

**35TH ANNUAL GENERAL MEETING**

Date : 23rd September, 2019
Day : Monday
Time : 10.00 A.M.
Place : Subarnabanik Samaj of Calcutta
47, Ganesh Chandra Avenue
Kolkata - 700 013

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NICCO UCO ALLIANCE CREDIT LIMITED

BOARD OF DIRECTORS

Mr. Debdatta Saila (DIN : 00198764)	Chairman (Non-Independent)
Mr. Lakshmi Narain Kaul (DIN : 00198692)	Managing Director
Mr. Biswajit Roy (DIN : 00198746)	Independent
Ms. Aparna Dey (DIN : 06941580)	Independent

Company Secretary & Compliance Officer

Mr. S. S. Majumdar

Chief Financial Officer

Mr. Abhijit Saila

BOARD COMMITTEES

Audit Committee

Mr. Biswajit Roy (DIN : 00198746)	Chairman
Mr. Debdatta Saila (DIN : 00198764)	Member
Mrs. Aparna Dey (DIN : 06941580)	Member

Nomination & Remuneration Committee

Mr. Biswajit Roy (DIN : 00198746)	Chairman
Mr. Debdatta Saila (DIN : 00198764)	Member
Ms. Aparna Dey (DIN : 06941580)	Member

Stakeholders' Relationship Committee

Mr. Debdatta Saila (DIN : 00198764)	Chairman
Mr. Lakshmi Narain Kaul (DIN : 00198692)	Member

AUDITORS

Messrs. G. Basu & Company
Chartered Accountants, Kolkata

REGISTERED OFFICE

NICCO HOUSE
2, Hare Street, Kolkata - 700001
Phone : (033) 66285260/61/63
Fax : (033) 22309443
E-mail : nufslcal@gmail.com
CIN : L65910WB1984PLC037614

SHARE TRANSFER AGENT

R & D INFOTECH PVT.LTD.
1st Floor, 7A, Beltala Road
Kolkata - 700 026
Phone : (91-33) 2419-2641/2642
Fax : (91-33) 2463-1658
E-mail : rdinfotech@yahoo.com

SHARE LISTED AT :

BSE Limited, Mumbai
PJ Towers, Dalal Street, Fort
Mumbai - 400 001

**Notice of the 35th Annual General Meeting to the Members**

NOTICE is hereby given that the 35th Annual General Meeting of the Company will be held on Monday, the 23rd September, 2019 at 10.00 a.m. at Subarnabanik Samaj of Calcutta, 47, Ganesh Chandra Avenue, Kolkata - 700 013 to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited standalone financial statements of the Company for the financial year ended 31st March, 2019, the reports of the Board of Directors and Auditors thereon.
2. To receive, consider and adopt the audited consolidated financial statements of the Company for the financial year ended 31st March, 2019 and the report of Auditors thereon.
3. To appoint a Director in place of Mr. D Saila (DIN - 00198764) who retires by rotation, and being eligible offers himself for re-appointment.

SPECIAL BUSINESS :

4. To appoint Mr. Biswajit Roy as an Independent Director.

To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION :

"RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder read with Schedule IV to the Act and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mr. Biswajit Roy (DIN 00198746) who was appointed as an Independent Director at the Annual General Meeting held on 26th September, 2014, for a term of five consecutive years be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years with effect from 26th September, 2019 up to 25th September, 2024."

5. To appoint Ms. Aparna Dey as an Independent Director.

To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION :

"RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder read with Schedule IV to the Act and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended from time to time, Ms. Aparna Dey (DIN 06941580) who was appointed as an Independent Director at the Annual General Meeting held on 26th September, 2014, for a term of five consecutive years be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years with effect from 26th September, 2019 up to 25th September, 2024."

Registered Office :
NICCO HOUSE
2, Hare Street
Kolkata - 700 001
Date : 13th August, 2019

By Order of the Board
for NICCO UCO ALLIANCE CREDIT LTD.

S. S. MAJUMDAR
(Company Secretary)
(ICSI Membership No. ACS1484)



NOTES :

- (i) A Member entitled to attend and vote at the Annual General Meeting (AGM) may appoint proxy to attend and vote on his behalf. A proxy need not be a member of the Company. Proxies, in order to be effective, must be received at the Registered office of the Company not less than forty-eight hours before the commencement of the meeting.
- (ii) A person shall not act as Proxy for more than (50) members holding in aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than 10 percent of the total share capital of the company carrying voting rights, may appoint a single person as Proxy and such person shall not act as Proxy for any other member. A Proxy Form is annexed to this Notice
- (iii) The Register of Members and the Share Transfer Books of the Company will remain closed from 16th September, 2019 to 23rd September, 2019 (both days inclusive).
- (iv) Corporate Members are required to send to the Company a certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the AGM.
- (v) Electronic copies of the Annual Report are being sent to all members whose e-mail IDs are registered with the company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same.
- (vi) For members who have not registered their e-mail address, physical copies of the Annual Report is being sent in the permitted mode.
- (vii) Members holding shares in physical form, who have not registered their e-mail address so far, are requested to register their e-mail address for receiving all communications including Annual Reports, Notices and Circulars etc. from the company electronically. However, where the shares are held by the Members in dematerialized form, the same has to be communicated to his/her Depository Participant for the purpose of receiving any of the aforesaid documents in electronic form.

We would further inform you that pursuant to SEBI Circular No. SEBI/LAD-NRO/GN/2018/24 dated 31st March, 2019, as amended, except in case of transmission or transposition of securities, request for effecting transfer of securities shall not be processed with effect from 31st March 2019 unless the securities are held in the dematerialized form with a depository. You are therefore advised to take immediate action to dematerialize the shares held in physical mode as the shares of Nicco Uco Alliance Credit Ltd. are compulsorily traded in demat form.
- (viii) Disclosure pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) with respect to Director seeking re-appointment/appointment at the Annual General Meeting is given in the Annexure.
- (ix) Members are required to bring their admission slips to the AGM. Duplicate admission slips and/or copies of the Report and Accounts will not be provided at the AGM venue.
- (x) Shareholders/Proxiholders are requested to carry valid ID proof such as PAN, Voter Card, Passport, Driving Licence, Aadhar Card etc. along with printed attendance slip.
- (xi) In terms of Section 108 of the Companies Act, 2013, read with rule 20 as amended, of the Companies (Management & Administration) Rule, 2014, the Resolutions proposed at this AGM will be transacted through remote e-voting (facility to cast vote from a place other than the venue of the AGM) and poll at the AGM, for which purpose the Company has engaged the services of NSDL. The Board of Directors of the Company has appointed Ms. Rasna Goyal, a Company Secretary in Practice as the Scrutinizer for this purpose.
- (xii) Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members as on 16th August, 2019 (cut-off date). Only those members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or poll at the AGM.
- (xiii) The facility of poll will be available at the AGM venue for those Members who do not cast their votes by remote e-voting prior to the AGM. Members, who cast their votes by remote e-voting prior to the AGM, may attend the meeting but will not be entitled to cast their votes once again.



The procedure with respect to remote e-voting is provided below :

(I) In case the Members who receive the Notice in electronic mode :

- (a) Open the e-mail and the PDF file viz. **NUACL-e-voting.PdF** with your Client ID No. as password. The said PDF file contains your user ID and password for remote e-voting. Please note that the password is an initial password.
- (b) Launch internet browser by typing URL: <https://www.evoting.nSDL.com/> and click on '**Shareholder-Login**'.
- (c) Insert user ID and password as initial password stated in (a) above. Click on '**Login**'.
- (d) Password change menu appears. Change the password with a new password of your choice with minimum 8 digits/ characters or combination thereof. Please do not share your password with any other person and take utmost care to keep your password confidential.
- (e) Home page of remote e-voting opens. Click on '**e-voting: Active Evoting Cycles**' and select the Electronic Voting Event Number (EVEN) of Nicco Uco Alliance Credit Ltd.
- (f) Now you are ready for remote e-voting as '**Cast Vote**' page opens.
- (g) Cast your vote by selecting appropriate option and click on '**Submit**'. Thereafter click on '**Confirm**' when prompted; upon confirmation, your vote is cast and you will not be allowed to change your vote.
- (h) Thereafter the message '**vote cast successfully**' will be displayed.
- (i) Corporate and Institutional shareholders (companies, trust, societies etc) are required to send a scanned copy (in PDF/ JPG format) of the relevant Board Resolution/appropriate authorization letter etc., together with attested specimen signature of the duly authorised signatory(ies) who are authorized to vote to the Scrutinizer through e-mail at csrasnagoyal@gmail.com with a copy marked to NSDL's e-mail ID evoting@nSDL.co.in

(II) In case of Members who receive the Notice by post :

- (a) User Id and initial password is provided in the admission slip for the AGM.
- (b) Please follow the steps from Sl. Nos. (b) to (i) mentioned (I) above, to cast your vote.

(III) Members already registered with NSDL for remote e-voting can use their existing user ID and password for Login. Thereafter please follow the steps from Sl. Nos (e) to (i) mentioned in (I) above to cast your vote.

(IV) Those who become Members of the Company after dispatch of the AGM Notice but on or before 16th August 2019 (cut-off date) may write to NSDL at evoting@nSDL.co.in or to the Company rdinfotech@yahoo.com requesting for user ID and password. On receipt of user ID and password, the steps from Sl. Nos. (b) to (i) mentioned in (I) above should be followed for casting of vote. However, those Members already registered with NSDL for remote e-voting can use their existing user ID and password for Login.

(V) In case of any queries you may refer to the Frequently Asked Questions for Shareholders and e-voting. User Manual for Shareholders available under the Downloads section of NSDL's e-voting website www.evoting.nSDL.com. You may also send your queries to the e-mail rdinfotech@yahoo.com

(VI) The period for remote e-voting starts at 9.00 a.m on 20th September, 2019 and ends at 5.00 p.m on 22nd September, 2019. Remote e-voting will be blocked by NSDL at 5.00 p.m on 22nd September, 2019.

(VII) General Information :

- (a) Every Client ID No./Folio No. will have one vote, irrespective of the number of joint holders.
- (b) The Results of voting will be declared within 48 hours from the conclusion of the AGM and the resolutions proposed thereat will be deemed to be passed on the date of the AGM, subject to receipt of requisite number of votes. The declared Results, alongwith the Scrutinizer's Report, will be available forthwith on the website of NSDL; such Results will also be forwarded to the BSE Ltd. (Bombay Stock Exchange) where the Company's shares are listed.



ANNEXURE - A

**Details of Directors seeking appointment/re-appointment at the
35th Annual General Meeting**

*(In compliance of Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and
Secretarial Standard -2 issued by the Institute of Company Secretaries of India)*

Name of the Director	Mr. Debdatta Saila	Mr. Biswajit Roy	Ms. Aparna Dey
Date of Birth	15.11.1940	10.02.1970	25.09.1968
Date of appointment	27.03.2006	27.03.2006	31.07.2014
Expertise	Vast experience in Corporate and Accounts and Secretarial activity.	Legal practitioner at High Court at Calcutta.	15 Yrs.experience including Finance and Accounts.
Qualifications	M.Com, ICWA, CS	B.COM, LL.B	B.A
List of other Public Companies in which directorship held	Nil	Nil	Nil
Membership/Chairmanship of Committee of Directors in the Company	Audit Committee-Member, Shareholders' Grievances Committee- Member, Nomination & Remuneration Committee - Chairman	Audit Committee-Chairman, Nomination & Remuneration Committee-Member	Nil

**Annexure to Notice****Explanatory Statement as required under section 102(I) of the Companies Act, 2013****Item No. 4**

Mr. Biswajit Roy, who was appointed as an Independent Director, not liable to retire by rotation, of the Company in terms of section 149 of Companies Act, 2013, for a term of five years with effect from 26th September, 2014, and would be holding his office upto 25th September, 2019 and being otherwise eligible, is proposed to be re-appointed as an Independent Director for a second term of five years.

The Company has received declarations from Mr. Roy that he meets the criteria of Independence as prescribed both under Section 149 of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The resolution seeks the approval of members for his re-appointment as an Independent Director, of the Company, not liable to retire by rotation, for a second term of five years with effect from 26th September, 2019 to 25th September, 2024.

In the opinion of the Board of Directors, Mr. Roy, who is independent of the Management, fulfils the conditions specified in the Act and rules made thereunder for appointment of an Independent Director. A copy of the draft letter for the appointment of Mr. Roy as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the registered office of the company during normal business hours on working days up to the date of AGM.

The Board considers that his continued association with the Company would be of immense benefit to the company and it is desirable to continue to avail his services as an Independent Director.

Excepting, Mr. Biswajit Roy, who is interested in the resolution no other Director or Key Managerial Personnel or their relatives is/are concerned or interested in the said resolution.

The Board recommends the resolution set forth in item No. 4 for the approval of the members.

Item No. 5

Ms. Aparna Dey, who was appointed as an Independent Director, not liable to retire by rotation, of the Company in terms of section 149 of Companies Act, 2013, for a term of five years with effect from 26th September, 2014, and would be holding her office upto 25th September, 2019 and being otherwise eligible, is proposed to be re-appointed as an Independent Director for a second term of five years.

The Company has received declarations from Ms. Dey that she meets the criteria of Independence as prescribed both under Section 149 of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The resolution seeks the approval of members for her re-appointment as an Independent Director, not liable to retire by rotation, of the Company for a second term of five years with effect from 26th September, 2019 to 25th September, 2024.

In the opinion of the Board of Directors, Ms. Dey who is independent of the Management, fulfils the conditions specified in the Act and rules made thereunder for appointment of an Independent Director. A copy of the draft letter for the appointment of Ms. Dey as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the registered office of the company during normal business hours on working days up to the date of AGM.

The Board considers that her continued association with the Company would be of immense benefit to the company and it is desirable to continue to avail her services as an Independent Director.

Excepting, Ms. Aparna Dey, who is interested in the resolution no other Director or Key Managerial Personnel or their relatives is/are concerned or interested in the said resolution.

The Board recommends the resolution set forth in item No. 5 for the approval of the members.

Registered Office :
NICCO HOUSE
2, Hare Street
Kolkata - 700 001
Date : 13th August, 2019

By Order of the Board
for NICCO UCO ALLIANCE CREDIT LTD.

S. S. MAJUMDAR
(Company Secretary)
(ICSI Membership No. ACS1484)



REPORT OF THE DIRECTORS

For the year ended 31st March, 2019

The directors hereby present their 35th Annual Report together with the audited statement of accounts for the year ended 31st March, 2019.

