwear.in](http://www.nbfootwear.in)

### Status of compliance of non-mandatory requirements as per Part E of Schedule II of the SEBI Listing Regulations

1. The Chairman of the Company is non-executive, however no expenses are being incurred towards maintenance of Chairman's office.
2. The Statutory Auditors have expressed no qualification in their report and financial statements.
3. The Company has appointed an Independent Non-Executive Director as the Chairman of the Board.
4. The Internal Auditor periodically reports to the Audit Committee and has direct access to the Audit Committee and presents its internal audit observations to the Audit Committee.

## 7. MEANS OF COMMUNICATION

The Un-audited quarterly/ half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the closure of the financial year as per the requirement of the SEBI Listing Regulations read with relaxations provided by SEBI in view of Covid -19.

The un-audited and audited financial results as taken on record by the board on quarterly basis are forthwith communicated to BSE Limited as soon as they are approved and taken on record by the Board of Directors of the Company. Also, the Company used to comply with filing submissions through BSE Listing Centre. Further, the results are published in the newspapers namely the Trinity Mirror (English) and Makkal Kural (Tamil) and also being posted at the web-site of the Company at [www.nbfootwear.in](http://www.nbfootwear.in)

In compliance with Regulation 46 of the SEBI Listing Regulations, Company placed on its web-site information of shareholding pattern, Annual Report, Quarterly/ Half yearly/ Nine-months and Annual financial results.

Management Discussion and Analysis Report forms part of the Annual Report, which is being posted to the shareholders of the Company.

## 8. SHAREHOLDERS' INFORMATION

1. Information about Annual General Meeting:

AGM Date/Day	Time	Venue
Saturday, 24 September 2022	11.00 am	Shall be held through Video Conferencing/ Other Audio Visual Means

\*No resolution is proposed to be passed by way of postal ballot at ensuing AGM.

2. Financial Calendar: 01 April 2021 to 31 March 2022.

3. Book Closure: Not Applicable.

4. Dividend Payment Date: Not Applicable.

5. Listing on Stock Exchanges, with Stock Code:

The Equity Shares of the Company are listed on BSE Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001. Annual Listing fees for Financial Year 2021-22 as well as of 2022-23 have been paid to BSE Limited.

Stock Code. 523242.

ISIN: INE006F01018

Securities of the Company have never been suspended from trading.

6. Market Price Data (High, Low during each month in last financial year):

Month	High (Rs.)	Low (Rs.)
April 2021	NA	NA
May 2021	1.43	1.43
June 2021	NA	NA
July 2021	1.57	1.43
August 2021	1.80	1.50
September 2021	1.89	1.63
October 2021	2.47	1.79
November 2021	NA	NA
December 2021	4.78	2.59
January 2022	5.02	3.39
February 2022	3.50	3.33
March 2022	3.50	3.17

7. Performance in comparison to board-based indices such as BSE (SENSEX): Shares of the Company are not regularly being traded so the comparison with broad based indices has not been made.

8. Company has not issued any debenture or accepted deposits so the rating from CRISIL or any other agency was not required to be obtained.

9. During the year Company has not received any complaint under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

10. Registrar and Transfer Agent:

Cameo Corporate Services Limited,  
 'Subramanian Building'  
 No.1, Club House Road,  
 Chennai 600 002  
 Contact Number-044 28461173



Distribution Schedule & Shareholding pattern of Equity Shares as on 31 March 2022 is enclosed as Annexure-II.

Dematerialization of shares and liquidity: As on 31 March 2022, 82.87% of the shares capital of the Company has been dematerialized. All requisitions for dematerialization of shares are being accepted well within the time limit of 21 days. Shares of the Company are not being regularly traded at the BSE Limited, Mumbai.

Outstanding GDRs/ADRs etc.: Not Applicable.

