

## **Corporate Governance Report**

### **1. Company's philosophy on Corporate Governance**

The basic Philosophy of Corporate Governance of the Company is to achieve business excellence and enhance the shareholder value, keeping in view the interests of the stakeholders. The Company stands by transparency in all dealings.

The Company believes that strong Corporate Governance is indispensable for healthy business growth and is an important instrument of investor protection to be resilient in a vibrant capital market.

The Company is therefore conscious of the fact that to achieve success, a high level of ethical values is to be maintained by the Management and all other employees.

### **2. Board of Directors**

#### **2.1 Composition**

The Board of Directors comprises Four Directors, including three Non-Executive Directors. Out of three non executive directors, two directors are Independent Directors. The Non-Executive and Independent Directors are eminent professionals having rich and sound experience.

The names and categories of the Directors on the Board and the other relevant information as on 31<sup>st</sup> March, 2021 are as under:

| Names of the Directors  | Category                  | No. of other Directorships held* | Member/ Chairman of other Board committees @ | No. of Shares held in the Company |
|-------------------------|---------------------------|----------------------------------|--|-----------------------------------|
| Mr. Kamal Kishore Sarda | Promoter Non-Executive    | 5                                | -  | 4800                              |
| Mr. Saurabh Rathi       | Executive                 | 5                                | 2  | -                                 |
| Mr. Asit Kumar Basu     | Independent Non-Executive | 3                                | 5  | -                                 |
| Mrs. Ritu S. Jain       | Independent Non-Executive | 4                                | 2  | -                                 |

\* Including private limited companies / excluding directorships in foreign companies and the Company

@ Committee positions only of the Audit Committee and Stakeholders' Relationship Committee in Public Companies (including the Company) have been considered.

^ None of the Directors are related to each other.

#### **2.2 Board Meetings**

The members of the Board are provided with the requisite information mentioned in the Listing Regulations well before the Board Meetings. Four meetings of the Board of Directors were held during the year ended 31<sup>st</sup> March, 2021 as given hereunder:

1. 14<sup>th</sup> July, 2020
2. 31<sup>st</sup> August, 2020 adjourned & held on 04<sup>th</sup> September, 2020
3. 11<sup>th</sup> November, 2020
4. 13<sup>th</sup> February, 2021

The attendance record of the Directors at the Board Meetings during the year ended on 31<sup>st</sup> March, 2021 and at the last Annual General Meeting is as under:

| Name of the Directors   | No. of Board Meeting attended | Last AGM attended |
|-------------------------|-------------------------------|-------------------|
| Mr. Kamal Kishore Sarda | 4                             | Yes               |
| Mr. Saurabh Rathi       | 4                             | Yes               |
| Mr. Asit Kumar Basu     | 4                             | Yes               |
| Mrs. Ritu S. Jain       | 3                             | Yes               |

### 2.3 Details of directorships in other listed companies with category of Company's directors are as under (as on 31<sup>st</sup> March, 2021):

| S.No. | Name                    | Name of the Company             | Designation                  |
|-------|-------------------------|---------------------------------|------------------------------|
| 1.    | Mr. Kamal Kishore Sarda | Sarda Energy & Minerals Limited | Chairman & Managing Director |
| 2.    | Mr. Saurabh Rathi       | NIL                             | NA                           |
| 3.    | Mr. Asit Kumar Basu     | Sarda Energy & Minerals Limited | Independent Director         |
| 4.    | Mrs. Ritu S. Jain       | NIL                             | NA                           |

### 2.4 List of Core Skills / Expertise / Competencies of directors

Your Company is engaged in Agriculture, NBFC and Solar Power Sector.

A chart setting out the list of core skills / expertise / competencies as identified by the Board of Directors as required in the context of its business and sector(s) for it to function effectively and those available with the Board are as follows:-

| S.No. | Name of Director        | Qualification & Experience  | Expertise  |
|-------|-------------------------|---|--|
| 1     | Mr. Kamal Kishore Sarda | B.E. (Mech.)<br>Nearly 45 years of experience                         | Agriculture, NBFC, Strategic Planning  |
| 2     | Mr. Saurabh Rathi       | Post Graduate in Agriculture Science<br>Nearly 13 years of experience | Agriculture, General Management  |
| 3     | Mrs. Ritu S. Jain       | Chartered Accountant<br>More than fifteen years of experience         | Renewable energy, finance & management, rural electrification, CDM, REC & Carbon funding |
| 4     | Mr. Asit Kumar Basu     | BME<br>Nearly 43 years of experience                                  | Finance, Risk Assessment   |

### 2.5 Independent Directors

Your Company's Independent Directors met once during the year without the presence of the management. Independent Directors discussed matters pertaining to the Company's affairs and shared their views/suggestions with the Board of Directors.