1. Financial Results & State of Affairs :

(Rs. In Lakhs)

	STANDALONE		CONSOLIDATED	
	2018-19	2017-18	2018-19	2017-18
Loss : For the year	-503.05	-493.83	-503.24	-494.00
Add : Balance of loss brought from the last year	-63324.31	-62830.48	-63326.43	-62832.42
Transfer to Balance Sheet	-63827.36	-63324.31	-63829.67	-63326.42

2. Dividend :

In view of loss, your Directors regret their inability to recommend any dividend for the year under review.

3. Share Capital :

Paid-up Share Capital of the Company, as on 31st March, 2019 was Rs.16,56,36,006/- and there has been no change in the Capital Structure of the company.

4. Financial Statement :

The Company has prepared financial statements under the historical cost convention in accordance with Generally Accepted Accounting Principle (GAAP) comprising mandatory Accounting Standards issued by The Companies (Accounting Standard Rules) 2006. Provision of Companies Act, 2013 and the Guideline issued by Reserve Bank of India.

5. Material changes and commitments :

The amount offered to Consortium of Banks towards settlement is tentative and is yet to reach a finality. No material changes and/or commitments affecting the financial position of the Company occurred between and the end of financial year to which financial statement relate to and upto the date of this report. There has been no change in the nature of the business of the Company during the Financial Year 2018-19.

6. Operations :

There was an income of Rs. 55.27 lacs under standalone and Rs. 55.27 lacs under consolidated, arising out of dividends, electricity generation from wind mill and bank interest for the year under review. There was no recovery from defaulting parties in the current year and if there is no recovery in the subsequent year, it would be difficult to maintain office running expenses. However, the Management is quite hopeful of some recovery in the current year from a defaulting client.

The case filed by the Consortium of Banks in DRT, Kolkata is being contested by the Company on ground of maintainability and it is pending. Another case in DRT, Kolkata had been filed by Uco Bank for funding of the Mehta Transport deal through us, Indusind Bank for their securitized loan had filed a suit in DRT, Chennai. Axis Bank for their claim initiated Arbitration proceedings in Chennai; IFCI not being part of Consortium of Banks had filed a separate suit in DRT, Kolkata for their share of loan. IFC(W) had filed a suit in High Court in Kolkata for recovery of its loan. All these cases are being contested by the Company. The Company had many rounds of discussion with the Consortium of Banks and the Course of Settlement is in progress.

The Serious Fraud Investigation Office (SFIO) filed a few cases which are being contested by the Company in the Court of Law. After supplementary investigation in respect of securitization deal, SFIO had filed a case against the Directors and the Company which is being contested.

Criminal case filed against two ex-employees in the Chief Metropolitan Magistrate Court at Bankshall Street by DCDD, Kolkata Police, Lalbazar Street on a complaint filed by the Company is progressing in the Court.

7. Subsidiary Company :

The Company has one subsidiary, Nicco Insurance Agents and Consultant Ltd., the performance of which during the year under review forms part of the Annexed Consolidated Financial Statement. The Subsidiary does not come under the purview of SEBI (Listing Obligations and Disclosures Requirement) Regulation, 2015 as it is not a Material Subsidiary as defined under Regulation 16(1)(c) of the said Regulations.

**8. Statutory Information :**

There was no employee during the year ended 31st March, 2019 in respect of whom the particulars are required to be disclosed under rules 5(2) and 5(3) of the Companies (Appointment and Remuneration) Rules, 2014.

Since your company has no manufacturing activities, the disclosures as required under rule 8(3)(A) & (B) of the Companies (Accounts) Rules, 2014 relating to conservation of energy and technology absorption are not applicable to it.

The Company had no Foreign Exchange earning and outgo during the year under review.

9. Extract of Annual Return :

Pursuant to Section 134(3)(a) read with Section 92(3) of the Companies Act, 2013 an extract of the Annual Return made out in the prescribed format MGT-9 forming part of this report is presented under Annexure 'C'.

10. Particular of Loans, Guarantees and Investments :

The Company has not made any investments nor given any loan, guarantee to any person or bodies corporate during the year under review as stipulated in Section 186 of the Companies Act, 2013.

11. Internal Financial Control and its adequacy and Risk Management :

The Company has laid down a Risk Management procedure which is reviewed as and when necessary.

The Company has formulated and adopted policy adequate for evaluating the relevant aspects of Internal Financial Control relating to safeguarding of its assets, prevention and detection of fraud and errors, the adequacy of the accounting records and timely preparation of reliable financial disclosures. Apart from this, professional Internal Auditors continuously monitor the efficacy of the internal control framework and their reports are reviewed by the Audit Committee of Directors periodically.

12. Composition, number and dates of meetings of Board and Committees :

The details of the composition, number and dates of meetings of the Board and Committees held during the financial year 2018-19 forms part of the Report on Corporate Governance. The number of meetings attended by these Directors during the financial year 2018-19 also form part of the report on Corporate Governance.

13. Company 's policy on Directors' appointment and Remuneration :

The remuneration policy is based on rewarding the performance based on review of achievements on a regular basis and in consonance with the requirement of Section 178 of the Companies Act, 2013 and existing industrial practice.

14. Details relating to remuneration of Directors, Key Managerial Personnel and Employees :

The details as required u/s.197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is marked as Annexure D which is annexed hereto and form part of Directors' Report.

15. Directors' Responsibility Statement :

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013 your Directors state that :

- i. in the preparation of the Annual Accounts for the year ended March 31, 2019, applicable Accounting Standards have been followed along with proper explanation relating to material departures ;
- 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 as on March 31, 2019 and of the loss of the Company for the year ended 31st March, 2019.
- iii. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding assets of the Company and for preventing and deterring frauds and other irregularities ;
- iv. the directors had prepared the accounts for the year ended March 31, 2019 on a going concern concept as per legal opinion obtained.
- v. the directors had relied on the contention of the Management and also on the report of the Internal Auditors (outside firm) relating to internal financial controls, both of which are adequate and are operating effectively, Directors have also relied on Secretarial Audit Report.
- vi. The Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems will be adequate and operating effectively.

16. Declaration of Independent Directors :

The Company has two Independent Directors - Mr. Biswajit Roy (DIN 00198746) and Mrs. Aparna Dey (DIN 06941580) on the Board of the Company who hold office for a fixed tenure of five years and are not liable to retire by rotation. Declarations have been received from them confirming that they met the criteria of independence as laid down in Section 149 and Schedule IV of the Companies Act, 2013 read with Regulation 25 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.



17. Corporate Social Responsibility :

The Company does not come under the purview of the Corporation Social Responsibility as envisaged in Section 135 of the Companies Act, 2013 read with Rule 9 of the Companies (Accounts) Rules, 2014.

18. Vigil Mechanism :

Pursuant to Regulation 22 of the SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015, the Company has formulated and adopted a Vigil Mechanism policy for directors and employees to report genuine concerns and to deal with unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy aiming, inter alia, at providing adequate safeguards against victimization of Directors and employees or any other person who avail the mechanism and also for providing for direct access to the chairperson of the Audit Committee in appropriate and exceptional cases.

19. Prevention of Sexual Harassment of women at the workplace :

No women is employed in the Company and there does not appear to exist any opportunity for harassment of women in workplace and therefore, the provision as stipulated in Sexual Harassments of women at Workplace (Prevention, Prohibition and Redressal) Act 2006 and Rules framed thereunder is not applicable..

20. Related Party Transaction :

Section 188 of the Companies Act, 2013 is not attracted as there were no materially significant related party transactions - within the meaning of Regulation 23 of the SEBI (Listing & Disclosure Requirements) Regulations, 2015, by the Company with the Promoters, Directors, Key Managerial Personnel or other designated persons during the year under review warranting disclosure.

21. Evaluation of the performance of Board Committee and Non Independent and Independent Directors :

A formal evaluation of all the directors individually and of the Board itself as a whole including functioning of various committees was carried out by the Board as provided in the Companies Act, 2013 and SEBI (Listing Obligation & disclosure Requirements) Regulations, 2015.

The Independent Directors also at their separate meeting conducted, inter alia, the evaluation of the performance of the Chairman and Non-Independent directors as required in the Companies Act, 2013 and in SEBI Regulations.

22. Deposit :

The Company has no unpaid/unclaimed matured deposits or interest thereon in the year under review.

23. Significant and Material orders passed by the Regulators, Courts & Tribunals :

As reported last year in accordance with the direction of SEBI the BSE Ltd., had appointed a firm to conduct forensic audit on your company. The said firm had completed their audit in last year itself and reportedly immediately thereafter it had submitted its Report to BSE Ltd. Your company is not aware of the outcome of the said forensic audit but till the date of submission of this report to the Board of your Company no communication from SEBI/BSE Ltd. – adverse or otherwise - was received from the Regulators.

Except for the above, no significant and material order has been passed against the Company by the Regulators, Courts & Tribunals impacting the going concern status and company's operations in future.

24. Directors and Key Managerial Personnel :

Mr. D Saila (DIN 00198764), Director, is retiring by rotation at the ensuing AGM and being eligible offers himself for reappointment. Mr. Biswajit Roy (DIN : 00198746) and Ms. Aparna Dey (DIN : 06941580) – who were appointed as Independent Directors for a period of five years at the 30th Annual General Meeting of the Company held on 26th September, 2014 would be holding their respective offices upto 25th September, 2019.

Key Managerial Personnel :

Mr. L. N. Kaul who was appointed as MD is a professional; hence in terms of Notification dated 12th September, 2016 by the Ministry of Corporate Affairs, the approval of Central Government is not required and No Objection Certificate (NoC) of secured lenders i.e. Bank is needed. Correspondence for obtaining NoC had been initiated with Bank.

25. Management discussion and analysis of Corporate Governance and Auditor's Report :

In accordance with the requirement of the Listing Agreements with the Stock Exchange, a report on the Management Discussion and Analysis is attached hereto (Annexure 'A'). A report on the status of Compliance of Corporate Governance norms alongwith the certificate of Auditors are also attached (Annexure 'B').

26. Auditor & Audit Report :

M/s. G. Basu & Co., Chartered Accountants (Firm's Registration No. 301174E) - the Auditors of the Company – were reappointed for a second term of five years from the financial years from 2018-19 to 2022-23 at the last Annual General Meeting of the Company held on 26th September, 2018.

Pursuant to the recent amendment to section 139 of the Act with effect from 7th May, 2018, ratification by shareholders every year for the appointment of the Statutory Auditors is no longer required and accordingly the notice of the forthcoming Annual General Meeting does not include the proposal for seeking Shareholders approval for ratification of Statutory Auditors appointment.



M/s. G. Basu & Co., have confirmed by furnishing a certificate that they are not disqualified from continuing as Auditors of the Company in terms of Section 139 and 141 of the Companies Act, 2013. The Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The comments of the Board of Directors to the qualification made by the Independent Auditors in the (a) Auditors' Report, (b) Annexure to the Auditors' Report and (c) Certificate issued on compliance of conditions of Corporate Governance, all dated 27th May, 2019, are given below :

Clause (a) - Please refer to Note No. 2.21 of Notes to Financial Statement in this regard. Necessary action, if any, will be taken on disposal of the appeal.

Clause (c) - With regard to cases initiated by SFIO for non-compliance of the Order of CLB on repayment of Fixed Deposit and few other accounting violations, please refer to Note No. 2.3(vi) explaining that the entire fixed deposit liability of the Company has been completely extinguished pursuant to an Order of the Hon'ble High Court at Calcutta approving a Scheme and this plea has been taken before the Chief Metropolitan Magistrate in whose court the cases are pending and being contested by the Company.

Clause (b) & (d) - With regard to non-confirmation of the balances by certain Banks and non-charging of interests on their dues, please refer to Note No. 2(3)(ii)(a) & (b) and 2(23) (a) & (b) of Notes to Financial Statement fully explaining the position.

(i) With regard to notes No. 2.3 (iv)(a) to (d) of Notes to Financial Statement, in this regard, necessary action, if any will be taken on disposal of the case.

Report on other Legal and Regulatory Requirement -

Clause 2 - With regard to the report on other Legal and Regulatory requirements, the matters is self explanatory.

ANNEXURE - 2 TO AUDITORS' REPORT :

Clause 2 (a) (b) : Since there is no live agreement for Lease and Hire Purchase deals and the outstanding against the earlier deals have been provided for, the scope for physical verification of inventory does not exist and accordingly the same has not been verified.

Clause 7 : (a) (b) As the disputes have not yet been settled, the Company is not in a position to comment further.

Clause 8 : Please refer to Note No. 2.3 (vii) and 2.5 (vi) of Notes to Financial Statement fully explaining the position.

In regard to qualifications made under certificate issued on Corporate Governance, we state :

To cut cost, company is not having its own Website but sending financial data regularly to Stock Exchange in their required format for publishing on their website.

27. Secretarial Audit :

The Board of Directors of the Company has appointed Ms. Rasna Goyal, Company Secretary in Practice (Certificate of Practice No. 9209), as Secretarial Auditor to conduct an audit of secretarial compliances and records for the financial year 2018-19.

Pursuant to section 204(1) of the Companies Act, 2013 read with rule 9(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 she carried out audit of the secretarial compliances by the Company of the provisions of the Companies Act, 2013 and other laws as are applicable to the Company, during the year ended 31st March, 2019 and her Secretarial Audit Report in Form No. MR-3 is annexed to the Report of the Board of Directors for the year under review.

Further, pursuant to Regulation 24A of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, an audit was also carried out by her on secretarial compliances of all SEBI Regulations and guidelines/circulars issued there under, as are applicable to the Company, and an Audit Certificate issued in this connection by her is annexed to this Report.

Apart from these, as required under regulation 55A of the SEBI (Depositories & Participants) Regulations, 1996, read with SEBI Circular No. D & CC/FITTC/Cir-16/2002 dated 31.12.2002, a further audit was carried out on quarterly basis by the said Practising Company Secretary to reconcile the total issued and listed capital of the Company with the admitted capital and the said quarterly reports, were submitted to BSE Ltd (Bombay Stock Exchange) within the prescribed timeline.

28. Human Resource Development :

The Human Resources strength has reduced substantially to seven and while its importance is well known, all efforts are being made to keep the moral and motivation of employees high, within the limited resources of the Company.