Address of Company :  
NB FOOTWEAR LIMITED,  
87/84A, Mosque Street,  
Seduvalai Village,  
Vellore 632 104

**ANNEXURE -II**

A. Distribution Schedule of Equity Shares as at 31 March 2022:

No. of Equity Shares held	No. of Shareholders	% of Shareholder	No. of Shares held	% of Shareholding
001 to 1000	1603	86.14	437149	3.24
1001 to 2000	103	5.53	157808	1.17
2001 to 3000	37	1.99	97100	0.72
3001 to 4000	12	0.64	43900	0.33
4001 to 5000	13	0.70	61700	0.46
5001 to 10000	27	1.45	193500	1.43
10001 & above	66	3.55	12508843	92.65
<b>TOTAL</b>	<b>1861</b>	<b>100</b>	<b>13500000</b>	<b>100</b>
Physical Mode	1408	75.66	2312704	17.13
Electronic Mode	453	24.34	11187296	82.87

B. Shareholding pattern as at March 31, 2022:

Category	No. of shareholders	Nos. of Shares held	Voting Strength
Promoters & Persons Acting in concert	9	9500100	70.37
Bodies Corporate (Domestic)/Trusts	69	1105642	8.19
Banks/Mutual Funds/Financial Institutions (FIs)	0	0	0
Non-Resident Individuals (NRIs)/ Foreign Corporate Bodies/Overseas Corporate Bodies (OCBs)/ Foreign Banks	1	200	0
Resident Individuals	1772	2882258	21.35
In transit	10	11800	0.09
<b>TOTAL</b>	<b>1861</b>	<b>13500000</b>	<b>100</b>

**DECLARATION**

As per the Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended March 31, 2022.

Place: Thane  
Date: 30 July 2022

For NB Footwear Limited  
Kannan Yadav (Managing Director)  
DIN 00249225

**INDEPENDENT AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (Listing Obligations and Disclosure Requirements) REGULATIONS, 2015**

**TO THE MEMBERS OF NB Footwear Limited**

1. I have examined the compliance of conditions of Corporate Governance by NB Footwear Limited ("the Company"), for the year ended 31 March 2022, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

**Management's Responsibility**

2. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

**Auditors' Responsibility**

3. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. Pursuant to the requirements of the Listing Regulations, it is my responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2022.
5. I have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

6. In my opinion and to the best of our information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.
7. I state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Restriction on use**

8. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, I do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without my prior consent in writing.

*for K.Gopal Rao & Co*  
Chartered Accountants  
FRN No.0009565

**(CA MADAN GOPAL NARAYANAN)**  
Partner  
M.No.211784

Place: Chennai  
Date: July 30, 2022

**INDEPENDENT AUDITOR'S REPORT**

To the Members of **N B Footwear Limited**

**Opinion**

We have audited the accompanying Standalone financial statements of N B Footwear Limited (hereinafter referred to as "the Company"), comprising of the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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 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 state of affairs of the company as at March 31, 2022; and its Loss, Total Comprehensive Loss, the changes in Equity, and Cash Flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's report, Management discussion and analysis and Report on corporate governance, but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial

statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is no 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 Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity)<sup>5</sup> and cash flows of the Company in accordance with<sup>6</sup> the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

Paragraph 40(b) of this SA explains that the shaded material below can be located in an Appendix to the auditor's report. Paragraph 40(c) explains that when law, regulation or applicable auditing standards expressly permit, reference can be made to a website of an appropriate authority that contains the description of the auditor's responsibilities, rather than including this material in the auditor's report, provided that the description on the website addresses, and is not inconsistent with, the description of the auditor's responsibilities below.

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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls 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.

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

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

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

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Company, we give in the Annexure-A statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Standalone financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Standalone financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Standalone financial statements.
- (d) In our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Company as on 31st March, 2022 taken on record by the Board of Directors of the Company, none of the directors of the Company are disqualified as on 31st March, 2022 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 Group and the operating effectiveness of such controls, refer to our separate report in "Annexure – B"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. There were no pending litigations which would impact the financial position of the Company.
  - ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

*for K.Gopal Rao & Co*  
*Chartered Accountants*  
 FRN No.000956S

**(CA MADAN GOPAL NARAYANAN)**  
*Partner*  
 M.No.211784

Place: Chennai  
 Date: 30.07.2022

**ANNEXURE – A  
TO THE INDEPENDENT AUDITOR'S REPORT**

**[Referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of NB Footwear Limited ("the Company") on the accounts of the company for the period ended 31<sup>st</sup> March 2022]**