During the year, various familiarization programmes were conducted for the Independent Directors. The details of the same are available at <https://cginvest.co.in/wp-content/uploads/2021/08/Familiarisation-Programmes-2020-21.pdf>

The Board of Directors confirm that in the opinion of the Board, all Independent Directors are independent of the management of the Company and have given declarations as required under the provisions of Section 149 (7) of the Companies Act, 2013 stating that they meet the eligibility criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

### 2.6 Code of conduct

Your Company has in place a comprehensive Code of Conduct (the Code) applicable to the Senior Executives and the Directors. The Code is applicable to Non-executive Directors including Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law.

A copy of the Code has been put on the Company's website ([www.cginvest.co.in](http://www.cginvest.co.in)). The Code has been circulated to Directors and Senior Executives and its compliance is affirmed by them annually. A declaration signed by the Wholetime Director is given below:

"I hereby confirm that the Company has obtained from all the members of the Board and senior executives, affirmation that they have complied with the Code of Conduct for Board of Directors and Senior Executives in respect of the financial year 2020-21."

Saurabh Rathi  
Wholetime Director"

**2.7 Particulars of Directors seeking appointment / reappointment**

Details under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) in respect of the Directors seeking appointment/reappointment at the ensuing Annual General Meeting to be held on 30.09.2021 are given as under:

|   |      |  |  |
|---|------|--|--|
| 1 |      | <b>Name</b>  | <b>Mr. Kamal Kishore Sarda</b>   |
| 2 | i)   | <b>Age</b>   | 69 years   |
|   | ii)  | <b>Qualification</b>   | B.E. (Mech.)   |
|   | iii) | <b>Date of appointment</b>   | 19.07.2002   |
| 3 |      | <b>Experience</b>  | More than 45 years of experience in iron & steel industry, Agriculture, NBFC, Strategic Planning   |
| 4 |      | <b>Terms &amp; Conditions of re-appointment</b>                          | Re-appointment in terms of Section 152(6) of the Companies Act, 2013.  |
| 5 |      | <b>Other Directorships</b>   | Sarda Energy & Minerals Ltd.<br>Parvatiya Power Ltd.<br>Sarda Energy Ltd.<br>Sarda Metals & Alloys Ltd.<br>Madhya Bharat Power Corporation Ltd.  |
| 6 |      | <b>Chairman/<br/>Member of Committees</b>                                | <u>Chhattisgarh Investments Ltd.</u><br>Chairman in Risk Management Committee & Member in Nomination & Remuneration Committee, CSR Committee.<br><br><u>Sarda Energy &amp; Minerals Ltd.</u><br>Chairman in Risk Management Committee & Member in Nomination & Remuneration Committee & CSR Committee.<br><br><u>Sarda Metals &amp; Alloys Ltd.</u><br>Member in Nomination & Remuneration Committee |
| 7 |      | <b>Remuneration</b>  | Sitting Fees as approved by the Board from time to time.   |
| 8 |      | <b>Shareholding in the Company</b>                                       | 4800 shares  |
|   |      | <b>No. of Board Meetings attended/held during Financial Year 2020-21</b> | 4/4  |
| 9 |      | <b>Relationship with Directors</b>                                       | No relationship with Directors   |

