

To,
The Members,
Nepa Limited

NOTICE is hereby given that the 74th Annual General Meeting of the members of Nepa Limited adjourned sine die from 30th December 2021 to be held on Monday, 14th day of March, 2022 at 4.00 PM at registered office, Neapanagar, Dist: Burhanpur, Madhya Pradesh – 450221, by online mode to transact the following business:

AS ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statement for the year ended 31st March, 2021, the Balance Sheet , profit & Loss Account and Cash flow as on that date and the reports of Directors and Statutory Auditors , thereon.

By Order of the Board of Directors

Purnima Parashar
Company Secretary

Date: 17/02/2022
Place: New Delhi

NOTE REGARDING ADJOURNED ANNUAL GENERAL MEETING

1. The Financial Statements for the year ended March 31, 2021 could not be considered by the members at the 74th Annual General Meeting originally held on 30th December, 2021, since the comments of the Comptroller and Auditor General (C&AG) on the Audited Financial Statements in terms of the provisions of Section 143(6) of Companies Act, 2013 were not received. At the said meeting, after considering all other agenda items, the members resolved to adjourn the meeting sine die to be reconvened after receipt of the comments of the C&AG.

The comments of the C&AG on the Audited Financial Statements have since been received and a copy of the same is enclosed to this notice. Now the adjourned 74th Annual General Meeting is being re-convened to consider the Agenda Item regarding consideration of the Audited Financial Statement, containing Balance Sheet as at March 31, 2021, Profit & Loss Account and Cash Flow Statement of the Company, for the year ended March 31, 2021 together with the Report of the Board, Reports & Comments of the Auditors and Comptroller & Auditor General of India thereon and reply of the management thereto. The Annual Report for the year containing the Audited Financial Statement and other statutory annexure required to be laid before the members at the Annual General Meeting (except the comments of the C&AG on the Annual Financial Statements, which is being sent now), have already been sent to the members and others entitled to receive the same along with the notice of the 74th Annual General Meeting dated 09.12.2021 sent through e-mail(As applicable). The said Annual Report is also available on the website of the company: www.nepamills.co.in

In terms of the provisions of Standard No. 15.2 of 'Secretarial Standard on General Meeting (SS-2)' issued by the Institute of Company Secretaries of India, a fresh notice in terms of the provisions of Companies Act, 2013 is being given for this adjourned meeting since the meeting was adjourned sine die.

IMPORTANT NOTES:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, General Circular no. 02/2021 dated 13.01.2021 physical attendance of the Members to the EGM/AGM venue is not required and annual general meeting (AGM) be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.
2. The Register of members of the Company will remain closed from 8th March, 2022 to 13th March, 2022 (both date inclusive)
3. Since this Adjourn AGM will be held through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM'), Members will not be able to appoint proxies for this meeting. Further, Attendance Slip and Route Map are not being annexed to this Notice.
4. Corporate Members are requested to send a scanned copy (in PDF / JPG format) of the Board Resolution authorizing their representatives to attend the Adjourn AGM, pursuant to Section 113 of the Act, through e-mail at secretary@nepamills.nic.in
5. In terms of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Resolutions for consideration at this AGM will be transacted through remote e-voting (facility to cast vote prior to the AGM) and also e-voting during the AGM, for which purpose the Board of Directors of the Company ('the Board') have engaged the services of NSDL. The Board has appointed Mr Dinesh Kumar Gupta, (Practicing Company Secretary) Indore, as the Scrutinizer for this purpose.
6. Remote e-voting will commence at 9.00 a.m. on 11th March, 2022 and will end at 5.00 p.m. on 13th March, 2022, when remote e-voting will be blocked by NSDL.
7. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on 8th March, 2022 (cut-off date). Only those Members whose names are recorded in the Register of Members of the Company maintained by the Company as on the cut-off date will be entitled to cast their votes by remote e-voting or e-voting during the AGM. A person who is not a Member on the cut-off date should accordingly treat this Notice as for information purposes only.
8. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, followed by Circular No. 20/2020 dated May 05, 2020, General Circular no. 02/2021 dated 13.01.2021 the Notice calling the AGM has been uploaded on the website of the Company at www.nepamills.nic.in. The Adjourn AGM Notice is also available on the website of Company (agency for providing the Remote e-Voting facility) i.e. www.evoting.nSDL.com.

9. In conformity with the applicable regulatory requirements, the Notice of this AGM and the Report and Accounts 2021 are already sent only through electronic mode to those Members who have registered their e-mail addresses with the Company or with the Registrar and transfer agent of company (RTA) Purva Sharegistry (India) Pvt Ltd. Members who have not registered their e-mail addresses with the Company or with the RTA and wish to receive the aforesaid documents are required to register their e-mail addresses may send an e-mail to secretary@nepamills.nic.in or write to Registrar and transfer agent of company at their email address. support@purvashare.com
10. The Members can join the Adjourn 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 for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the 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.

VOTING THROUGH ELECTRONIC MEANS

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
4. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to cast your vote electronically.