1. (a) On the basis of our examination and as per the information and explanation provided to us, the Company does not have any fixed assets; hence the requirement of maintaining details does not arise.  
(b) As per the Information and the explanations given, the Company does not have Fixed Assets; hence requirement of physical verification is not applicable.  
(c) Based on the Information and the explanations given to us, there are no such instances where title deeds of immovable properties are not held in the name of the company.
2. As per the Information and the explanations given, the Company does not have Inventories; hence requirement of maintenance of records and/or physical verification are not applicable.
3. According to the information given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore clauses (iii) (a), (iii) (b) and (iii) (c) of Paragraph 3 of the Order are not applicable to the Company
4. The Company has complied with the provisions of the section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
5. The Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed thereunder.
6. Since the Company is not involved in any manufacturing activity during the financial year, maintenance of cost records under Section 148 (1) (d) of the Companies Act, 2013 does not arise.
7. According to the information and explanation given to us and based on the records of the company, the company has been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31<sup>st</sup> of March, 2022 for a period of more than six months from the date they became payable.
8. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution and banks.
9. Based on our audit procedures and according to the information and explanations given to us, the Company did not raise any money by way of further public offer (including debt instruments) during the year. According to the information and explanations given by the management, term loans were applied for the purpose for which the loans were obtained.

10. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.
11. According to the information and explanation given to us, in respect of Managerial Remuneration, the company has followed the provision of Section 197 read with Schedule V to the companies Act.
12. Based on the information and explanation given to us, in our Opinion, the company is not a Nidhi Company. Therefore clause 3 (xii) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.
13. According to the information and explanation given to us, in respect of transactions with related parties the company has complied with the provision of Section 177 and 188 of Companies Act 2013 and the same has been disclosed in the Standalone financial Statements, etc. as required by the Accounting Standard.
14. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the company has not made any preferential allotment of shares during the year.
15. According to the information and explanation given to us, the Company has complied with the provisions of Section 192 of Companies Act 2013 in respect of non-cash transactions with directors or persons connected with.
16. In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

*for K.Gopal Rao & Co*  
*Chartered Accountants*  
FRN No.0009565

**(CA MADAN GOPAL NARAYANAN)**  
*Partner*  
M.No.211784

Place: Chennai  
Date: 30.07.2022



**ANNEXURE – B  
TO THE INDEPENDENT AUDITOR'S REPORT**

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

We have audited the internal financial controls over financial reporting of NB Footwear Limited ("the Company") as of 31<sup>st</sup> March 2022 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone 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 Standalone 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 Standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company.
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, 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 K.Gopal Rao & Co*  
*Chartered Accountants*  
FRN No.000956S