**3. Committees of the Board**

3.1 The details of the Board Committees and other related information are provided hereunder:

**Audit Committee**

Mrs. Ritu S. Jain (Chairperson)  
Mr. Saurabh Rath  
Mr. Asit Kumar Basu

**Nomination & Remuneration Committee**

Mr. Asit Kumar Basu (Chairman)  
Mr. Kamal Kishore Sarda  
Mrs. Ritu S. Jain

**Stakeholders' Relationship Committee**

Mr. Asit Kumar Basu (Chairman)  
Mr. Saurabh Rath  
Mrs. Ritu S. Jain

**Corporate Social Responsibility Committee**

Mr. Asit Kumar Basu (Chairman)  
Mr. Kamal Kishore Sarda  
Mr. Saurabh Rath

**Risk Management Committee**

Mr. Kamal Kishore Sarda (Chairman)  
Mr. Saurabh Rath

**Asset Liability Management Committee**

Mr. Saurabh Rath (Chairman)  
Mrs. Ritu S. Jain

**IT Strategy Committee**

Ms. Ritu S. Jain (Chairperson)  
Mr. Saurabh Rath  
Mr. Chirravuri Kasi Venkata Viswanath

Ms. Shalini Bhattacharya, Company Secretary, acts as the Secretary to all the Board Committees.

### 3.2 Meetings of the Board Committees and attendance particulars of Directors at the meetings

| <u>Board Committees</u> | <u>Audit Committee</u> | <u>Nomination &amp; Remuneration Committee</u> | <u>Stakeholders' Relationship Committee</u> | <u>Corporate Social Responsibility Committee</u> | <u>Risk Management Committee</u> | <u>Asset Liability Management Committee</u> | <u>IT Strategy Committee</u> |
|-------------------------|------------------------|--|---|--|----------------------------------|---|------------------------------|
| Meetings held           | 4                      | 1  | 1   | 1  | 1                                | 1   | 2                            |
| Attendance:             |                        |  |   |  |                                  |   |                              |
| Mr. Kamal Kishore Sarda | NA                     | 1  | N.A.  | 1  | 1                                | N.A.  | N.A.                         |
| Mr. Saurabh Rathi       | 4                      | N.A.   | 1   | 1  | 1                                | 1   | 2                            |
| Mr. Asit Kumar Basu     | 4                      | 1  | 1   | 1  | N.A.                             | N.A.  | N.A.                         |
| Mrs. Ritu S. Jain       | 4                      | 1  | --  | N.A.   | N.A.                             | 1   | 2                            |

### 3.3 Procedure at Committee Meetings

The Company's procedure relating to Board meetings are applicable to Committee meetings as far as practicable. Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist it in discharge of its duties/function(s). Minutes of the Committee meetings are circulated to the Directors and placed at the Board meetings for noting.

### 3.4 Terms of Reference of Board Committees

#### **Audit Committee**

The terms of reference of the committee are as per the provisions of Section 177 of the Companies Act, 2013, read with the Listing Regulations.

As per the requirement/instructions of the Committee, representatives from various business units of the Company, Internal Auditors, Statutory Auditors and such other persons as the Committee may feel necessary, also attend the Audit Committee meeting(s) to respond to queries raised at the Committee meeting(s).

#### **Nomination & Remuneration Committee**

The Nomination & Remuneration Committee is responsible for:

- 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;
- 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.
- Specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination & Remuneration Committee or by an independent external agency and review its implementation and compliance.
- Devising a policy on diversity of board of directors;
- 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;
- Recommend to the board, all remuneration, in whatever form, payable to senior management;
- Carrying out any other function as is mentioned in the terms of reference of the committee.

**Performance Evaluation:** The Company has laid down criteria for performance evaluation of the Board, Committees, Independent Directors and other Directors. The said criteria are given as **Annexure A** to the Director's Report.

**Remuneration policy:** The Company's Remuneration Policy is directed towards rewarding performance based on review of achievements at periodical intervals. The remuneration policy is in consonance with the existing industry practice. The Company's remuneration policy for Directors, Key Managerial Personnel and other employees is annexed as **Annexure B** to the Directors' Report.

## CIL - Corporate Governance Report 2020-21

The Executive Directors have been paid remuneration as per terms of their appointment. The Non-Executive Directors have been paid sitting fees for meetings of the Board and/or Committees attended by them.

*Details of remuneration to Wholetime Director are as under:*

| Name of the Director | Salary | Perquisites & Allowances | Retiral Benefits | Commission | Total | Stock Options granted* |
|----------------------|--------|--------------------------|------------------|------------|-------|------------------------|
| Mr. Saurabh Rathi    | 30.00  | -                        | -                | -          | 30.00 | -                      |

(Rs. in lakh)

Note:

\* No stock options were granted during the year.