29. Business Responsibility Report :

The Company does not come under the purview of Regulation 34(2) of SEBI (Listing Obligation and Disclosure Requirements) Rules 2015.

For and on behalf of the Board of Directors

Place : Kolkata

Date : 13th August, 2019

DEBDATTA SAILA
(DIN : 00198764)
(Chairman)



ANNEXURE TO DIRECTORS' REPORT

MANAGEMENT DISCUSSION & ANALYSIS REPORT

OVERVIEW AND INDUSTRY STRUCTURE & DEVELOPMENTS :

As reported in earlier year, during the year under review also the Company could not carry on any fund based business i.e Leasing and Hire Purchase due to cancellation of Certificate of registration by Reserve Bank of India. However, efforts were made for recoveries of dues from N.P.A/ written off parties.

OPPORTUNITIES, THREATS, RISKS, CONCERNS, PEFFORMANCE AND OUTLOOK :

The entire efforts of the company continued to be directed towards managing its liabilities. Cancellation of the Certificate of Registration by Reserve Bank of India has resulted in discontinuation of fund based business which was the primary source of income of the company. Net owned fund of the company has been completely wiped out due to heavy loss incurred by the company in earlier years.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY :

Your company has an effective system of accounting and administrative control supported by an internal audit system with proper and adequate system of internal check and control to ensure safety and proper recording of all assets of the company.

DISCUSSION OF FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE :

Attention is drawn to the report of the Directors in general and issues discussed under the head "Operations". The Company's financial position is critical and a combined effort of secured creditors and Shareholders may improve the position in the long run.

HUMAN RESOURCES :

The relation with employees continues to be cordial and harmonious.

Place : Kolkata

Date : 13th August, 2019

For and on behalf of the Board of Directors

DEBDATTA SAILA
(DIN : 00198764)
(Chairman)



ANNEXURE TO THE DIRECTORS' REPORT

CORPORATE GOVERNANCE

[As required by Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. Company's Philosophy

Your Company continues to practice transparency in its dealings with emphasis on integrity and compliance of regulatory provisions. It attaches great importance to practice of good corporate governance for meeting the interests and aspirations of the stakeholders. Your Company has implemented the mandatory requirements regarding Corporate Governance as mentioned in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. BOARD OF DIRECTORS

The Board of Directors of the Company oversees the business operations of the Company headed by Chairman. The day to day business operations are managed by Managing Director, Chief Financial Officer and Company Secretary and supported by other senior officials in the team.

A. Composition of Board of Directors and related information

The present Board comprises 4 Directors - Chairman who is a Non-Independent (non-executive) Director, Managing Director and other two are Non-Executive Independent Directors and among them one is a Woman Director.

Table 1 : Attendance Record of Board of Directors

Sl. No.	Name of Director	Category of Directorship	No. of Board Meetings Attended	Attendance at last AGM	No. of shares held in the Company	Details of other Board/Committee Membership	
						Member	Chairman
1.	Mr. Debdatta Saila	Chairman & Non-Executive & Non-Independent	4	Yes	—	—	—
2.	Mr. L. N. Kaul	Managing Director	4	Yes	1	—	—
3.	Mr. Biswajit Roy	Independent Director	4	Yes	—	—	—
4.	Ms. Aparna Dey	Independent Woman Director	1	No	—	—	—

Aforesaid directors do not hold directorship, membership/chairmanship of committee in any other Public company.

None of the directors on the Board are related to one another.

The Company did not have any pecuniary relationship or transactions with the non-executive directors excepting payment of sitting fees to them for attending Board/Committee meetings during the period under review.

B. Number of Board Meetings

During the year, 2018-19 four Board Meetings were held on 28.05.2018, 13.8.2018, 13.11.2018 and 11.02.2019.

C. Code of Conduct

A Code of Conduct as formulated and adopted by the Board of Directors is reproduced hereunder :-

Board Members and Senior Management personnel will :

- Act in the best interest of and fulfill their fiduciary obligations of the Company's Stakeholders;
- Act honestly, fairly, ethically and with integrity;
- Conduct themselves in a professional, courteous and respectful manner;
- Comply with all applicable laws, rules and regulations;
- Act in good faith, responsibility, with due care, competence and diligence, without allowing their independent judgement to be subordinated;



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- Act in a manner to enhance and maintain the reputation of the Company;
- Disclose potential interest that they may have regarding any matters that may come before the Board and abstain from participating in any discussion and voting on any matter in which the Director has or may have a conflict of interest;
- Make available to and share with fellow Directors information as may be appropriate to ensure proper conduct and sound operation of the Company and its Board of Directors;
- Respect the confidentiality of information relating to the affairs of the Company acquired in the course of their service as Directors and as Senior Management personnel except when authorized or legally required to disclose such information and
- Not use confidential information acquired in the course of their service as Directors and as Senior Management personnel for their personal advantage.

All Board Members and Senior Management personnel shall affirm compliance with the Code

A declaration from the Managing Director that all Board Members and Sr. Management Personnel have duly complied with the Code of Conduct for the financial year ended March 31, 2019 forms part of this Annual Report.

D. BOARD PROCEDURE

Information supplied to the Board

Among others, this includes :

- a. Review of annual operating plans of businesses, capital budgets, updates.
- b. Quarterly results of the Company and its operating divisions or business segments,
- c. Minutes of meeting of audit committee and other committees,
- d. Information on recruitment and remuneration of senior officers just below the Board level,
- e. Materially important show cause, demand, prosecution and penalty notices,
- f. Fatal or serious accidents or dangerous occurrences,
- g. Any materially relevant default in financial obligations to and by the Company.
- h. Any issue which involves possible public or product liability claims of a substantial nature.
- i. Significant labour problems and their proposed solutions.
- j. Significant development on the human resources and industrial relations fronts.
- k. Sale of material nature of investments, subsidiaries, assets, which are not transacted in the normal course of business.
- l. Non-compliance of any regulatory or statutory provision or listing requirements as well as shareholder services such as non-payment of dividend and delays in share transfer, and
- m. Details of any deal with foreign financiers or collaboration agreements. The Board of Nicco Uco Alliance Credit Ltd. is routinely presented with all information under the above heads whenever applicable and materially significant. These are submitted either as part of the agenda papers well in advance of the Board Meetings or are tabled during the course of the Board Meetings.

3. AUDIT COMMITTEE

The Audit Committee of the Board comprising of three non-executive Directors out of which two are Independent directors :

1. Mr. Biswajit Roy – Chairman, Independent Director
2. Mr. D. Saila – Member, Non-Independent
3. Ms. Aparna Dey – Member, Independent Woman Director

Managing Director, Company Secretary, Chief Financial Officer are invitees to the Audit Committee Meetings. Company Secretary acts as Secretary to the Audit Committee.



I. Composition of Audit Committee and related information :

Table 2 : Attendance record of Audit Committee Members

The Committee met four times during the year under review as detailed below :

Sl. No.	Name of the Member	Status	No. of Meetings attended
1.	Mr. B. Roy Independent	Chairman	4
2.	Mr. D. Saila Non-Executive & Non-Independent	Member	4
3	Ms. Aparna Dey Independent Woman Director	Member	2

II. Meetings

During the financial year ended March 31, 2019, the Audit Committee met on following dates :-

28.5.2018, 13.8.2018, 13.11.2018 and 11.2.2019.

III. Terms of Reference

Terms of reference of Audit Committee of the Board of Directors are as per the requirements of the listing agreement with BSE Ltd. (Bombay Stock Exchange) based on the various provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and also of the Companies Act, 2013 which include the following :-

- a) To investigate into any matter in relation to the items specified in Section 177 of the Companies Act, 2013, or referred to it by the Board and for this purpose, shall have full access to information contained in the records of the Company.
- b) To investigate any activity within its terms of reference.
- c) To seek information from any employee.
- d) To obtain outside legal or other professional advice.
- e) Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- f) Recommending the appointment and removal of external Auditors, fixation of Audit fee and also approval for payment for any other services.
- g) Reviewing with the management the annual financial statements before submissions to the Board, focusing primarily on :-
 - Any changes in accounting policies and practices.
 - Major accounting entries based on exercise of judgement by management.
 - Qualifications in draft audit report.
 - Significant adjustments arising out of audit.
 - The going concern assumption.
 - Compliance with accounting standards.
 - Compliance with stock exchange regulations and legal requirements concerning financial statements.
 - Any related party transactions i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the company at large.
 - Compliance with RBI prudential norms guidelines on income recognition, provisioning, capital adequacy, concentration of investment norms etc. as may be applicable to the Company.
- h) Reviewing with the management, external auditors, the adequacy of internal control systems.



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- i) Reviewing the adequacy of internal audit function, including reviewing internal audit report with internal auditor on any significant findings and follow up thereon.
- j) 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.
- k) Reviewing with the auditors periodically about internal control systems, the scope of audit including the observations of the auditors and review the quarterly, half-yearly and annual financial statements before submission to the Board.
- l) Reviewing financial and risk management policies (this does not apply considering the very limited function of the company at present).

4. Remuneration of Directors :

Table 3 : Sitting fee paid to Directors and remuneration paid to Managing Director during the financial year 2018-2019 :

(Rupees in lacs)

Name of Directors	Relationship with other Directors	Sitting fees	Commission or Profits	Salary (Basic)	Contribution to PF	Perquisites and other allowances	Total
Mr. Debdatta Saila	None	0.36	N.A.	N.A.	N.A.	N.A.	0.36
Mr. L. N. Kaul	None	Nil	N.A.	9.60	0	1.78	11.38
Mr. Biswajit Roy	None	0.36	N.A.	N.A.	N.A.	N.A.	0.36
Ms. Aparna Dey	None	0.13	N.A.	N.A.	N.A.	N.A.	0.13
TOTAL :		0.85		9.60	0	1.78	12.23

(1) There is no stock option/Scheme applicable and extended to any director/executive.

4. Nomination and Remuneration Committee :

- i) Nomination and Remuneration Committee was reconstituted on 12.11.2015 comprising of following Directors :

1. Mr. B. Roy – Chairman, Independent
2. Mr. D. Saila – Member, Non-Executive, Non-Independent
3. Ms. Aparna Dey – Member, Independent

- ii) No meeting of the Remuneration Committee was held during the F.Y. 2018-19.

iii) **Terms of Reference :**

The broad terms of reference of Nomination and Remuneration Committee includes the following :

- a) Re-appointment and formulation of remuneration relating to Key Managerial Personnel.
- b) Reviewing and advising the Board over the remuneration policy of the company in general.
- c) Such other matters as may be decided by the Board from time to time.

5. Stakeholders' Relationship Committee :

The Committee consists the following Directors :

1. Mr. D. Saila – Chairman, Non-Executive, Non-Independent
2. Mr. L. N. Kaul – Managing Director

All Stakeholders' complaints are discussed in the Committee and handled by Mr. S. S. Majumdar, Company Secretary & Compliance Officer.

One meeting of the Committee was held during the year on 29th March, 2019. It was attended by full strength of the Committee.

**Table - 4 : Number and Nature of Investor complaints received and dealt with during the year FY 2018-19**

Type of Complaint	Pending at the beginning of the year	Received during the year	Disposed of during the year	Remaining undisposed at the end of the year
Correspondence / Complaints regarding Dividend (Non-receipt of Dividend, correction of Bank Mandate details, etc.)	—	—	—	—
Correspondence / Complaints regarding shares (Non-receipt of shares after transfer/transmission correction of names, consolidation / sub-division, non-receipt of credit of dematted shares, exchange of shares and general transfer correspondence).	—	—	—	—
Miscellaneous correspondence/ complaints received other than above category.	—	—	—	—
Total	NIL	NIL	NIL	NIL

Note : The Company confirms that there were no share transfers lying pending as on 31.03.2019, and all requests for dematerialisation and re-materialisation of shares as on that date were confirmed / rejected in NSDL / CDSL system.

Meeting of Independent Directors :

In compliance with Para VII of the Schedule to Companies Act, 2013, one separate meeting of the independent directors of the company was held on 29/03/2019.

Subsidiary Companies

The Company does not have a Material Non-listed Indian company as its subsidiary as defined in regulation 16(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, hence, the requirement under regulation No. 24 of the said SEBI Regulations would not be applicable to the Company.

6. General Body Meetings

Table - 5 : The last three AGMs were held as under :

Financial Year	Date	Time	Venue
2015-2016 (AGM)	27.09.2016	10.30 AM	Bengal National Chamber of Commerce & Industry 23, Sir R. N. Mukherjee Road, Kolkata-700 001
2016-2017 (AGM)	22.09.2017	10.30 AM	Subarnabanik Samaj of Calcutta, 47, Ganesh Chandra Avenue, Kolkata-700013
2017-2018 (AGM)	26.09.2018	10.30 AM	Subarnabanik Samaj of Calcutta, 47, Ganesh Chandra Avenue, Kolkata-700013

In the Annual General Meetings held during financial years 2015-2016 and 2017-18 no Special Resolutions were passed. In FY 2016-17 one Special Resolution was passed relating to appointment of Mr. L. N. Kaul as Managing Director of the Company.

7. Disclosures

There were no materially significant transactions made by the Company with its promoters, directors or management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the company at large.

Disclosures on related party transactions, as per Accounting Standard 18 issued by the Companies (Accounting Standard) Rules, 2006 is detailed in note no. 2.29 of Annual Accounts for the year 2018-2019.

There has been no non-compliance by the Company and no penalties and strictures have been imposed on the Company by Bombay Stock Exchange or SEBI or any other statutory authority on any matter related to capital markets during the last 3 years.

8. Means of Communication

Quarterly, Half yearly and Yearly results of the company are promptly sent to BSE Ltd (Bombay Stock Exchange) and published in daily English and Vernacular newspapers. Since the company does not have its own Website, it sends its Quarterly/Half yearly/ Annual Financial Results to BSE Ltd. in such a form so that they can put it on their own Website.

9. General Shareholders' Information

I. Annual General Meeting is proposed to be held on Monday, the 23rd September, 2019.

Time : 10.00 A.M.

Venue : Subarnabanik Samaj of Calcutta,
47, Ganesh Chandra Avenue, Kolkata - 700 013.



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II. The Company has furnished information relating to the re-appointment of a director. Shareholders may kindly refer to Annexure-A appearing in the Notice convening the 35th Annual General Meeting of the Company where the age, educational qualification and expertise in specific functional areas are given. The Director of the Company holds no Directorship, Chairmanship/ Membership of Committee of the Board of other Company and this has been appropriately indicated.