**(CA MADAN GOPAL NARAYANAN)**  
*Partner*  
M.No.211784

Place: Chennai  
Date: 30.07.2022

STATEMENT OF ASSETS AND LIABILITIES			All amounts in INR	
	Particulars	Note No.	As at 31st March	
			2022	2021
<b>I.</b>	<b>ASSETS</b>			
	<b>NON-CURRENT ASSETS</b>			
	Property, Plant and Equipment		-	-
	Capital Work In Progress		-	-
	Goodwill		-	-
	Other Tangible assets		-	-
	Financial Assets			
	Investments		-	-
	Loans		-	-
	Other Financial assets		-	-
	Deferred Tax Assets (net)			
	Income Tax Assets (net)			
	Other Non-Current assets			
	<b>TOTAL NON CURRENTASSETS</b>		-	-
	<b>CURRENTASSETS</b>			
	Financial Assets			
	Invetsments			
	Trade receivables			
	Cash and Cash Equivalents	6	160,963	32,114
	Loans		-	-
	Other Financial Assets		-	-
	Other Current Assets		-	-
	Assets held for sale		-	-
	<b>TOTAL CURRENT ASSETS</b>		160,963	32,114
	<b>TOTAL ASSETS</b>		<b>160,963</b>	<b>32,114</b>
<b>II.</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>EQUITY</b>			
	Equity Share Capital	2	145,000,000	145,000,000
	Other Equity	3	(153,378,859)	(153,068,038)
	<b>TOTAL EQUITY</b>			
	<b>LIABILITES</b>			
	<b>NON-CURRENT LIABILITIES</b>			
	Financial Liabilities			
	Other Financial Liabilities			
	Deferred Tax Liabilities (Net)			
	Other Non-Current Liabilities			
	<b>TOTALNON-CURRENT LIABILITIES</b>		(9,378,859)	(8,068,038)
	<b>CURRENT LIABILITIES</b>			
	Financial Liabilities			
	Trade payables			
	Other Financial liabilities			
	Other Current Liabilities	4	9,332,622	8,100,152
	Provisions	5	207,200	-
	Income Tax liabilities (net)			
	<b>TOTAL CURRENT LIABILITIES</b>		9,539,822	8,100,152
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>160,963</b>	<b>32,114</b>

The accompanying notes form an integral part of the standalone financial statements.

As per report of even date attached

**For K. Gopal Rao & Co.**  
Chartered Accountants  
FRN : 0009565

For & on Behalf of the Board of Directors of  
**NB Footwear Limited**

**CA Madan Gopal Narayanan**  
Partner  
M No. 211784  
Place: Chennai  
Date : 28.04.2022

( S. Krishnan)  
(Executive Director, CFO and Company Secretary)  
DIN: 00583985

(Kannan Yadav)  
(Managing Director & CEO)  
DIN: 00249225

( Rajen K. Desai)  
(Director)  
DIN: 00382740

STATEMENT OF PROFIT AND LOSS				
			All amounts in INR	
	Particulars	Note No.	As at 31st March	
			2022	2021
	Revenue from operations		-	-
	Other income, net		-	-
	<b>TOTAL INCOME</b>		-	-
	<b>EXPENSES</b>			
	Employee benefits expense	7	166,480	138,802
	Other Expenses	8	1,144,341	3,280,598
	<b>TOTAL EXPENSES</b>		1,310,821	3,419,400
	<b>Profit before Tax</b>		(1,310,821)	(3,419,400)
	Tax Expense			
	Current Tax		-	-
	Deferred Tax		-	-
	<b>PROFIT FOR THE YEAR</b>		(1,310,821)	(3,419,400)
	Other Comprehensive income		-	-
	Items that will not be reclassified subsequently to profit or loss		-	-
	Remeasurement of the net defined benefit liability / asset, net		-	-
	Equity instruments through other comprehensive income, net		-	-
	Items that will be reclassified subsequently to profit or loss		-	-
	Fair value changes on derivatives designated as cash flow hedge, net		-	-
	Fair value changes on investments, net		-	-
	Total other comprehensive income / (loss), net of tax		-	-
	<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		(1,310,821)	(3,419,400)
	Earnings per equity share			
	Equity shares of par value 10 each			
	Basic		(0.09)	(0.25)
	Diluted		(0.09)	(0.25)
	Weighted average equity shares used in computing earnings per equity share			
	Basic		(0.09)	(0.25)
	Diluted		(0.09)	(0.25)

The accompanying notes form an integral part of the standalone financial statements.

As per report of even date attached

**For K. Gopal Rao & Co.**  
Chartered Accountants  
FRN : 0009565

For & on Behalf of the Board of Directors of  
**NB Footwear Limited**

**CA Madan Gopal Narayanan** ( S. Krishnan)  
**Partner** (Executive Director, CFO and Company Secretary)  
M No. 211784  
Place: Chennai  
Date : 28.04.2022  
DIN: 00583985

(Kannan Yadav)  
**(Managing Director & CEO)**  
DIN: 00249225  
Place : Mumbai  
Date : 28.04.2022

( Rajen K. Desai)  
**(Director)**  
DIN: 00382740

## STATEMENT OF CASH FLOW

**Accounting policy**

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

**Amendment to Ind AS 7**

Effective April 1, 2017, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes; suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of the amendment did not have any material impact on the financial statements.