Contract Period:

Mr. Saurabh Rathi, Wholetime Director – Five years from 1<sup>st</sup> May, 2018

Severance Fees : Compensation as per the provisions of the Companies Act, 2013

*Details of remuneration to Non-Executive Directors are as under:*

| Name of the Director    | Sitting fees | Commission | Total |
|-------------------------|--------------|------------|-------|
| Mr. Kamal Kishore Sarda | 40000        | -          | 40000 |
| Mr. Asit Kumar Basu     | 75000        | -          | 75000 |
| Mrs. Ritu S. Jain       | 50000        | -          | 50000 |

(Amt. in rupees)

None of the Non Executive Directors has any material financial interest in the Company apart from the remuneration by way of fees received by them from the Company during the year.

### **Stakeholders' Relationship Committee**

The Stakeholders' Relationship Committee is responsible for:

- a. Resolution of 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.
- b. Measures taken for effective exercise of voting rights by shareholders.
- c. Service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- d. 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.

Company Secretary – Ms. Shalini Bhattacharya is the Compliance Officer.

The number of complaints received during the year : NIL

The number of complaints not solved to the satisfaction of shareholders : NIL

Number of pending complaints : No complaint was pending for redressal as on 31<sup>st</sup> March, 2021.

### **Corporate Social Responsibility Committee**

The role of the Committee is to:

- (a) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII of the Companies Act, 2013;
- (b) recommend the amount of expenditure to be incurred on the activities referred to in clause (a) above; and
- (c) monitor the Corporate Social Responsibility Policy of the Company and its implementation from time to time.

**Risk Management Committee**

The Committee is non-mandatory for the Company under SEBI (LODR) Regulations 2015. The role of the Committee is to frame suitable risk management policy, subject to the approval of the Board of Directors and ensure its implementation.

**Asset Liability Management Committee**

The role of the Committee is to monitor the asset liability gap and strategize action to mitigate the risk associated.

**IT Strategy Committee**

The role of the Committee is:

1. Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;
2. Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business;
3. Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;
4. Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources;
5. Ensuring proper balance of IT investments for sustaining NBFC's growth and becoming aware about exposure towards IT risks and controls.

**4. General Body Meetings**

The venue, date and time of the last three Annual General Meetings and the details of Special Resolutions passed thereat are as under:

| <b>Date</b>                      | <b>Time</b> | <b>Location</b>   | <b>Special Resolutions passed</b>  |
|----------------------------------|-------------|---|--|
| 30 <sup>th</sup> September, 2020 | 04.00 p.m.  | 73-A, Central Avenue, Nagpur (MH) - 440018  | No Special Resolution was passed in the meeting  |
| 26 <sup>th</sup> September, 2019 | 04.00 p.m.  | Vanijya Bhawan, 1 <sup>st</sup> Floor, Sai Nagar, Devendra Nagar Road, Raipur (CG) - 492001 | <ol style="list-style-type: none"> <li>1. Re-appointment of Ms. Ritu Jain as an Independent Director of the Company, not liable to retire by rotation, to hold office for the second term of 5 (five) consecutive years, i.e. from 27<sup>th</sup> September, 2019 to 26<sup>th</sup> September, 2024</li> <li>2. Resolution u/s 180(1)(c) authorizing board to borrow, together with the money already borrowed, upto a sum not exceeding a sum equal to paid up share capital plus free reserves plus securities premium plus Rs. 1500 crores at any point of time.</li> <li>3. Resolution u/s 180(1)(a) authorizing board to create security on its immovable/movable assets, upto an aggregate limit of paid up share capital plus free reserves plus securities premium plus Rs. 1500 crores in favour of its lenders.</li> <li>4. Resolution u/s 186 authorizing board to make any loan, investment or give guarantee or provide any security beyond the prescribed ceiling given under the Companies Act, 2013 but not exceeding Rs. 2500 Crores at any given point of time.</li> </ol> |
| 29 <sup>th</sup> September, 2018 | 04.00 p.m.  | Vanijya Bhawan, 1 <sup>st</sup> Floor, Sai Nagar, Devendra Nagar Road, Raipur (CG) - 492001 | No Special Resolution was passed in the meeting  |

### Special Resolution(s) passed through Postal Ballot

During 2020-21, no Special Resolution was passed through Postal Ballot. No Special Resolution is proposed to be passed through Postal Ballot as on the date of this report.