III. Financial Calendar (tentative and subject to change)

Result for the quarter ending :

30th June, 2019	Within 15th August, 2019
30th September, 2019	Within 15th November, 2019
31st December, 2019	Within 15th February, 2020
Yearly Results as at 31st March, 2020	Within 30th May, 2020

10. Dates of Book Closure

The Share Transfer Books and Register of Members of the Company will remain closed from 16th September, 2019 to 23rd September, 2019 (both days inclusive).

11. Dividend Payment

In view of the present financial condition of the company, no dividend is recommended for the financial year 2018-2019.

12. Listing of Equity Shares on Stock Exchanges etc.

The Company's Equity shares are listed on BSE Ltd. (Bombay Stock Exchange) only and payment of the listing fees for the financial year 2018-19 is pending as certain clarification from BSE Ltd is awaited.

Stock Code :

Name of the Stock Exchange	Stock Code	
	Physical	Demat
BSE Limited	23209	523209

ISIN Code for the Company

Equity Shares : **INE917B01023**
 Company Identification No. (CIN) : **L65910WB1984PLC037614**

Table - 6 : Stock Market Price data for the year

NUACL Share Price in BSE

Month	B S E		BSE Sensex	
	High (Rs.)	Low (Rs.)	High	Low
April 2018	0.37	0.37	35213.30	32972.56
May 2018	—	—	35993.53	34302.89
June 2018	—	—	35877.41	34784.68
July 2018	0.38	0.37	37644.59	35106.57
August 2018	0.37	0.26	38989.65	37128.99
Sept. 2018	0.26	0.19	38934.35	35985.63
Oct. 2018	0.19	0.19	36616.64	33291.58
Nov. 2018	0.20	0.19	36389.22	34303.38
Dec. 2018	0.19	0.19	36554.99	34426.29
Jan. 2019	0.20	0.19	36701.03	35375.51
Feb. 2019	—	—	37172.18	35287.16
March 2019	0.20	0.20	38748.54	35926.94



13. Distribution of Shareholding as on March 31, 2019 :

Table – 7

Sl.No.	C A T E G O R Y	T O T A L			
		Nos. of Holders	%	Shares	%
1	1 AND <= 100	15918	48.01	903806	1.09
2	101 AND <= 500	7335	22.13	1626830	1.96
3	501 AND <= 1000	1264	3.81	983578	1.18
4	1001 AND <= 5000	5788	17.46	17341194	20.88
5	5001 AND <= 10000	2042	6.16	14919574	17.97
6	10000 AND ABOVE	806	2.43	42713172	54.42
	Sub total	33153	100	78488154	94.51
	Total Shareholding in CDSL			4557349	5.49
	GRAND TOTAL			83045503	100

As the data from CDSL is not available, the distribution of shareholding has been prepared Based on shareholders of NSDL and Physical segment only

14. Pattern of Shareholding as on March 31, 2019 :

Table - 8

Sl. No.	Category	Nos. of Equity Shares held	Percentage of Shareholding
A.	Promoters' holding		
1.	Promoters :		
	- Indian Promoters [Including 8.50% held by Nicco Corporation Ltd. (In Liquidation)]	9372809	11.29
	- Foreign Promoters	Nil	Nil
2.	Persons acting in concert	1609191	1.94
	Sub Total :	10982000	13.23
B.	Non-Promoters' Holding :		
3.	Institutional Investors		
a.	Mutual Funds & UTI	2080	0.00
b.	Banks, Financial Institutions, Insurance companies (Central/State Govt. Institutions/ Non-governmental Institutions)	1619644	1.95
c.	FIs	250	0.00
	Sub Total :	1621974	1.95
4.	Others :		
a.	Private Corporate bodies	10985717	13.23
b.	Indian Public	52176137	62.83
c.	NRIs/OCBs	750898	0.90
d.	Any Others :		
	Foreign Body Corporates	1971428	2.37
f.	CDSL shares	4557349	5.49
	Sub Total :	70441529	84.82
	Non-Promoters's Holding :	72063503	86.77
	GRAND TOTAL	83045503	100.00

As the details of CDSL data is not available it could not be merged in the relevant Categories stated above.



15. Dematerialisation of Shares

As on March 31, 2019, 33.64% of the Company's total shares representing 27935644 shares were held in dematerialized form and the balance 66.36% representing 55109859 shares were held in physical form.

Secretarial Audit Report

The Board of Directors of the Company has appointed Ms. Rasna Goyal, Company Secretary in Practice (Certificate of Practice No. 9209), as Secretarial Auditor to conduct an audit of secretarial compliances and records for the financial year 2018-19.

Pursuant to section 204(1) of the Companies Act, 2013 read with rule 9(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, she carried out audit of the secretarial compliances by the Company of the provisions of the Companies Act, 2013 and other laws as are applicable to the Company, during the year ended 31st March, 2019 and her Secretarial Audit Report in Form No. MR-3 is annexed to the Report of the Board of Directors for the year under review.

Further, pursuant to Regulation 24A of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, an audit was also carried out by her on secretarial compliances of all SEBI Regulations and guidelines/circulars issued there under, as are applicable to the Company, and an Audit Certificate issued by her in this connection is annexed to this Report.

Apart from these, as required under regulation 55A of the SEBI (Depositories & Participants) Regulations, 1996, read with SEBI Circular No. D & CC/FITTC/Cir-16/2002 dated 31.12.2002, a further audit was carried out on quarterly basis by the said Practicing Company Secretary to reconcile the total issued and listed capital of the Company with the admitted capital and such quarterly reports, after due perusal by the Board of the Company, were submitted to BSE Ltd (Bombay Stock Exchange) within the prescribed timeline.

16. Share Transfer Committee

The members of this committee are :

1. Mr. L. N. Kaul - Managing Director
2. Mr. S. S. Majumdar - Company Secretary

The meeting of this Committee is convened every fortnight to ensure that all matters relating to transfer of shares, issue of duplicate certificates and certificates after splits / consolidation / renewal and dematerialization of shares are processed and dispatched within 15 days from the date of receipt as per the requirement under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. No sitting fee is paid to members for attending such meeting.

17. Share Transfer System

To ensure that all matters relating to transfer of shares, issue of duplicate certificates after splits/consolidation/renewal and re-materialisation of shares are processed and dispatched within 15 days from the date of receipt as per the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a brief report along with status of transfer of important nature is reported to the Board and the details of Share Transfers are placed before the Board regularly for information.

18. Dedicated e-mail for redressing the complaints by shareholders

Pursuant to amendment in the Listing Agreement by insertion of Clause 47(f), a new e-mail ID has been opened viz. nuaclcomplaints@yahoo.com so that the shareholders can directly send their complaints/queries on e-mail and the Company can redress them on e-mail promptly.

In view thereof, we are requesting all the shareholders/investors to kindly use the aforesaid e-mail ID to communicate their complaints for a prompt reply.

19. Share Transfer Agent

R & D Infotech Pvt. Ltd. is acting as Share Transfer Agent for both segments of share activity - physical and electronic and their address is as under :



R & D Infotech Pvt. Ltd.
1st Floor, 7A, Beltala Road,
Kolkata - 700 026
Phone : 91-33-24192641, 91-33-24192642
Fax : 033-24631658
E-mail: rdinfotech@yahoo.com
CONTACT PERSON : MR. RATAN MISHRA, DIRECTOR

21. Non-mandatory requirements

Non Mandatory requirements are not complied with by the Company.

22. CEO/CFO Certificate

Managing Director and Chief Financial Officer of the Company have issued necessary certificate pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

23. Address of Correspondence

Shareholder's Correspondence should be addressed to :

NICCO UCO ALLIANCE CREDIT LTD.
"NICCO HOUSE" 2 HARE STREET,
KOLKATA - 700 001
Telephone Nos. (033) 66285260
Fax : (91) 33 2230-9443
E-mail : mdnuac@gmail.com
GRIEVANCE REDRESSAL DIVISION/COMPLIANCE OFFICER :
nuaccomplaints@yahoo.com
Contact person : Mr. S. S. MAJUMDAR, Company Secretary

For and on behalf of the Board of Directors

Place : Kolkata
Date : 13th August, 2019

DEBDATTA SAILA
(DIN : 00198764)
(Chairman)

DECLARATION ON CODE OF CONDUCT

This is to confirm that the Board of Directors of the Company has laid down a Code of Conduct for its members and senior management personnel of the Company. All the Directors and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the Financial year ended 31st March, 2019 as envisaged in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,

For NICCO UCO ALLIANCE CREDIT LTD.

Place : Kolkata
Date : 13th August, 2019

DEBDATTA SAILA
(DIN : 00198764)
(Chairman)



NICCO UCO ALLIANCE CREDIT LIMITED

G. BASU & CO.
Chartered Accountants

AUDITORS' CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

To the shareholders of **Nicco Uco Alliance Credit Limited**

We have examined the compliance of conditions of Corporate Governance of Nicco Uco Alliance Credit Limited for the year ended **31st March, 2019** as stipulated in Clause 15 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and according to the explanations given to us, subject to the following :

As stated the company does not have its own website. However, the company sends its Quarterly / Half yearly / Annual Audited results to the Stock Exchange in such a form, so that they can put it on their own website.

We certify that the Company has complied with conditions of Corporate Governance as stipulated in the above mentioned SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Place : Kolkata
Dated : August 13, 2019
UDIN : 19054702AAAAAG3503

For G. BASU & CO.
Chartered Accountants
Firm Regn. No. 301174E
P. K. Chaudhuri
Partner
M. No. 003814



**EXTRACT OF ANNUAL RETURN
FORM NO. MGT 9**

As on financial year ended on 31.03.2019
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.

I. REGISTRATION AND OTHER DETAILS

1.	CIN	L65910WB1984PLC037614
2.	Registration Date	18/06/1984
3.	Name of the Company	NICCO UCO ALLIANCE CREDIT LTD.
4.	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES
5.	Address of the Registered office & contact details	NICCO HOUSE, 2, HARE STREET, KOLKATA - 700001
6.	Whether listed company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any	R & D INFOTECH PVT. LTD. 1ST FLOOR, 7A, BELTALA ROAD, KOLKATA-700026 Phone : 033 24192641, 033 24192642 Fax : 033 24631658 E-mail : rdinfotech@yahoo.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10% or more of the total turnover of the company shall be stated)

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
	N I L		

PS: License of Company cancelled by Reserve Bank of India hence no fund-based business activity except for Rs. 12.90 lacs income generated by Windmill operation.

III. Particulars of Holding, Subsidiary and Associate Companies -

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	Shares held	Applicable Section
1.	NICCO INSURANCE AGENTS & CONSULTANTS LTD.	U75131WB2001PLC094035	SUBSIDIARY	50000	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (as at 1st April, 2018)				No. of Shares held at the end of the year (as on 31st March, 2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1) Indian									
a) Individual/HUF	219195	1	219196	0.264	219195	1	219196	0.264	-



b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	1389995	7058524	8448519	10.173	1389995	7058524	8448519	10.173	-
e) Banks / FI	2314285	-	2314285	2.787	2314285	-	2314285	2.787	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	3923475	7058525	10982000	13.224	3923475	7058525	10982000	13.224	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	50	2030	2080	0.003	50	2030	2080	0.003	-
b) Banks / FI	1586260	33384	1619644	1.95	1586260	33384	1619644	1.95	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	250	250	0	-	250	250	0	0
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1) :-	1586310	35664	1621974	1.953	1586310	35664	1621974	1.953	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	9207735	1913167	11120902	13.39	9073400	1912317	10985717	13.23	-0.16
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	9869988	44429764	54299752	65.39	5997346	44000208	49997554	60.21	-5.18
ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	2171128	120000	2291128	2.76	2058583	120000	2178583	2.62	-0.14
c) Others (CDSL)	-	-	-	-	4557349	-	4557349	5.49	-
Non Resident Indians	746600	11719	758319	0.91	739179	11719	750898	0.90	-0.01
Overseas Corporate Bodies	-	1971428	1971428	2.374	-	1971428	1971428	2.374	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2) :-	21995451	48446078	70441529	84.82	22425859	48015670	70441529	84.82	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	23581761	48481742	72063503	86.78	24012169	48051334	72063503	86.78	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	27505236	55540267	83045503	100.00	27935644	55109859	83045503	100.00	-



B) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% Change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	L N KAUL	1	0	0	1	0	0	0
2	NICCO CORPORATION LTD. (In Liquidation)	7058524	8.500	0	7058524	8.500	0	0
3	NICCO FINANCIAL SERVICES LTD.	329113	0.396	0	329113	0.396	0	0
4	HERCULES TRADING CORPON PVT LTD.	409507	0.493	0	409507	0.493	0	0
5	ASSOCIATED INDUSTRIAL DEVELOPMENT CO. LTD.	172683	0.208	0	172683	0.208	0	0
6	KANTA BHAN PROPERTIES PVT LTD.	28114	0.034	0	28114	0.034	0	0
7	HINDUSTAN METAL & WIRE PRODUCTS LTD.	450578	0.543	0	450578	0.543	0	0
8	RAJIVE KAUL (C/O J N BHAN MEMORIAL CHARITY TRUST)	127996	0.154	0	127996	0.154	0	0
9	RAJIVE KAUL & J S PAUL- TRUSTEE NICCO RESTRUCTURING EMPLOYEES TRUST FUND	91199	0.110	0	91199	0.110	0	0
10	UCO BANK	2314285	2.787	0	2314285	2.787	0	0
	TOTAL	10982000	13.224	0	10982000	13.224	0	0

C) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	At the beginning of the year on 01.04.2018	10982000	13.224	10982000	13.224
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.) :	Nil	Nil	Nil	Nil
	At the end of the year on 31.03.2019	10982000	13.224	10982000	13.224

**D) Shareholding Pattern of top ten Shareholders :**

(Other than Directors, Promoters and Holders of GDRs and ADRs) :