All amounts in INR

A)	CASH FLOW FROM OPERATING ACTIVITIES	Year Ended	Year Ended
		31st March 2022	31st March 2021
		₹	₹
	Profit before income Tax from Continuing Operations	(1,310,821)	(3,419,400)
	Discontinued Operations		
	Profit before Income Tax including Discontinued Operations	(1,310,821)	(3,419,400)
	Adjustment for -		
	Depreciation and amortisation expense		
	Impairment of Goodwill and other non-current assets		
	Adjustment for Interest Expenses		
	Provision for disputed claims		
	Extraordinary items/Adjustment for Govt Subsidy		
	Exchange gain/loss on restatement of forex		
	Operating profit before working capital changes	(1,310,821)	(3,419,400)
	Movements in working capital		
	(Decrease) / Increase in trade Payables		
	(Increase)/Decrease in Receivables		
	(Increase) /Decrease in Other Current Assets		
	(Increase) /Decrease in Long term loans & Advances		
	(Increase) /Decrease in Short term loans & Advances		
	(Increase)/Decrease in Inventories		
	(Decrease) / Increase in current liabilities	1,439,670	2,364,660
	(Decrease) / Increase in Long term Provisions		
	(Decrease) / Increase in Short term Provisions		
	(Increase) /Decrease in other Non-Current Assets		1,050,171
	Cash generated from operations	1,439,670	3,414,831
	Less:- Income tax paid	~	
	Net cash from operating activities (A)	128,849	(4,569)

## STATEMENT OF CASH FLOW

	Year Ended 31st March 2022	Year Ended 31st March 2021
B) CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Fixed Assets including CWIP		
Increase / (Decrease) in Non-current Investments		
Increase / (Decrease) in Receivables		
Investment (Increased)/Decreased		
Increase in Advances		
Increase / (decrease ) in Deposits		
Increase in Statutory Receivables		
Interest Received		
Decrease / Increase in Misc Expenditure		
Net cash from in Investing activities (B)	-	-
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from short term loans		
Proceeds from /(repayments of) Short Term loans		
Interest Paid		
Increase/Decrease in Cash Credit		
Net Cash from Financing Activities ( C )	0	0
Net Increase / (decrease) in Cash & Cash Equivalents (A+B+C)	128,849	(4,569)
Opening Cash and Cash Equivalent	32,114	36,683
Closing Cash and Cash Equivalent ( Note 7 )	160,963	32,114

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached

**For K. Gopal Rao & Co.**  
**Chartered Accountants**  
FRN : 0009565

For & on Behalf of the Board of Directors of  
**NB Footwear Limited**

**CA Madan Gopal Narayanan**  
**Partner**  
M No. 211784  
Place: Chennai  
Date : 28.04.2022

**( S. Krishnan )**  
**(Executive Director, CFO and Company Secretary)**  
DIN: 00583985

**(Kannan Yadav)**  
**(Managing Director & CEO)**  
DIN: 00249225  
Place : Mumbai  
Date : 28.04.2022

**( Rajen K. Desai )**  
**(Director)**  
DIN: 00382740

## NOTES TO FINANCIAL STATEMENTS

**Note 1 Corporate Information**

NB Footwear Limited is a Public Limited company incorporated in India and has its registered office at Vellore, Tamilnadu. As per our report of even date attached, the company is engaged in the business as tanners, processors, manufacturers, importers, exporters, agents, representatives, dealers and consultants in wifes, skins of all animal leather, leather goods and footwear of all kinds.

**Note 1.1 Basis of Preparation**

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules issued thereafter.

Effective April 1, 2017, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards, with April 1, 2017 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**Note 1.2 Use of estimates and judgments**

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 1.4. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

**Note 1.3 Critical Accounting Estimates****a. Non Current Assets**

For the purposes of current/non-current classification of assets and liabilities the company has ascertained its normal operating cycle as twelve months. This is based on nature of service and the time between the acquiring of assets or inventories for processing and their realization in cash and cash equivalents.