## 5. Means of communication

Quarterly, half-yearly and annual results are submitted to the stock exchange in accordance with the Listing Regulations and published in Lokmat Times (English) and Loksatta (vernacular) newspapers. The financial results and other relevant information are placed simultaneously on your Company's website - www.cginvest.co.in. Neither official news releases nor any presentations have been made to the institutional investors or to the analysts during the year.

## 6. General shareholder information

|                        |   |        |  |
|------------------------|---|--------|--|
| Annual General Meeting | : | Date:  | 30.09.2021                                 |
|                        | : | Time:  | 3.00 p.m.                                  |
|                        | : | Venue: | 73-A, Central Avenue, Nagpur (MH) - 440018 |

### Financial calendar for 2021-22 (tentative)

#### Financial results for the quarters ended:

|                                  |   |  |
|----------------------------------|---|--|
| 30 <sup>th</sup> June, 2021      | : | 2 <sup>nd</sup> week of August, 2021   |
| 30 <sup>th</sup> September, 2021 | : | 2 <sup>nd</sup> week of November, 2021 |
| 31 <sup>st</sup> December, 2021  | : | 2 <sup>nd</sup> week of February, 2022 |
| 31 <sup>st</sup> March, 2022     | : | Last Week of May, 2022 (audited)       |

|   |                 |
|---|-----------------|
| Annual General Meeting (for F.Y. 2021-22) | September, 2022 |
|---|-----------------|

|  |   |
|--|---|
| Dividend payment date (for F.Y. 2020-21) | Within 5 days from 30 <sup>th</sup> September, 2021 |
|--|---|

|                            |   |  |
|----------------------------|---|--|
| Listing on stock exchanges | : | The equity shares of Company are listed on the The Calcutta Stock Exchange Ltd., Kolkata |
| Equity shares              |   |  |

ISIN Number of the Company (NSDL & CDSL) is INE078P01016.

The trading of Company's shares was suspended in the Calcutta Stock Exchange. The suspension was revoked w.e.f. 18.01.2021.

The Company has paid annual listing fees to Calcutta Stock Exchange for the equity shares for the financial year 2021-22. The Shares of the company were also listed on Madhya Pradesh Stock Exchange Ltd., Indore. However SEBI has derecognised the Madhya Pradesh Stock Exchange Ltd. (MPSE).

|   |   |  |
|---|---|--|
| Registrar and share transfer agents (for physical and electronic) | : | M/s. Bigshare Services Pvt. Ltd.<br>1 <sup>st</sup> Floor, Bharat Tin Works Building,<br>Opp. Vasant Oasis, Makwana Road,<br>Marol, Andheri East, Mumbai – 400059 (MH) |
|---|---|--|

|                       |   |   |
|-----------------------|---|---|
| Share transfer system | : | In view of the SEBI circular, share transfers in physical have been stopped from 1 <sup>st</sup> April, 2019. However, share transmission, name deletion and duplicate share issue activities are continuing for physical shares. |
|-----------------------|---|---|

Since physical share transfers have been stopped, the member in their own interest, are requested to get their Shareholding dematerialized at an early date.

### Market price data: High/low during the year 2020-21:

There is no trading in the shares of the Company. Accordingly, the market price data for the equity shares of the company is not available.

**Shareholding pattern as on 31<sup>st</sup> March, 2021**

| Sl. No. | Category               | No. of shares | Percentage |
|---------|------------------------|---------------|------------|
| 1       | Promoters              | 183050        | 70.95%     |
| 2       | Bodies corporate/Firms | 250           | 0.10%      |
| 3       | Others                 | 74700         | 28.95%     |
|         | Total                  | 2,58,000      | 100.00 %   |