Sl. No.	Name of the Shareholders	Shareholding at the beginning of the year (01.04.18)/end of the year (31.03.19)		Cumulative Shareholding during the year		Increase/Decrease in Shareholding	Reason for change in %
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company		
1	Sanmar Holdings Ltd.	7130441 7130441	8.586 8.586	7130441	8.586	No movement during the year	-
2	S G Hambros Bank & Trust Ltd.	1560000 1560000	1.878 1.878	1560000	1.878	No movement during the year	-
3	Indian Overseas Bank	1485000 1485000	1.788 1.788	1485000	1.788	No movement during the year	-
4	Orissa Engineering College	1062526 1062526	1.279 1.279	1062526	1.279	No movement during the year	-
5	Lebong Investments Ltd.	971272 971272	1.170 1.170	971272	1.170	No movement during the year	-
6	Satya Narayan Bhalotia	660187 660187	0.795 0.795	660187	0.795	No movement during the year	-
7	Nishita Kirit Shah	656350 656350	0.790 0.790	656350	0.790	No movement during the year	-
8	Lalit Bhalotia	514092 514092	0.62 0.62	514092	0.62	No movement during the year	-
9	Sanpaolo IMI S P A.	411428 411428	0.495 0.495	411428	0.495	No movement during the year	-
10	Sanjeev Kumar Jha	307420 307420	0.370 0.370	307420	0.370	No movement during the year	-

E) Shareholding of Directors and Key Managerial Personnel :

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year on 01.04.2018		Cumulative Shareholding during the financial year 2018-19	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
KEY MANAGERIAL PERSONNEL					
1	MR. L. N. KAUL	1	0.00	1	0.00
2	MR. S. S. MAJUMDAR	60	0.00	60	0.00



V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
Indebtedness at the beginning of the financial year 2018-19				
i) Principal Amount	1236011543	0	0	1236011543
ii) Interest due but not paid	4755059244	0	0	4755059244
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	5991070787	0	0	5991070787
Change in Indebtedness during the financial year				
* Addition				
a) Principal	0	0	0	0
b) Interest	50038367	0	0	50038367
* Reduction				
a) Principal	0	0	0	0
b) Interest	0	0	0	0
Net Change	50038367	0	0	50038367
Indebtedness at the end of the financial year				
i) Principal Amount	1236011543	0	0	1236011543
ii) Interest due but not paid	4805097611	0	0	4805097611
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	6041109154	0	0	6041109154

VI. Remuneration of Directors and Key Managerial Personnel -

A. Remuneration to Managing Director, Whole-time Directors and/or Manager :

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Mr. L. N. KAUL, MD	—	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	960000	-	960000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	175076	-	175076
	(c) Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-
5	Others, please specify	-	-	-
	Fee of Professional Institute	2950	-	2950
	Total (A)	1138026	-	1138026
Ceiling as per the Act		The remunerations are well within the limits prescribed under the Companies Act, 2013 and as approved by the Central Government of India.		

**B. Remuneration to other directors :**

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount
		MS. APARNA DEY	MR. B. ROY	
	Independent Directors			
1	Fee for attending Board and Committee meetings	13000	36000	49000
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (1)	13000	36000	49000
	Other Non-Executive Directors	MR. D. SAILA		
2	Fee for attending Board and Committee meetings	36000	-	36000
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (2)	36000	-	36000
	Total (B)=(1+2)	76000	36000	85000
	Total Managerial Remuneration (A+B)			1223026
	Overall Ceiling as per the Act The remunerations are well within the limits prescribed under the Companies Act, 2013			

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD :

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CS MR. S. S. MAJUMDAR 01-04-18 to 31-03-19	CFO MR. A. SAILA 01-04-18 to 31-03-19		
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	127000	135315		262315
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	21474		21474
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-		-
2	Stock Option	-	-		-
3	Sweat Equity	-	-		-
4	Commission	-	-		-
	- as % of profit	-	-		-
5	Others, please specify	-	-		-
	Total	127000	156789		283789



VII. Penalties / Punishment/ Compounding of offences :

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/COURT)	Appeal made if any (give details)
A. COMPANY					
Penalty			N I L		
Punishment			N I L		
Compounding			N I L		
A. DIRECTORS					
Penalty			N I L		
Punishment			N I L		
Compounding			N I L		
A. OTHER OFFICERS IN DEFAULT					
Penalty			N I L		
Punishment			N I L		
Compounding			N I L		

**Annexure - D****DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013
READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-19 and ratio of the remuneration of each Director to the median remuneration of employee of the Company for the financial year 2018-19 :

Sl. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for financial year 2018-19 (Rs. in lacs)	% increase in remuneration in the Financial year 2018-19	Ratio of remuneration of each Director/to median remuneration of employees
1.	Mr. Lakshmi Narain Kaul Managing Director	11.38	0.00	7:3
2.	Mr. Abhijit Saila Chief Financial Officer	1.56	0.00	N.A.
3.	Mr. S. S. Majumdar Company Secretary	1.27	0.00	N.A.

Note : No Director other than the Managing director receives any remuneration other than sitting fees during the financial year 2018-19.

- (ii) The median remuneration of the employees of the company during the financial year 2018-19 was Rs. 1.57 lacs.
- (iii) There was no increase in remuneration of Directors & employees hence increase in median salary of employees during 2018-19 is not applicable nor any average percentage shall apply to employees or managerial personnel.
- (iv) The remuneration paid during the year ended 31st March, 2019 is as per the Nomination and Remuneration policy of the company.

For and on behalf of the Board of Directors

Place : Kolkata
Dated : August 13, 2019

DEBDATTA SAILA
(DIN - 00198764)



Form No. MR - 3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the
Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members of
Nicco Uco Alliance Credit Limited
CIN - L65910WB1984PLC037614
NICCO HOUSE, 2, Hare Street
Kolkata - 700001, West Bengal

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Nicco Uco Alliance Credit Limited** (hereinafter called the Company), bearing CIN No. - L65910WB1984PLC037614. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers and authorized representatives during the conduct of secretarial audit and as per the explanations given to us and the representations made by the Management, I hereby report that in my opinion, the Company has, during the period covering the financial year ended on 31st March, 2019 (hereinafter referred to as Audit Period), complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Nicco Uco Alliance Credit Limited ("the Company") for the financial year ended on 31st March, 2019 according to the provisions of :

- (i) The Companies Act, 2013 ("the Act") and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company;
 - (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 during the Audit Period)**
 - (d) The Securities and Exchange Board of India (Share Bases Employee Benefits) Regulations, 2014; **(Not Applicable during the Audit Period)**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable during the Audit Period)**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable during the Audit Period)**



NICCO UCO ALLIANCE CREDIT LIMITED

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not Applicable during the Audit Period)**
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) The Reserve Bank of India Act, 1934 and the regulation made there under since the Company is a Non Banking Financial Company whose registration is cancelled by RBI vide its order dated 31st March, 2005, against which the Company has preferred an appeal before the Appellate Authority for Non-Banking Finance Company (NBFC), Joint Secretary, Ministry of Finance, Govt. of India, New Delhi, which, as stated and represented by management, is pending;

As informed by the management, there are no other specific laws applicable to the company.

I further report that, having regard to the compliance system prevailing in the company and on examination of the relevant documents and records in pursuance thereof, on test check basis, the company has generally complied with the laws applicable to the company.

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

- (i) the Secretarial Standards issued by the Institute of Company Secretaries of India complied generally.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited.

During the period under review and as per representations and clarifications provided by the management, I confirm that the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc as mentioned hereinabove.

I further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

I further report that :

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the Audit Period were carried out in compliance with the provisions of the Act.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Resolutions have been approved unanimously and there were no dissenting Members.
3. All decisions at the Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that as per the explanations given to us and the representations made by the Management and relied upon by us there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that I have found few Non Compliance/Deviation in Compliance of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 details of which have given in the Secretarial Compliance Report Annexed with this report.

I further report that during the year under report, the Company has not undertaken any event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Place : Kolkata
Date : 21st June, 2019

For **Rasna Goyal**
Practicing Company Secretary
C.P. No. 9209, FCS No. 9096

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
Nicco Uco Alliance Credit Limited
CIN - L65910WB1984PLC037614
NICCO HOUSE, 2, Hare Street
Kolkata - 700001, West Bengal

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices 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 to ensure that correct facts are reflected in Secretarial records. I believe that the process and practice, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Kolkata
Date : 23rd May, 2019

For **Rasna Goyal**
Practicing Company Secretary
C.P. No. 9209, FCS No. 9096



NICCO UCO ALLIANCE CREDIT LIMITED

Secretarial Compliance Report of NICCO UCO ALLIANCE CREDIT LIMITED

for the year ended March, 2019

To,

Nicco Uco Alliance Credit Limited
NICCO HOUSE, 2, Hare Street
Kolkata - 700001

I Rasna Goyal have examined :

- (a) All the documents and records made available to me and explanation provided by **NICCO UCO ALLIANCE CREDIT LIMITED** ("the listed entity"),
- (b) The filings/ submissions made by the listed entity to the stock exchanges,
- (c) Website of the listed entity – The Company does not have any Website,
- (d) Any other document/ filing, as may be relevant, which has been relied upon to make this certification,

For the year ended March, 2019 ("Review Period") in respect of compliance with the provisions of :

- (a) The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the regulations, circulars, guidelines issued thereunder; and
- (b) The Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The Specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include :-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company during the review period)**
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the Company during the review period)**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not Applicable to the Company during the review period)**
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable to the Company during the review period)**
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; **(Not Applicable to the Company during the review period)**
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018 and Circulars/ Guidelines issued thereunder;

and based on the above examination, I hereby report that, during the Review Period :

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below :-

SR. No.	COMPLIANCE REQUIREMENT (REGULATIONS/ CIRCULARS / GUIDELINES INCLUDING SPECIFIC CLAUSE)	DEVIATIONS	OBSERVATIONS/ REMARKS OF THE PRACTICING COMPANY SECRETARY
As Per Annexure "A" attached herewith			



- (b) The Listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from my examination of those records.
- (c) The following are the details of actions taken against the listed entity/ its Promoters/ Directors/ Material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and Circulars/ Guidelines issued thereunder :

SR. No.	ACTION TAKEN BY	DETAILS OF VIOLATION	DETAILS OF ACTION TAKEN E.G. FINES, WARNING LETTER, DEPARMENT, ETC.	OBSERVATIONS/ REMARKS OF THE PRACTICING COMPANY SECRETARY, IF ANY
Not Applicable				

- (d) The Listed entity has taken the following actions to comply with the observations made in previous reports :

SR. No.	OBSERVATIONS OF THE PRACTICING COMPANY SECRETARY IN THE PREVIOUS REPORTS	OBSERVATIONS MADE IN THE SECRETARIAL COMPLIANCE REPORT FOR THE YEAR ENDED.... (THE YEARS ARE TO BE MENTIONED)	ACTION TAKEN BY THE LISTED ENTITY, IF ANY	COMMENTS OF THE PRACTICING COMPANY SECRETARY ON THE ACTIONS TAKEN BY THE LISTED ENTITY
Not Applicable				

Place : Kolkata
Date : 23rd May, 2019

For **Rasna Goyal**
Practicing Company Secretary
C.P. No. 9209, FCS No. 9096

**Annexure "A"****Details of the matters Non Complied/ Deviation in Compliance/ Observations of Practicing Company Secretary**

1. It has been Observed that the Company does not have any Website as required to be maintained under Regulation 46(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 since the Company cannot afford its maintenance due to its critical financial condition as explained by the Management and Board of Directors of the Company.

Due to Non-Availability of Website, the Company though framed policies and submitted documents in respect of applicable provisions to the Bombay Stock Exchange within due date but cannot put the same on the website of the Company.

2. Details of Regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 Complied/observed but not uploaded/putted on the website of the Company as explained to me :

Sl. No.	Regulation No.	Status of Regulations
1.	9	Policies on Preservation of Documents & Archival were framed, approved & adopted by the Board of the company at its meeting held on 11/02/2016 (item No.11 Pg.3428).
2.	10	All information, documents etc. required to be submitted with BSE Ltd are filed on the electronic platform as specified by Bombay Stock Exchange Limited.
3.	17(5)	Code of Conduct to be followed by Non-Independent & Independent Directors of the Company have been framed, approved & adopted by the Board of the Company at its meeting held on 11/02/2016 Item No.8. Pg.3427).
4.	23	The Company does not have any RPT Policy since No RPT transactions were carried on.
5.	27(2)	Company uploads quarterly compliance reports on corporate governance in the format as specified by the SEBI to BSE Ltd within the prescribed timeline but does not place the said reports on Website as it does not have one of its own as it cannot afford to bear the cost.
6.	29(1)	Company gives prior intimation to BSE Ltd about the meeting of the Board of Directors in which financial results viz. quarterly, half yearly, or annual, as the case may be, is due to be considered but does not place the said information on Website as it does not have one of its own as it cannot afford to bear the cost.
7.	30(4)(ii)	Policy on Determination of materiality has been approved and adopted by the Board at its meeting held on 11/02/2016 (item No.11 Pg.3428). Said information is not placed on Website as the Company does not have one of its own.
8.	30(8)	Archival policies were framed, approved & adopted by the Board at its meeting held on 11/02/2016 (item No.11 Pg.3428). Said information is not placed on Website as the Company does not have one of its own.
9.	31(1)	Company regularly submits/uploads Shareholding Patterns on quarterly basis to BSE Ltd as prescribed in SEBI(LODR) Regs. 2015, but such information are not placed in Website as it does not have one of its own.
10.	33(3)	Information is regularly submitted to BSE Ltd within the prescribed timeline but such information are not placed on Website as the Company does not have one of its own as it cannot afford it.
11.	46(1)	Company does not have its Website as it cannot afford its maintenance due to its critical financial condition.
12.	47(2)	Company does not have its Website as it cannot afford to have, cannot give a reference of the newspaper publication in Website.

3. The Company has not paid the Listing fees or Charges as applicable pursuant to Regulation 14 of SEBI (LODR) Regulations, 2015, pending supply of inspection report from Bombay Stock Exchange Ltd. to the company despite requests as explained by the Management.

4. Regarding Regulation 31(2) Promoters Shareholdings – It has been explained by the management that Nicco Corporation Ltd is holding 8.5% shares and UCO Bank 2.79% as Promoters of the Company. In October 2017 Nicco Corps. Ltd had gone into liquidation and presently the shares are held by Liquidators of the Company. In addition, 10.43% shares are being held by Associates. Except for Nicco Corporation Ltd (in liquidation) the shares held by others had been demoted.

5. No certificate has been submitted in respect of 54(5) of SEBI (DEPOSITORIES AND PARTICIPANTS) REGULATIONS 1996 for 1st, 2nd and 3rd quarter and 74(5) of SEBI (DEPOSITORIES AND PARTICIPANTS) REGULATIONS 2018 for 4th quarter for the year 2018-19.