**b. Cash and Cash Equivalents**

Cash and cash equivalents are short-term (three months or less from the date of acquisition), highly liquid investments and deposits with the banks that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

**c. Earnings Per Share**

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued on conversion of all dilutive potential equity shares are adjusted for the proceeds receivables had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

**Note 2 Disclosure regarding Share Capital**

Note (i) Disclosure pursuant to Note no. 6(A)(a,b & c) of Part I of Schedule III to the Companies Act, 2013

Share Capital	As at 31st March 2022	As at 31st March 2021
	INR	INR
Authorised		
1,90,00,000 No. of equity shares of Rs. 10/- each (Previous Year 190,00,000 equity shares of Rs.10/- each)	190,000,000	190,000,000
100,000 Redeemable Preference Shares of Rs.100/- each (Previous Year 1,00,000 Redeemable Preference shares of Rs.100/- each)	10,000,000	10,000,000
	<b>200,000,000</b>	<b>200,000,000</b>
Issued, Subscribed and paid -up		
13500000 Equity shares of Rs.10/- each	135,000,000	135,000,000
100,000 Cumulative Non Convertible Redeemable Preference Shares of Rs.100/- each	10,000,000	10,000,000
	<b>145,000,000</b>	<b>145,000,000</b>
<b>Total</b>	<b>145,000,000</b>	<b>145,000,000</b>

Note (ii) Disclosure pursuant to Note no. 6(A)(d) of Part I of Schedule III to the Companies Act, 2013

(Figures in INR and Numbers)

Particulars	Equity Shares	
	Number	INR
Shares outstanding at the beginning of the year	13,500,000	135,000,000
Shares Issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	13,500,000	135,000,000

Note (iii) Disclosure to Note no.6(A)(e) of Part I of Schedule III to the Companies Act, 2013.

The Company has one class of equity shares having a face value of ₹ 10 each and One class of Cumulative Non Convertible Preference Shares having face value of Rs.10 each. Each holder of equity share is entitled to one vote per share held and carry a right to dividend. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the Company after distribution all preferential amounts, in proportion to their share holding.

Note (iv) Disclosure pursuant to Note no. 6(A)(g) of Part I of Schedule III to the Companies Act, 2013

(Figures in INR and Numbers)

Name of Shareholder	As at 31st March 2022		As at 31st March 2021	
	No. of Shares	Value	No. of Shares	Value
	Held	INR	Held	INR
<b>Par value of Equity Shares</b>				
CHEMELEON Commodities Private Limited	642,490	6,424,900	642,490	6,424,900
Aditya Investments and Communication Limited	226,090	2,260,900	226,090	2,260,900
	<b>868,580</b>	<b>8,685,800</b>	<b>868,580</b>	<b>8,685,800</b>
<b>Par value of Preference Shares</b>				
CHEMELEON Commodities Private Limited	73,000	7,300,000	73,000	7,300,000
Aditya Investments and Communication Limited	17,000	1,700,000	17,000	1,700,000
Grandeur Corporation Private Limited	10,000	1,000,000	10,000	1,000,000
	<b>100,000</b>	<b>10,000,000</b>	<b>100,000</b>	<b>10,000,000</b>



**Note 3 Disclosure regarding Other Equity**

Note (i) Disclosure pursuant to Note no. 6(B) of Part I of Schedule III to the Companies Act, 2013

<u>Other Equity</u>	As at 31st March 2022	As at 31st March 2021
	₹	₹
<b>a. Capital Reserves</b>		
Opening Balance	2,000,000	2,000,000
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	2,000,000	2,000,000
<b>b. Securities Premium Reserve</b>		
Opening Balance	30,000,000	30,000,000
(+) Securities premium credited on Share issue	-	-
(-) Premium Utilised for various reasons	-	-
Premium on Redemption of Debentures	-	-
For Issuing Bonus Shares	-	-
Closing Balance	30,000,000	30,000,000
<b>c. Retained Earnings</b>		
Opening Balance	(185,068,038)	(181,648,638)
(+) Net Profit/(Net Loss) For the current year	(1,310,821)	(3,419,400)
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
(-) Transfer to Reserves	-	-
Closing Balance	(186,378,859)	(185,068,038)
<b>Total</b>	<b>(154,378,859)</b>	<b>(153,068,038)</b>