**Distribution of shareholding as on 31<sup>st</sup> March, 2021**

| Shareholding of nominal value (Rs.) | Shareholders |            | No. of shares |            |
|-------------------------------------|--------------|------------|---------------|------------|
|                                     | Number       | % to total | Number        | % to total |
| Up to 5,000                         | 2            | 10.00      | 400           | 0.16       |
| 5,001 – 10,000                      | -            | -          | -             | -          |
| 10,001 – 20,000                     | 3            | 15.00      | 5000          | 1.94       |
| 20,001 – 30,000                     | 1            | 5.00       | 3000          | 1.16       |
| 30,001 – 40,000                     | 1            | 5.00       | 4000          | 1.55       |
| 40,001 – 50,000                     | 4            | 20.00      | 19050         | 7.38       |
| 50,001 – 1,00,000                   | 2            | 10.00      | 12050         | 4.67       |
| 1,00,001 and above                  | 7            | 35.00      | 214500        | 83.14      |
| Total                               | 20           | 100.00     | 258000        | 100.00     |

Dematerialisation of securities : Your Company has an arrangement with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) for dematerialisation of equity shares.

As on 31<sup>st</sup> March, 2021, out of the total 258000 equity shares, approximately 243650 (94.44%) {PY 241650 (93.66%)} equity shares have been dematerialised.

**7. Disclosure**

a) Related Party Transactions

During the period under review, your Company had not entered into any material significant related party transactions that may have potential conflict with the interest of the Company.

None of the transactions with any of related parties were in conflict with the Company's interest. Attention of members is drawn to the disclosure of transactions with related parties set out in Note No. 45 of Standalone Financial Statements, forming part of the Annual Report.

Your Company's major related party transactions are generally with its subsidiaries and associates. The related party transactions are entered into based on commercial considerations such as synergy in operations, sectoral specialization and the Company's long-term strategy for sectoral investments, optimization of market share, profitability, legal requirements, liquidity and capital resources of subsidiaries and associates.

All related party transactions are negotiated on an arm's length basis and are intended to further the company's interests.

b) Details of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

During the last three years, there was no non-compliance by the company except under Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, whereunder the Company was required to provide E-voting facility to its shareholders; however the Company had not provided the E-voting facility to its shareholder for the Annual General Meeting. Since the company has only 20 (twenty) shareholders, therefore the same was not considered economical/ feasible and it was considered that providing the E-voting facility to its



shareholders would not serve any purpose as the intent of the E-voting was to ensure better participation of the members of the Company which was otherwise available.

Further, as per Regulation 31(2) of SEBI (Listing Obligations and Disclosure Requirements), Regulation 2015, the promoters were required to maintain their shareholding in dematerialized form; However the same has not been complied with. The promoters are taking necessary steps for getting the shares dematerialized.

Further, under Regulation 47(1)(d) of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, the Company has not published notice of Annual General Meeting in the newspaper. Since the company has only 20 (twenty) shareholders, the same was not considered economical/ feasible. Therefore it was deemed economical to provide the notice to all the shareholders individually, either by hand delivery or by emails.

Further, no penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets.

c) Whistle Blower policy

Your Company has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil mechanism under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Head HR or the Compliance Officer who report to the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

d) Compliance

Financial Statements: The financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Accounting Standards) Rules, 2015.

Listing Regulations : There is no non compliance of any of the requirements of Corporate Governance as required under the Listing regulations except as disclosed in 7(b) above.

The Company has complied with the corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46.

Pursuant to the requirement of Regulation 30 of the SEBI Listing Regulations, the Company would like to inform that no agreement(s) have been entered with media companies and/or their associates which has resulted/ will result in any kind of shareholding in the Company and consequently any other related disclosures viz., details of nominee(s) of the media companies on the Board of the Company, any management control or potential conflict of interest arising out of such agreements, etc. are not applicable. The Company has not entered into any other back to back treaties/ contracts/agreements/ MoUs or similar instruments with media companies and/or their associates.