Place : Kolkata
Date : 23rd May, 2019

For **Rasna Goyal**
Practicing Company Secretary
C.P. No. 9209, FCS No. 9096



INDEPENDENT AUDITORS' REPORT

To the Members of NICCO UCO ALLIANCE CREDIT LIMITED

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

QUALIFIED OPINION

We have audited the standalone financial statements of **Nicco Uco Alliance Credit Limited** ("the Company") which comprise the Balance Sheet as at **March 31, 2019**, the Statement of Profit and Loss and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the aforesaid financial statements 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, 2019, loss, and its cash flows for the year ended on that date.

BASIS FOR QUALIFIED OPINION

- a) Note No. 2.21 regarding cancellation of certificate of registration of the company to carry out non-banking financial activities by Reserve Bank of India (RBI) vide its order dated 31st March, 2005, against which the company has preferred an appeal before the Appellate Authority for Non-Banking Finance Company (NBFC), Joint Secretary, Ministry of Finance, Govt. of India, New Delhi, which as stated, is pending.

As the decision with regard to appeal against cancellation of license is pending for reasons as stated in the note above, the accounts of the company have been prepared on going concern assumption on the basis of legal opinion obtained. In the event of adverse decision/ development the financial statements may require necessary adjustments in the value of its assets and liabilities.

- b) Note No. 2.3.ii (b) regarding non-confirmation of balances by Banks and Financial Institutions (FI's) in whose Books the account of Company has turned Non Performing Assets (NPAs).
- c) Note No. 2.3.vi regarding non compliance with order of Company Law Board (CLB) in repayment of its Fixed Deposits liability and other accounting violation, against which legal proceedings have been initiated by Serious Fraud Investigation Office. However, as per available records, fixed deposit liabilities had been settled as per a scheme approved by Hon'ble High Court at Calcutta.
- d) Note No. 2.23(a) regarding non-charging of interest on dues to banks and financial institution coming under the purview of consortium resulting in reduction of loss by Rs. 426 crores.

We conducted our audit in accordance with 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 we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified 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. In addition to the matters described in the *Basis for Qualified Opinion* section we have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	How our audit addressed the key audit matters
1.	<p>Litigations and claims – provisions and contingent liabilities</p> <p>As disclosed in Notes detailing contingent liability and provision for contingencies, the company is involved in direct, indirect tax and other litigations ("litigations") that are pending with different statutory authorities.</p> <p>Whether a liability is recognized or disclosed as a contingent liability in the financial statements is inherently judgmental and dependent on a number of significant assumptions and assessments.</p>	<p>Our key procedures included the following :</p> <ul style="list-style-type: none"> Assessed the appropriates of the company accounting policies, including those relating to provision and contingent liability by comparing with the applicable accounting standards. Assessed the company process for identification of the pending litigations and completeness for financial reporting and also for monitoring of significant developments in relation to such pending litigations; Engaged subject matter specialists to gain an understanding of the current status of litigations and monitored changes in the disputes, if any, through discussions with the management and by



Sr. No.	Key Audit Matters	How our audit addressed the key audit matters
	The amounts involved are potentially significant and determining the amount, if any, to be recognized or disclosed in the Standalone financial statements, is inherently subjective.	<p>reading external advice received by the company, where relevant, to establish that the provisions had been appropriately recognized or disclosed as required;</p> <ul style="list-style-type: none"> • Assessed the company assumptions and estimates in respect of litigations, including the liabilities or provisions recognized or contingent liabilities disclosed in the financial statements. This involved assessing the probability of an unfavorable outcome of a given proceeding and the reliability of estimates of related amounts; • Performed substantive procedures on the underlying calculations supporting the provisions recorded; • Assessed the management's conclusions through understanding precedents set in similar cases; and considering the appropriateness of the company's description of the disclosures related to litigations and whether these adequately presented in the Standalone financial statements.
2.	The company has not provided interest on dues to Banks and financial institutions coming within the purview of consortium arrangement with effect from 01.04.2015 in anticipation of a favorable outcome of the ongoing negotiation for one time settlement of such dues. The un-provided interest amounts to Rs. 426 crores upto 31.03.2019.	We have checked the details calculation of such un-provided interest.
3.	<p>Valuation of Investments :</p> <p>Quoted Investments have been valued at lower of cost or market price.</p> <p>Un-quoted Investments have been valued on the basis of Net Worth of the respective investees.</p>	<ul style="list-style-type: none"> • Necessary papers including the final order of honourable Supreme Court have been verified by us in order to ensure the correctness of accounting of the said claim. • We have checked the basis of valuation in detail and also the provision against such shortfall.

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 and cash flows of the Company in accordance with 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.

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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and the performance of the audit of the financial statements of such entities included in the financial statements.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these 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 Companies Act, 2013, we give in the "**Annexure-2**" 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 that :
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books *[and proper returns adequate for the purposes of our audit have been received from the branches not visited by us]*.
 - (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 books of account *[and with the returns received from the branches not visited by us]*.
 - (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 written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure-1**".
 - (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 Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 2.24 to the financial statements.
 - ii. The Company does not have any material foreseeable loss arising out derivative contract.
 - iii. No money is required to be transferred by the Company to Investor Education and Protection Fund.

Place : Kolkata

Dated : May 27, 2019

For G. BASU & CO.
Chartered Accountants
Firm Regn. No. 301174E
G. Guha
Partner
M. No. 054702



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 **NICCO UCO ALLIANCE CREDIT LIMITED** ("the Company") as of **31st March, 2019** in conjunction with our audit of the 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 financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (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 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.

Qualified Opinion

Attention is invited to the paragraph on qualified opinion in our audit report on the standalone financial statements of even date.

In our opinion, subject to the above qualification, which have arisen out of material deficiency in financial control over the past years the company has maintained proper control over financial reporting during the year under review.

Place : Kolkata

Dated : May 27, 2019

For G. BASU & CO.
Chartered Accountants
Firm Regn. No. 301174E
G. Guha
Partner
M. No. 054702

**RE : NICCO UCO ALLIANCE CREDIT LIMITED****ANNEXURE TO THE AUDITORS' REPORT AS REFERRED TO IN PARA OF THE SAID REPORT OF EVEN DATE**

1. (a) Original fixed asset records were destroyed by fire. Fresh records containing the relevant details are now under updation.
(b) The fixed assets will be physically verified only after updation of records.
(c) As per information and explanation given to us immovable properties held in the name of the company have been charged against loans from banks and financial institutions.
2. (a) There is no live agreement for lease and hire purchase stock as on date. All such assets have turned Non-performing and necessary provision has been made for the same. Physical verification for the same has not been done during the year. However as explained to us by the management, there is little scope for doing the same.
(b) The company has no inventories.
3. According to the information and explanations given to us by the management, the company has not given any loan secured or unsecured during the year to Companies, firms or other parties covered in the Register maintained u/s 189 of the Companies Act, 2013 except interest free unsecured advances (net) given to its subsidiary company, the maximum amount outstanding at any time during the year and closing balance as on 31.03.2019 were Rs.1.24 and Rs.1.24 Lacs respectively. As explained to us the above advance is repayable on demand.
4. The company has not given any loan to its directors. The investment made by the company exceeds the limit stipulated U/S 186 of the Companies Act, 2013. However, the investments were acquired at a time when the company was registered as NBFC and hence, exempted from the relevant provision.
5. The Company has not accepted any deposit during the year from the public as per the directives issued by the Reserve Bank of India and the provisions of Section 73 or any other relevant provisions of the Companies Act, 2013 and the rules made there under.
6. As per the information and explanations given to us, the Company has given yearly maintenance job of its Wind Mills to outside agencies on contract. As explained to us, there are no other costs for which cost records are to be maintained.
7. (a) According to the records of the company, during the year the company has generally been regular in depositing with the appropriate authorities, undisputed statutory dues including provident fund, investor education and protection fund, employee state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and any other statutory dues whichever applicable, except for default in deposit of brought forward balances of Service Tax amounting to Rs. 29,32,997/-. According to the information and explanation given to us no undisputed arrears of statutory dues were outstanding as on 31.03.2019 for a period a six months from the date they became payable.
(b) According to the records of the company, the dues of sales tax, custom duty, wealth tax, income tax, excise duty, service



NICCO UCO ALLIANCE CREDIT LIMITED

tax and cess which have not been deposited on account of any dispute and the forum where the disputes are pending are as under :

Name of the Statute	Nature of Dues	Amount (Rs. in lacs)*	Forum where pending
Central and States Sales Tax Laws	Central and State Sales Tax	27.50	W.B. Commercial Taxes Appellate and Revisional Board
Karnataka Sales Tax Act, 1957	State Sales Tax	26.53	Karnataka High Court
Income Tax Act, 1961	Income Tax	61.39 23.12	C.I.T. Appeal
M. S. Shoes	The arbitration award has been challenged in Delhi High Court	83.00	Delhi High Court
	TOTAL	221.54	

* The above figures are as per the information made available to us.

8. For details of default in repayment of loans to banks and financial institutions reference may please be made to note no. 2.3 (VII) and 2.5 (VI).
9. The company has not raised any money by way of initial public offer or further public offer or term loan.
10. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.
11. Managerial remuneration has been paid in compliance with Section 197 read with Schedule V of Companies Act, 2013, subject to obtaining approval from secured creditors for which necessary correspondence has been initiated.
12. The company is not a Nidhi Company.
13. Except for an unsecured advance to subsidiary company there was no other transaction with related parties.
14. The company had not made any preferential allotment on private placement of shares or fully on partly convertible debentures.
15. The company has not entered into any non cash transaction with directors or persons connected with him.
16. The company was earlier registered U/S 45-1A of Reserve Bank of India Act, 1934. Registration has since been cancelled by Reserve Bank of India. The company has preferred appeal before Appellate authority for NBFC, Joint Secretary, Ministry Finance Government of India, New Delhi which is still pending.

Place : Kolkata
Dated : May 27, 2019

For G. BASU & CO.
Chartered Accountants
Firm Regn. No. 301174E
G. Guha
Partner
M. No. 054702

**BALANCE SHEET AS AT 31ST MARCH, 2019**

	Note	Rs.	As at March 31, 2019 Rs.	Rs.	As at March 31, 2018 Rs.
EQUITY AND LIABILITIES					
SHAREHOLDERS' FUND					
Share Capital	2.1	165,636,006		165,636,006	
Reserves and Surplus	2.2	<u>(6,334,866,572)</u>	(6,169,230,565)	<u>(6,284,590,390)</u>	(6,118,954,384)
NON-CURRENT LIABILITIES					
Long-Term Borrowings	2.3	—		—	
Long-Term Provisions	2.4	<u>49,682,615</u>	49,682,615	<u>49,682,615</u>	49,682,615
CURRENT LIABILITIES					
Short-Term Borrowings	2.5	1,067,375,043		1,067,375,043	
Trade Payables	2.6	20,292,486		19,517,603	
Other Current Liabilities	2.7	<u>5,098,682,887</u>	6,186,350,415	<u>5,048,977,713</u>	6,135,870,359
TOTAL			<u>66,802,465</u>		<u>66,598,590</u>
ASSETS					
NON-CURRENT ASSETS					
Fixed Assets					
Tangible Assets	2.8	51,348,484		51,648,607	
Intangible Assets	2.8	—		—	
Capital Work-In-Progress	2.8	—		—	
			51,348,484		51,648,607
Non-Current Investments	2.9	3,454,509		3,626,092	
Long-Term Loans and Advances	2.10	1,820,695		1,577,314	
Other Non-Current Assets	2.11	<u>1,600,834</u>		<u>793,075</u>	
			6,876,038		5,996,481
CURRENT ASSETS					
Trade Receivables	2.12	—		—	
Cash and Bank Balances	2.13	3,839,581		3,207,788	
Short-Term Loans and Advances	2.10	2,743,813		3,783,321	
Other Current Assets	2.11	<u>1,994,546</u>		<u>1,962,394</u>	
			8,577,940		8,953,502
TOTAL			<u>66,802,465</u>		<u>66,598,590</u>

Significant Accounting Policies 1

The accompanying notes are an integral part of the Financial Statements

As per our Report of even date annexed
For G. BASU & CO.
Chartered Accountants
Firm Regn. No. 301174E
P. K. Chaudhuri
Partner
M. No. 003814
3, Chowringhee Approach
Kolkata - 700072
the 27th day of May, 2019

On behalf of the Board of Directors

Mr. Debdata Saila (DIN : 00198764)
Mr. L. N. Kaul (DIN : 00198692)
Mr. Biswajit Roy (DIN : 00198746)
Ms. Aparna Dey (DIN : 06941580)
Mr. S. S. Majumdar
Mr. Abhijit Saila

Chairman
Managing Director
Director
Director
Company Secretary
Chief Financial Officer



NICCO UCO ALLIANCE CREDIT LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	Note	For the year ended 31st March, 2019 Rs.	For the year ended 31st March, 2018 Rs.
INCOME			
Revenue from Operations	2.14	—	—
Other income	2.15	5,527,400	2,310,802
Total Revenue		5,527,400	2,310,802
EXPENDITURE			
Employee Benefits Expense	2.17	2,152,973	2,222,543
Finance Costs	2.18	50,038,367	42,512,022
Other Expenses	2.19	3,312,119	6,658,921
Depreciation and Amortization Expense	2.20	299,016	300,348
Exceptional Items		—	—
Total		55,802,474	51,693,834
Loss before Tax, Depreciation & Amortisation		(50,275,074)	(49,383,031)
Profit before extraordinary items and tax		(50,275,074)	(49,383,031)
Extraordinary Items		—	—
Loss before Tax		(50,275,074)	(49,383,031)
Income Tax for Earlier Years		—	—
Profit/(Loss) for the period from continuing operations		(50,275,074)	(49,383,031)
Loss for the year		(50,275,074)	(49,383,031)
Earnings Per Share			
Basic and Diluted earning per share (in Rs.)	2.30	(0.61)	(0.59)

Significant Accounting Policies

1

The accompanying notes are an integral part of the Financial Statements

As per our Report of even date annexed
For G. BASU & CO.
Chartered Accountants
Firm Regn. No. 301174E
P. K. Chaudhuri
Partner
M. No. 003814
3, Chowringhee Approach
Kolkata - 700072
the 27th day of May, 2019

On behalf of the Board of Directors

Mr. Debdata Saila (DIN : 00198764)
Mr. L. N. Kaul (DIN : 00198692)
Mr. Biswajit Roy (DIN : 00198746)
Ms. Aparna Dey (DIN : 06941580)
Mr. S. S. Majumdar
Mr. Abhijit Saila

Chairman
Managing Director
Director
Director
Company Secretary
Chief Financial Officer

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31.03.2019**

	For the year ended 31st March, 2019 Rs.	For the year ended 31st March, 2018 Rs.
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax & extraordinary items	(50,275,074)	(49,388,274)
Add/(Less) : Adjustments for		
Depreciation	299,016	300,348
Provisions for Employee benefits	—	—
Dividend on investments	(281,530)	(233,730)
Profit on sale of Investments	—	—
Loss on sale of fixed assets / hire purchase stock	—	632,055
Liability no longer required written back	(1,346,282)	—
Interest Expenses	50,038,367	42,512,022
Operating profit / (loss) before working capital changes	(3,957,441)	(4,302,378)
Increase/(Decrease) in trade receivables	207,834	771,855
Increase/(Decrease) in trade payables/current liabilities	441,690	(1,120,399)
Income Tax paid	502,523	860,817
Cash generated from operations	(2,511,790)	(3,790,105)
Adjustment for Extraordinary Items	—	—
Net Cash from Operating activities	(2,511,790)	(3,790,105)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	—	(10,868)
Proceeds from Sale of Investments	—	—
Interest received	2,862,053	246,985
Dividend received on investments	281,530	233,730
Net Cash used in Investing activities	3,143,583	488,347
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of borrowings	—	—
Net Cash used in Financing activities	—	—
Net increase/(decrease) in cash and cash equivalents	631,793	(3,301,758)
Opening cash and bank balances	3,207,788	6,509,546
Closing cash and bank balances	3,839,581	3,207,788

Notes :

- Above statement has been prepared in indirect method as given in Accounting Standard - 3 on Cash Flow Statement except in case of interest and dividend on investment, purchase and sale of Fixed assets and Investments which have been considered on the basis of actual movement of Cash, with corresponding adjustments in assets and liabilities.
- Negative figures indicate cash outflow.
- Figures for the previous year have been regrouped / restated wherever considered necessary.