**Nature of Reserves**

- (a) Capital Reserve  
The Company recognises profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments is transferred to capital reserve.
- (b) Securities Premium Reserve  
The amount received in excess of face value of the equity shares is recognised in securities premium reserve. The reserve is utilised in accordance with the provision of the Companies Act, 2013
- (c) Retained Earnings  
Retained earnings comprise of the undistributed earnings after taxes.

**Note 4** Disclosures regarding Other Current Liabilities

Note (i) Disclosure pursuant to Note no. 6(G) of Part I of Schedule III to the Companies Act, 2013

<u>Other Current Liabilities</u>	As at 31st March 2022	As at 31st March 2021
	₹	₹
Other payables	9,332,622	8,100,152
<b>Total</b>	<b>9,332,622</b>	<b>8,100,152</b>

**Note 5** Disclosures regarding Short Term Provisions

Note (i) Disclosure pursuant to Note no. 6(H) of Part I of Schedule III to the Companies Act, 2013

<u>Short Term Provisions</u>	As at 31st March 2022	As at 31st March 2021
	₹	₹
Others	1,60,000	-
Audit Fee payable	47,200	-
<b>Total</b>	<b>2,07,200</b>	<b>-</b>

**Note 6** Disclosures regarding Cash balance, Bank balance, Cash equivalents & other Bank deposits

Note (i) Disclosure pursuant to Note no.Q (i), (ii), (iii), (iv) and (v) of Part I of Schedule III to the Companies Act, 2013

<u>Cash &amp; Cash Equivalents</u>	As at 31st March 2022	As at 31st March 2021
	₹	₹
Cash & Cash Equivalents		
Balances with banks	158,883	30,350
Cash on hand	2,080	1,764
<b>Total</b>	<b>160,963</b>	<b>32,114</b>

**Note 7** Disclosure regarding additional information required pursuant to Note no. 5 of Part II

Note (i) Disclosure pursuant to Note no. 5(i)(a) of Part II of Schedule III to the Companies Act, 2013

<u>Employees Benefit Expenses</u>	For the year ended As at 31st March 2022	For the year ended 31st March 2021
	₹	₹
(i) Salaries and Wages	159,480	133,001
(ii) Contribution to Provident & Other Fund	-	2,801
(iv) Staff Welfare Expenses	7,000	3,000
<b>Total</b>	<b>166,480</b>	<b>138,802</b>

**Note 8 Disclosures regarding Other expenses, not covered under any other disclosures**

Note (i) Disclosure pursuant to Part II of Schedule III to the Companies Act, 2013

Other Expenses	For the year ended As at 31st March 2022	For the year ended 31st March 2021
	₹	₹
Advertisement	134,607	89,040
AGM Expenses	64,900	118,000
Audit Fee	58,100	60,000
Postage, Telephone and Telex	41,334	-
Professional and Consultancy charges	165,000	40,300
Listing Fee and Listing Compliance Fees/ Charges	354,000	1,259,120
Rent, Rates and Taxes	47,880	47,880
Office General Expenses	52,685	-
Travelling and Conveyance	10,200	21,800
Bank Charges	1,845	1,693
Depository Services	11,800	23,600
Issuers Fees	106,200	53,100
MCA Fees	-	21,700
Printing & Stationery	24,990	28,624
Service Charges	-	65,000
Sundry Balances Written off / Written back	-	1,382,891
Website Development Charges	70,800	67,850
<b>Total</b>	<b>1,144,341</b>	<b>3,280,598</b>