Unclaimed Dividend/ Transfer of shares to IEPF : The Company was not required to transfer any amount to the Investor Education and Protection Fund for earlier period in accordance with section 125 of the Act.

e) Material Financial & Commercial transactions by Senior Management

There were no material financial and commercial transactions by Senior Management as defined in Regulation 26 of the Listing Regulations where they have any personal interest that may have a potential conflict with the interests of the Company at large requiring disclosure by them to the Board of Directors of the Company.

f) Governance Policies

Your Company strives to conduct its business and strengthen relationships in a manner that is dignified, distinctive and responsible. Your Company adheres to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Accordingly, your Company has adopted various codes and policies to carry out its duties in an ethical manner as named hereunder:

- ✓ Code of Conduct
- ✓ Corporate Social Responsibility Policy
- ✓ Vigil Mechanism and Whistle Blower Policy
- ✓ Policy for determining Material Subsidiaries
- ✓ Code of Conduct for Prohibition of Insider Trading
- ✓ Policy for Selection of Directors and determining Directors Independence
- ✓ Remuneration Policy for Directors, Key Managerial Personnel and other Employees
- ✓ Policy on materiality of Related Party Transactions and on dealing with Related Party Transactions

g) Weblinks

1. Policy for determining Material Subsidiaries  
<https://cginvest.co.in/wp-content/uploads/2020/01/Policy-for-Determining-Material-Subsidiaries.pdf>
2. Related Party Transaction Policy  
<https://cginvest.co.in/wp-content/uploads/2021/08/Policy-on-Related-Party-Transactions.pdf>
3. Other Policies  
<https://cginvest.co.in/investors/policies/>

h) Company is not having exposure to foreign exchange.

i) The Board has adopted all the recommendations made by the committees of the board during the year.

j) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part amounts to Rs.5.30 lakh.

k) No complaint pertaining to sexual harassment of women employees was received during the year under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Accordingly, there is no information required to be furnished.

l) Certificate from practising Company secretary

Certificate from Mr. Brajesh R. Agrawal of M/s. B.R. Agrawal & Associates, Practicing Company Secretaries that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or other statutory authority is as under:

**To,  
The Members,  
Chhatisgarh Investments Limited  
Nagpur (M.H.)**

I, have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Chhatisgarh Investments Limited** having **CIN L67120MH1982PLC331831** and having registered office at 73-A, Central Avenue, Nagpur MH 440018 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers and considering the relaxation granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2021 have been debarred or disqualified from being appointed or continuing as Director of Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any other statutory authority to the best of my knowledge.

| Sr No. | Name of Director         | DIN      | Date of Appointment in Company * |
|--------|--------------------------|----------|----------------------------------|
| 01.    | Shri Kamal Kishore Sarda | 00008170 | 19/07/2002                       |
| 02.    | Shri Saurabh Rathi       | 00014178 | 02/07/2011                       |
| 03.    | Smt. Ritu S Jain         | 00534451 | 27/09/2014                       |
| 04.    | Shri Asit Kumar Basu     | 01382260 | 01/06/2019                       |

\*The date of appointment is as per the MCA portal.

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

**For, B.R. Agrawal & Associates  
Practicing Company Secretaries**

**(Brajesh R. Agrawal)  
C.P. No. 5649 | M. No. 5771  
UDIN: F005771C000809948**

**Date: 14<sup>th</sup> August, 2021  
Place: Raipur**

Plant location : The site of the Company is at  
Tilda Road  
Village Kharora  
Dist. Raipur

Address for correspondence : Rgd. Office:  
73-A, Central Avenue, Nagpur (M.H.) - 440018  
Ph.0771-2214212  
E-mail : cil\_rpr@rediffmail.com

Corporate Office:  
Chhatisgarh Investments Limited  
Vanijya Bhawan, 2<sup>nd</sup> Floor  
Sai Nagar, Devendra Nagar Road  
Raipur (C.G.) - 492 001  
Ph: 0771-2214211/12  
e-mail: cil\_rpr@rediffmail.com

**AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

To,  
The Members,  
Chhatisgarh Investments Limited  
Nagpur (M.H.)

I, have examined the compliance of the conditions of Corporate Governance by **Chhatisgarh Investments Limited** ("the Company") for the year ended on March 31, 2021, as stipulated under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulation").

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. My examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In my opinion and to the best of my information and according to the explanation given to me, and the representation made by the Directors and the Management and considering the relaxation granted by Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I hereby certify that the company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2021.

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

**For, B.R. Agrawal & Associates**  
**Practicing Company Secretaries**

**(Brajesh R. Agrawal)**  
**C.P. No. 5649 | M. No. 5771**  
**UDIN: F005771C000810003**

**Date: 14<sup>th</sup> August, 2021**  
**Place: Raipur**