As per our Report of even date annexed
For G. BASU & CO.
Chartered Accountants
Firm Regn. No. 301174E
P. K. Chaudhuri
Partner
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Mr. S. S. Majumdar
Mr. Abhijit Saila

Chairman
Managing Director
Director
Director
Company Secretary
Chief Financial Officer



1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention, in accordance with generally accepted accounting principles comprising the mandatory Accounting Standards issued by The Companies (Accounting Standards) Rules, 2015, the provisions of Companies Act, 2013, and the Guidelines issued by Reserve Bank of India and adopted consistently by the Company.

The financial statements has been prepared and presented as per the requirement of schedule III as notified under the Companies Act, 2013.

1.2 Use of Estimates

The preparation of financial statements require judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities including contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognised in the period in which the results are known / materialised.

1.3 Tangible Assets

Tangible assets are stated at cost. Capital Work-in-Progress forming part of note on fixed assets includes cost of assets not put to use before the year end.

1.4 Depreciation & Amortization

- a) Depreciation on own tangible assets (other than leased assets) have been provided on straight line method and on the basis of useful life as specified in schedule II of the Companies Act, 2013.
- b) Leased Assets are depreciated at rates specified in Schedule II to the Companies Act, 2013 as required by AS 19 regarding 'Leases' issued by the Companies (Accounting Standards) Rules, 2015. The difference between the depreciation charged, as computed on the basis of the IRR implicit in the lease, and that arrived at in terms of Schedule II to the Companies Act, 2013, to ensure capital recovery over the primary lease period, is reflected in the lease equalisation account.
- c) As per Accounting Standards AS-19 regarding 'Leases' issued by The Companies (Accounting Standards) Rules, 2006, which has been made mandatory w.e.f. 01.04.2001, Assets given under finance lease, are shown under non-current assets as other assets at an amount equal to the net investment value in the lease, initial indirect cost forming part of net investment value.

1.5 Impairment

Impairment loss is recognized based on cash generating unit concept, wherever the carrying amount of an asset is in excess of its recoverable amount and the same is recognized as an expense in the statement of profit and loss and carrying amount of the asset is reduced to its recoverable amount.

Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased.

1.6 Investments

- a) Long term quoted investments are valued at cost less provision for diminution in market value if decline in carrying cost of the investment is considered to be other than temporary in nature.
- b) Long term unquoted investments are valued at cost less provision for decline in break up value vis-à-vis cost.
- c) Quoted Current Investments are valued at cost or market value, whichever is lower.
- d) Unquoted Equity Shares in the nature of current investments are valued at cost or break-up value, whichever is lower. Where balance sheet of the investee company is not available for two years, such shares are valued at Re. 1 only.
- e) Investment in Unquoted Government Securities or Government Guaranteed Bonds are valued at carrying cost.

1.7 Recognition of Income & Expenditure

a) Income :-

- (i) Lease Income :

Lease income is computed as per agreement and in accordance with directions of Reserve Bank of India applicable to

**SIGNIFICANT ACCOUNTING POLICIES (Contd.)**

Non-Banking Financial Companies and Accounting Standards (AS-19) regarding 'Leases' issued by The Companies (Accounting Standards) Rules, 2006.

Moreover, income from assets on lease in respect of lease agreement on or after 01.04.2001 are recognized on capital recovery basis over the effective lease period of the assets to comply with the requirement of Accounting Standards (AS-19) regarding "lease" issued by The Companies (Accounting Standards) Rules, 2006.

(ii) Hire Purchase Income :

Hire Purchase income is computed on the basis of internal rate of return implicit in contracts.

(iii) Dividend income is accounted for as and when received.

1.8 Retirement Benefits to Employees**a) Defined Contribution Plan :**

Provident Fund and Employees Pension are provided on accrual basis. The accrued amount is deposited with the respective Trust / Authority.

b) Defined Benefit Plan :

Gratuity, Leave Salary and Superannuation benefit form part of defined benefit plan schemes existing in the company.

The above benefits are accounted for on the basis of accrual of liability towards obligation on account of past/present service cost, interest and actuarial adjustment net of return on fund invested to cover the obligation in planned assets and actuarial gain/loss thereon in terms of calculation made by actuary under Unit Projected Credit Method.

c) Short Term Benefits :

Benefits payable within a year has been accounted for on accrual basis in terms of non discounted value.

1.9 Taxes on Income

Provision for current income tax is made on the basis of estimated taxable income.

Deferred tax is recognized, subject to the consideration of prudence, on timing differences as per Accounting Standard (AS-22) regarding 'Accounting for taxes on income' issued by The Companies (Accounting Standards) Rules, 2015, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

1.10 Foreign Currency Transactions

a) Transactions in foreign currency are recorded at the rate of exchange prevailing on the date of transaction. Year end balance of foreign currency transactions is translated at the year end rates. Exchange differences arising on settlement of monetary items or on reporting of monetary items at rates different from those at which they were initially recorded during the period or reported in previous financial statements are recognized as income or expenses in the period in which they arise.

b) In respect of Forward Exchange Contracts (except for firm commitments and highly probable forecast transactions), the premium or discount arising at the inception of Forward Exchange Contracts entered into to hedge an existing asset / liability, is amortised over the life of the contract. Exchange differences between the rate at the inception of such contracts and rate on the reporting date are recognised as income or expense for the period.

1.11 Valuation of Stock, etc.

a) Stock on hire under hire purchase agreement - At agreement value less amounts received.

b) Stock of Shares - Category-wise at lower of cost and market value in conformity to RBI prudential guidelines.

1.12 Provisions & Contingent Liabilities

Where there is estimable amount of present obligation that warrant to be settled as a result of past event with possible outflow of resources embodying economic benefit, provision is recognized in account therefore. Otherwise no provision is made against contingent liabilities which are disclosed in notes to accounts.

**Notes to Financial Statements for the year ended 31st March, 2019****2.1 : SHARE CAPITAL**

	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
Authorised		
2,15,000,000 (P.Y. 43,000,000) Equity Shares of Rs. 2/- each	430,000,000	430,000,000
7,000,000 (P.Y. 7,000,000) Redeemable Cumulative Non-Convertible Preference Shares of Rs. 10/- each	70,000,000	70,000,000
	<u>500,000,000</u>	<u>500,000,000</u>
Issued		
40,147,173 (P.Y. 40,147,173) Equity Shares of Rs. 10/- each prior to approval of scheme	<u>401,471,730</u>	<u>401,471,730</u>
Subscribed and Paid-up		
40,147,173 (P.Y. 40,147,173) Equity Shares of Rs. 10/- each prior to approval of scheme	401,471,730	401,471,730
Less : Cancellation on Amalgamation 400 (P.Y. 400)	4,000	4,000
	<u>401,467,730</u>	<u>401,467,730</u>
Less : As per scheme of arrangement	(321,174,184)	(321,174,184)
Add : Allotment of 42,898,730 Equity Shares of Rs. 2/- each as per scheme	85,797,460	85,797,460
Less : Calls-in-Arrear	(455,000)	(455,000)
	<u>165,636,006</u>	<u>165,636,006</u>

- a) The company has one class of issued shares i.e. equity shares of Rs. 2/- per share.
b) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period.

Number of shares outstanding as on 01.04.2018	83,045,503
Add : Issued during the year (Issued for consideration other than cash)	—
Number of shares outstanding as on 31.03.2019	<u>83,045,503</u>

- c) The Company does not have any holding company/ultimate holding company.
d) Details of shareholders holding more than 5% shares in the company :

	<u>As at 31st March, 2019</u>		<u>As at 31st March, 2018</u>	
	<u>No. of Shares</u>	<u>% Holding</u>	<u>No. of Shares</u>	<u>% Holding</u>
Equity Shares of Rs. 2/- each fully paid				
Nicco Corporation Limited (In Liquidation)	7,058,524	8.50	7,058,524	8.50
Sanmar Holding Ltd.	7,130,441	8.59	7,130,441	8.59

- e) No equity shares have been reserved for issue under options and contracts/ commitments for the sale of shares/disinvestment as at the balance sheet date.
f) No securities convertible into equity/preference shares has been issued by the company during the year.
g) No calls are unpaid by any Director and Officer of the Company during the year.
h) No shares have been allotted or has been bought back by the company during the period of 5 years preceding the date as at which the Balance Sheet is prepared.


Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

- i) Equity shares issued for consideration other than cash include 9,60,000 Equity shares of Rs. 10/- each allotted pursuant to amalgamation of Sanpaola Hambro Nicco Finance Ltd.
- j.i) 4,00,000 Equity Share of Rs. 10/- each allotted pursuant to amalgamation of Nicco Investments Ltd.
- j.ii) 19,72,560 Equity Shares of Rs. 10/- each issued as free share in the ratio 1:7, as per scheme of merger with Alliance Credit & investment Ltd. approved by Hon'ble Calcutta High Court on 21st April, 1999.
- j.iii) 1,38,66,687 Equity Shares of Rs. 10/- each issued to the share holders of Alliance Credit & Investments Limited as per scheme of amalgamation approved by Hon'ble Calcutta High Court on 21st April, 1999.
- j.iv) 1,05,00,000 Equity Shares of Rs. 10/- each issued to the shareholders of Overseas Sanmar Financial Limited as per scheme of amalgamation approved by Hon'ble Calcutta High Court on 20th April, 2000 and Hon'ble Chennai High Court on 10th May, 2000.
- j.v) Restriction on transferability of shares - Shares are transferable with the approval of directors. Board may refuse to recognise the transfer of shares in any case in which the company has a lien upon such shares or where any money in respect of shares desired to be transferred remain unpaid. Board may also decline to recognise any instrument of transfer unless,
- a) it is accompanied by certificate of shares to which it relates and such other evidence as the Board may reasonably required to show the right of the transferrer to make the transfer.
- b) The instrument of transfer is in respect of one class of shares only.

	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
2.2 : RESERVES AND SURPLUS		
Capital Reserve I		
Paid up amount on shares forfeited As per last Financial Statements	20,500	20,500
	<u>20,500</u>	<u>20,500</u>
Capital Reserve II		
Non-refundable capital grant As per last Financial Statements	35,772	36,875
Less : Prorata Adjustment of Fixed Assets (Refer Note 2.8 (a))	1,108	1,103
	<u>34,664</u>	<u>35,772</u>
Capital Reserve III		
On amalgamation of Nicco Investments Ltd As per last Financial Statements	1,000,000	1,000,000
	<u>1,000,000</u>	<u>1,000,000</u>
Total Capital Reserve	(A) <u>1,055,164</u>	<u>1,056,272</u>
Capital Redemption Reserve		
As per last Financial Statements	20,000,000	20,000,000
	(B) <u>20,000,000</u>	<u>20,000,000</u>
Statutory Reserve Fund		
As per last Financial Statements	26,784,772	26,784,772
	(C) <u>26,784,772</u>	<u>26,784,772</u>

**Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)**

		As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
Surplus / (Deficit)			
As per last Financial Statements		(6,332,431,434)	(6,283,048,402)
Add : Profit / (Loss) for the year		(50,275,074)	(49,383,031)
Less : Adjustment on account of share capital reduction		—	—
Net Surplus / (Deficit)	(D)	<u>(6,382,706,508)</u>	<u>(6,332,431,434)</u>
Total (A to D)		<u>(6,334,866,572)</u>	<u>(6,284,590,390)</u>

Non-current portion		Current Maturities	
As at 31st March, 2019 (Rs.)	As at 31st March, 2018 (Rs.)	As at 31st March, 2019 (Rs.)	As at 31st March, 2018 (Rs.)

2.3 : LONG-TERM BORROWINGS**Term Loans (Secured)**

Rupee Loans from Banks & Financial Institutions	—	—	50,321,348	50,321,348
Foreign Currency Loans from Financial Institutions	—	—	118,315,152	118,315,152
Total Secured Borrowings	<u>—</u>	<u>—</u>	<u>168,636,500</u>	<u>168,636,500</u>
Amount disclosed under the head "Other Current Liabilities" (Note 2.7)	<u>—</u>	<u>—</u>	<u>(168,636,500)</u>	<u>(168,636,500)</u>

i.a) Rupee Loans from Banks & Financial Institution consist of loans from: UCO Bank (Mehta Transport), UTI Bank (Axis Bank), IFCL.

i.b) **Nature of Security : For UCO Bank (Mehta Transport) :** By an agreement for hypothecation of movable plant and machinery to secure a term loan by the company on November 17, 2000, the company hypothecated the following vehicles as security for the repayment of the said term loan facility availed of by it from the applicant bank being the 50 number of Ashok Leyland Tusker Turbo tractors along with new chasis lent under Hire Purchase to M/s Mehta Transport Services (I) Ltd.