**ADDITIONAL DISCLOSURES TO FINANCIAL STATEMENTS**

1 Disclosure pursuant to Note no. 5(i)(c) of Part II of Schedule III to the Companies Act, 2013

Item of Income and Expenditure which exceeds 1% of revenue from operations or Rs.1,00,000 whichever is higher	For the year ended 31st March 2022	For the year ended 31st March 2021
	₹	₹
Listing Fee and Listing Compliance Fees/ Charges	354,000	1,259,120
AGM Expenses	-	118,000
Sundry Balances Written off / Written back	-	1,382,891
Salaries and Wages	159,480	133,001
Advertisement	134,607	89,040
Professional and Consultancy Charges	165,000	40,300
Issuer Fees	106,200	53,100

2 Key Management Personnel

(i) The list of related parties as identified by the Management are as under :

Enterprises owned by/over which Key Management Personnel (KMP) is able to exercise significant influence:-

- Chameleon Commodities Private Limited
- Grandeur Corporation Private Limited
- Aditya Investments and Communication Limited

(ii) There were no transactions with the related parties.

As per our report of even date attached

**For K. Gopal Rao & Co.**  
**Chartered Accountants**  
FRN : 0009565

For & on Behalf of the Board of Directors of  
NB Footwear Limited

**CA Madan Gopal Narayanan**  
**Partner**  
M No. 211784  
Place: Chennai  
Date : 28.04.2022

**( S. Krishnan)**  
**(Executive Director, CFO and Company Secretary)**  
DIN: 00583985

**(Kannan Yadav)**  
**(Managing Director & CEO)**  
DIN: 00249225  
Place: Mumbai  
Date : 28.04.2022

**( Rajen K. Desai)**  
**(Director)**  
DIN: 00382740

Notes to financial statements (continued)

14 Financial instruments

A Accounting classification and fair values

The carrying value and fair value of financial instruments, including their levels in the fair value hierarchy as at 31st March 2021 were as follows:

Particulars	Other financial assets amortised cost	Financial assets/ liabilities at fair value through profit or loss		Fair value through OCI	Other financial liabilities	Total carrying value	Fair value			
		Designated upon initial recognition	Mandatory				Level 1	Level 2	Level 3	Total
<b>Financial asset not measured at fair value*</b>										
Cash and cash equivalents	32,114	-	-	-	-	32,114	-	-	-	-
Bank balances other than above	-	-	-	-	-	-	-	-	-	-
Other financial assets	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>32,114</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>32,114</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities not measured at fair value*</b>										
Other financial liabilities	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* The Company has not disclosed the fair values for financial instruments such as cash and cash equivalents, trade receivables, trade payables etc., because their carrying amounts are a reasonable approximation of fair value.

\*\* Investment in equity shares in subsidiary and associate companies is accounted at cost as per Ind AS 27

The carrying value and fair value of financial instruments, including their levels in the fair value hierarchy as at 31st March 2022 were as follows:

Particulars	Other financial assets amortised cost	Financial assets/ liabilities at fair value through profit or loss		Fair value through OCI	Other financial liabilities	Total carrying value	Fair value			
		Designated upon initial recognition	Mandatory				Level 1	Level 2	Level 3	Total
<b>Financial asset not measured at fair value*</b>										
Cash and cash equivalents	1,60,963	-	-	-	-	1,60,963	-	-	-	-
Bank balances other than above	-	-	-	-	-	-	-	-	-	-
Other financial assets	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,60,963</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,60,963</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* The Company has not disclosed the fair values for financial instruments such as cash and cash equivalents, trade receivables, trade payables etc., because their carrying amounts are a reasonable approximation of fair value.

\*\* Investment in equity shares in subsidiary and associate companies is accounted at cost as per Ind AS 27

Measurement of fair values

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

- The fair value of the units of mutual fund schemes are based on quoted value at the reporting date.
- The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of the respective currencies.
- The fair values of derivatives are estimated by using pricing models, wherein the inputs to those models are based on readily observable market parameters. The valuation models used by the Company reflect the contractual terms of the derivatives (including the period to maturity), and market-based parameters such as interest rates, foreign exchange rates, volatility etc. These models do not contain a high level of subjectivity as the valuation techniques used do not require significant judgement and inputs thereto are readily observable.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis. The discount rates used is based on management estimates.



NB FOOTWEAR LIMITED

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