Your User ID details are given below :

Manner of holding shares For Members holding shares in Physical Form	Your User ID is: EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***
---	---

5. Your password details are given below:
 - (a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - (b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.

- (c) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (d) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
- (e) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - (f) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - (g) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - (h) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

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

- (i) Now, you will have to click on "Login" button.
 - (j) After you click on the "Login" button, Home page of e-Voting will open.
7. Cast your vote electronically on NSDL e-Voting system
1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
 2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
 3. Select "EVEN" of company for which you wish to cast your vote.
 4. Now you are ready for e-Voting as the Voting page opens.
 5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
 6. Upon confirmation, the message "Vote cast successfully" will be displayed.
 7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
2. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to (Name of NSDL Official) at evoting@nsdl.co.in
3. Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:
4. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to (secretary@nepamills.nic.in).

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

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

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at secretary@nepamills.nic.in.
6. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name folio number, email id, mobile number at secretary@nepamills.nic.in. The same will be replied by the company suitably.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
8. If you have any queries or issues regarding attending Adjourn AGM through the link, you may contact Mr. Manish Shah on 9324659811 or write an email to support@purvashare.com.

Other Instruction

9. In terms of provisions of Section 107 of the Companies Act, 2013 since the Company is providing the facility of e-voting to the shareholders, there shall be no voting by show of hands at the Annual General Meeting.
10. The shareholders can opt for only one mode of voting i.e. remote e-voting or e-voting at the meeting. In case of voting by both the modes, vote cast through remote e-voting will be considered final
11. The voting rights of Members for e-voting and for physical voting at the meeting shall be in proportion to their shares of the paid up equity share capital of the Company as on 8th March, 2022
12. The result on resolutions shall be declared on or before the closing business hours on 16th March, 2022 and will be available on the website of the Company. The resolutions will deemed to be passed on the date of Annual General Meeting subject to receipt of the requisite number of votes in favour of the resolutions.
13. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

14. The Scrutinizer shall after the conclusion of voting at the Annual general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
15. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.nepamills.nic.in immediately after the declaration of result by the Chairman or a person authorized by him in writing.

Nepa Ltd

Addendum to the Directors' Report for the Financial Year 2020-21

Comments of C&AG

With reference to the Annual Report 2020-21 sent to the members of the Company, the comment of C&AG under section 143(6)(b) of the Companies Act-2013 on the accounts of the NEPA LTD for the year 2020-21 was received on 02.02.2022, The same forms part of the Directors' Report for the FY 2020-21 along with management reply.

For and on behalf of the Board of Directors

(SAURAV DEB)
Chairman & Managing Director
DIN 09068496

New Delhi
Date: 17.02.2022

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF NEPA LIMITED FOR THE YEAR ENDED 31 MARCH 2021

The preparation of financial statements of NEPA Limited for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 09 December 2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of NEPA Limited for the year ended 31 March 2021 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matter under section 143(6)(b) of the Act which have come to my attention and which in my view is necessary for enabling a better understanding of the financial statements and the related audit report.

A. Comments on Profitability

A.1 Trade Receivables (Note 15): ₹3.18 crore

Out of the total Trade receivables of ₹6.05 crore, the Company has identified ₹5.11 crore as doubtful. However, provision for doubtful debts has been made only for ₹2.88 crore. Non-provisioning for the remaining doubtful debts has resulted in overstatement of Trade

receivables and understatement of loss for the year by ₹2.23 crore (₹5.11 crore *minus* ₹2.88 crore).

**For and on behalf of the
Comptroller & Auditor General of India**



**(Rina Akoijam)
Director General of Audit
(Industry & Corporate Affairs)
New Delhi**

Place: New Delhi

Date: 02/02/2022

Comments of the Comptroller and Auditor General of India under section 143(6)(b) of the Companies Act, 2013, on the financial statements for the Financial year ended 31st March 2021 and Management reply thereto

Comments of CAG	Management Reply
<p>A. Comments on Profitability A.1 Trade Receivable (Note: 15): Rs. 3.18 Crore Out of total trade receivable the Company of Rs. 6.05 Crore the company has identified Rs. 5.11 crore as doubtful. However, provision for doubtful debts has been made only for Rs. 2.88 Crore. Non-Provisioning for the remaining doubtful debts has resulted in overstatement of Trade receivables and understatement of loss for the year by Rs. 2.23 Crore (Rs.5.11 Crore minus Rs. 2.88 Crore)</p>	<p>Amount of Rs. 5.11 Crore being considered as unsecured trade receivables considered doubtful. Provision for Rs.2.88 Crore is made as the remaining amount of is against the water supply charges receivable from Nagar Palika Parishad Napanagar Meeting was conducted with Nagar Palika Parishad Napanagar representative to consider the payment of above mentioned dues and positive commitment is received from them. Accordingly, the provision of Rs. 2.88 Crore is only considered in the Financial Statements of the company. Accordingly, there is no overstatement of Trade receivables and understatement of Loss for the year by Rs. 2.23 Crore (Rs. 5.11 Crore Minus Rs. 2.88 Crore)</p>