Further the company hypothecated to and charged in favour of the applicant bank as and by way of first charge thereon :

- (i) all the goods described in general terms in the schedule written there under being 50 numbers of trailers to be purchased under the term loan and is to be lent under hire purchase agreement.
- (ii) all the company's present and future book debts, outstanding monies, receivables, claims, bills, contracts etc.

i.c) **Nature of Security : For UTI Bank (Axis Bank) :** The facility is secured against assignment of receivable of the selected pool together with the entire interest, ownership and clear title and rights to the assets provided in the hire purchase agreements and also against cash collateral.



Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

- i.d) **"Nature of Security** : For IFCI - The company hypothecated on 29th April, 1999 in favour of the lender by virtue of which the whole of the specific Industrial Assets, equipments, plant, machinery and other assets together with its spares, tools and other accessories acquired / to be acquired, were more particularly described below to the application were hypothecated in favour of the applicant as security for the term loan.

Particulars of the equipments, plant, machinery and other assets acquired by the company out of loan :

1. TIL make Cranes
2. Particles board plant.

All the movable properties and immovable properties of the company wherever lying and wherever situated.

- i.e) Foreign Currency Loan consists of **IFC-Washington**.
- i.f) **Nature of Security - For IFC Washington** : The company hypothecated and charged as and by way of first fixed and exclusive charge and lien to and / or in favour of the trustee in for the benefit of the corporation, certain properties and assets given on lease or hire purchase or acquired by the company out of finances.
- ii.a) All loans have turned Non-Performing Assets in the books of the lenders and the same have been recalled by them and at present being contested in Debt Recovery Tribunals and High Court at Calcutta. Hence, the clause relating to disclosure of terms of repayment of loans in such cases has become inapplicable.
- ii.b) Banks and financial institutions have stopped giving confirmation of the balances and statements of accounts.
- iii) The details of default given below showing dates and amount (Principal and Interest) referring note no. 2.3.vii is as furnished by the management.
- iv.a) UCO Bank has filed application in DRT - I to recover Rs. 327 Lacs (P.Y. Rs. 327 Lacs) on account of term loan, matter is pending.
- iv.b) IFCI has filed an application in DRT - I to recover Rs. 62.91 Lacs (P.Y. Rs. 62.91 Lacs), matter is pending.
- iv.c) Indusind Bank has filed an application in DRT, Chennai to recover Rs. 164.46 Lacs (P.Y. Rs. 164.46 Lacs) on account of Securitisation loan which is being contested (This relates to Note 2.5 short term borrowing).
- iv.d) Axis Bank has filed an application in DRT, Chennai to recover Rs. 1368 Lacs (P.Y. Rs. 1368 Lacs) which is also being contested.
- International Finance Corporation Washington initiated a suit in the Hon'ble High Court at Calcutta for recovery of a sum of US\$ 26,82,877.73 (P.Y. US\$ 26,82,877.73) with further interest against the company. The case is being contested.
- UCO Bank has taken measures under section 13(4) of the SARFAESI Act against the company. The company filed an application under section 17(1) of the said Act.
- In the Sarfaesi proceedings against the company by UCO Bank, being aggrieved by DRAT's Order, company filed a Writ Petition before Hon'ble High Court, Calcutta and due to some deficiency in the procedure followed by UCO Bank and Others., High Court Ordered that no coercive steps should be taken by Bank. Bank has appealed against this order.
- v) The entire secured loan accounts of the company except interest accrued and due have become NPA in the books of the lenders. The banks/financial institution have stopped giving statements & confirmations. Although interest on these accounts have been provided in the books as per agreed rates, the said accounts remain unconfirmed. No confirmation has been received in respect of current accounts from most of the banks.
- vi) A few cases have been initiated by Serious Fraud Investigation Office against the company relating to Accounting, Securitisation deals and default in repayment of fixed deposits etc. which are pending before the Chief Metropolitan Magistrates' Court. However, it may be noted that the entire fixed deposit liabilities had been settled as per a scheme approved by Hon'ble High Court, Calcutta.



Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

Note No. 2.3.vii

Statement showing defaults in repayment of borrowings shown under current maturities of long term debts and interests thereon

Nature of Loan	Refer	Continuing Period of default from	Default as on 31.03.2019		Default as on 31.03.2018	
			Principal (Rs.)	Interest (Rs.)	Principal (Rs.)	Interest (Rs.)
Rupee Term Loan from Banks & FI's						
TERM LOAN- UCO A/C		8-May-07	25,319,863	72,041,346	25,319,863	72,041,346
Axis Bank		March'2007	9,918,463		9,918,463	
Axis Bank		March'2007	11,245,969	127,322,568	11,245,969	107,987,498
I.F.C.I. Loan		For Principal - 1st Jan '2004	3,837,053	41,754,183	3,837,053	34,483,266
Sub-Total			50,321,348	241,118,097	50,321,348	214,512,110
Term Loan in Foreign Currency from banks						
International Finance Corporation, Washington		For Principal 6th Jan'2004	118,315,152		118,315,152	
		For interest 17th Dec' 2003		102,344,761		102,344,761
Sub-Total			118,315,152	102,344,761	118,315,152	102,344,761
Grand - Total			168,636,500	343,462,858	168,636,500	316,856,871

Long-term		Short-term	
As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
(Rs.)	(Rs.)	(Rs.)	(Rs.)

2.4 : PROVISIONS

Provision for Doubtful Advance				
Provision for Doubtful Fixed	—	—	—	—
Provision against Non-Performing Assets (a)	49,682,615	49,682,615	—	—
	49,682,615	49,682,615	—	—

- a) All assets financed through Hire Purchase / Lease have turned Non Performing Assets (N.P.A.) in the books of the Company and have been provided for. List of such inventories are available excepting a few cases where financing were made through dealer however in the opinion of the management the same is not substantial. Full provision has also been made against doubtful debtors, loans & advances.


Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
2.5 : SHORT TERM BORROWINGS		
Secured Borrowing		
Working Capital Demand Loan	739,897,143	739,897,143
Cash Credit	327,477,900	327,477,900
	<u>1,067,375,043</u>	<u>1,067,375,043</u>
The above amount includes		
Secured Borrowings	1,067,375,043	1,067,375,043
	<u>1,067,375,043</u>	<u>1,067,375,043</u>

- i) UCO Bank, the leader of the consortium of bankers, moved an application in the Debt Recovery Tribunal on 29.11.2005 to recover the outstanding dues amounting to Rs. 119.23 crores (P.Y. Rs. 119.23 crores) pending against the company which the company has contested. The learned D.R.T. has passed an order on 01.12.2005 that till disposal of the prayer for interim relief, the company will not deal with or transfer or dispose off any of its secured properties. However, the company shall carry on its business as usual. However negotiation is under process for out of court settlement at a lower amount.
- ii.A) **Nature of Security** : The company extended a joint deed of hypothecation in favour of consortium of bankers headed by UCO bank whereby the company hypothecated as and by way of first charge on its entire tangible properties and on assets both present and future including plant and machinery and / or other assets purchased and / or acquired for its hire purchase/leasing business/ operations and all relative lease rentals, hire charges receivables, both present and future.
- ii.B) The company further created equitable mortgage in favour of the applicant banks in respect of the properties by way of deposit of original title deeds on 20th June, 2001 :
- a) Office Space at Nicco House, 2nd Floor, 2 Hare Street, Kolkata - 700 001;
 - b) Flat at 718, Dalma Towers, Nariman Point, Mumbai - 400 021;
 - c) Flat no. 3 at 9, South North Road, Juhu Ville Parle Development Scheme, Mumbai - 400 049;
 - d) Premises at 93/4, Karaya Road, 4th Floor Kolkata - 700 019;
 - e) 0.65 acre, 2.92 acres, 1.70 acres, 0.95 acre, 0.85 acre and 5.90 acres of land at Poolavadi, Coimbatore, Tamil Nadu;
 - f) 79 kanal, 18 marla of land (approx 10 acres) in khewat nos. 16,37,38,61 & 79, khatoni nos. 21 min, 43 min, 44 min, 83 min, 108 min respectively at Village-Salhawas, Tehsil & District - Rewari, Haryana.
- iii) All loans have turned Non-Performing Assets in the books of the lenders and the same have been recalled by them and at present being contested in Debt Recovery Tribunals. Hence, the clause relating to disclosure of terms of repayment of loans in such cases has become inapplicable.
- iv) Refer Note 2.3.vii for explanatory disclosure.
- v) The details of default given below showing dates and amount (Principal and Interest) refer note no. 2.5.vi is furnished by the management as below :



Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

Note No. 2.5.vi

Statement showing defaults in repayment of Short Term Borrowings and Interest thereon

Nature of Loan	Period of default from	Default as on 31.03.2019		Default as on 31.03.2018	
		Principal (Rs.)	Interest (Rs.)	Principal (Rs.)	Interest (Rs.)
Working Capital Demand Loan from banks					
P & S BANK	1-Apr-04	49,823,355	172,062,194	49,823,355	172,062,194
FEDERAL BANK	1-Nov-05	25,924,317	106,882,245	25,924,317	106,882,245
FBL/MDC/CC-105	1-Nov-05	10,014,065		10,014,065	
UBI	1-Nov-05	53,999,693	226,826,193	53,999,693	226,826,193
UCO BANK	1-Apr-04	240,000,000	868,593,578	240,000,000	868,593,578
WORKING CAPITAL DEMAND LOAN	1-Apr-04	91,900,000	—	91,900,000	—
THE FEDERAL BANK OF INDIA	1-Nov-05	40,000,000	214,583,498	40,000,000	214,583,498
BANK OF BARODA-17	1-Sep-04	32,000,000	142,300,229	32,000,000	142,300,229
BANK OF BARODA-172 MAD		7,813,814		7,813,814	
INDIAN OVERSEAS BANK	1-Apr-04	18,200,000	509,936,842	18,200,000	509,936,842
IOB/MDS CC-14		26,596,950		26,596,950	
IOB-I/N A/C NO-804		4,351		4,351	
THE SOUTH INDIAN BANK LTD.	1-Nov-05	32,000,000	198,985,721	32,000,000	198,985,721
SIBL/MDS CC-1036		8,030,678		8,030,678	
STATE BANK OF TRAVANCORE	1-Feb-04	54,000,000	279,908,440	54,000,000	279,908,440
SBT/MDS(CC-125613)		13,260,881		13,260,881	
SBT/VELLORE		8		8	
SBT/MADURAI		(90)		(90)	
CATHOLIC SYRIAN BANK LTD.	1-Nov-05	28,000,000	178,944,297	28,000,000	178,944,297
CSB/MDS CC-1595		7,000,585		7,000,585	
CBS/MDS/CC-220222		8,990,257		8,990,257	
DENA BANK MADRAS-600001	1-Jun-05	16,000,000	82,976,687	16,000,000	82,976,687
DENA BANK-CC20016		4,006,264		4,006,264	
STATE BANK OF MYSORE	1-Apr-04	12,039,971	42,094,372	12,039,971	42,094,372
SBM/MDS CC-13		101,393		101,393	
CENTRAL BANK OF INDIA	1-Oct-04	36,009,806	194,634,129	36,009,806	194,634,129
INDUSIND BANK	1-Aug-05	10,000,000	502,095,798	10,000,000	478,663,418
INDUSIND BANK MDS/CC15048280		39,931,056		39,931,056	
UTI-BANK LTD.CA-2951 INT.WARRA	1-Apr-04	4,479	—	4,479	—
Sub-Total		865,651,833	3,720,824,223	865,651,833	3,697,391,843
Cash Credit Loan from banks					
UCO BANK - MAIN BRANCH	1-Apr-04	35,675,316	191,774,909	35,675,316	191,774,909
NUACL- FD. CACR-52	1-Apr-04	8,619,258		8,619,258	
PUNJAB & SINDH (CCHPL-3)	1-Apr-04	12,208,114	41,466,371	12,208,114	41,466,371
UBI - CORP.BUS.BRANCH (CC 20039)	1-Nov-05	13,522,496	48,405,458	13,522,496	48,405,458
CANARA BANK	1-Jun-04	7,074,619	27,619,129	7,074,619	27,619,129
DENA BANK	1-Jun-05	18,741,674	81,913,435	18,741,674	81,913,435
FEDERAL BANK - CALCUTTA	1-Nov-05	5,881,711	26,668,458	5,881,711	26,668,458
SBI(IFB)/MDS-CC-974	1-Jul-04	100,000,020	322,962,768	100,000,020	322,962,768
Sub-Total		201,723,210	740,810,528	201,723,210	740,810,528
Total		1,067,375,043	4,461,634,751	1,067,375,043	4,438,202,371


Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
2.6 : TRADE PAYABLES		
For Goods & Services (*)	20,292,485	19,517,603
	<u>20,292,485</u>	<u>19,517,603</u>

(*) Based on the informations available with the company, there are no dues towards Micro, Small and Medium Enterprises as on 31.03.2019 (P.Y. Nil).

	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
2.7 : OTHER CURRENT LIABILITIES		
Current maturities of Long Term Debt (Refer Note 2.3)	168,636,500	168,636,500
Interest accrued and due on Borrowings	4,805,097,609	4,755,059,242
Employee Cost	97,964	97,965
Duties & Taxes Payable	(2,072)	146,886
Security Deposit	4,304,385	4,304,385
Retention Money	4,576,443	4,576,443
Securitisation Dues Payable	99,294,865	99,294,865
Book Overdraft	37,866	211,232
Payable for Service Tax under litigation	2,932,997	2,932,997
Others	13,706,331	13,717,199
	<u>5,098,682,887</u>	<u>5,048,977,713</u>



Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

NOTE 2.8 : TANGIBLE ASSETS

PARTICULARS OF ASSET	GROSS BLOCK			DEPRECIATION			LEASE ADJUSTMENT A/C				NET BLOCK		
	As at 1st April 2018	Additions/Adjustment during the year	Deductions/Adjustment during the year	As at 31st March 2019	As at 1st April 2018	Provided during the year	Deductions/Adjustment during the year	As at 31st March 2019	As at 1st April 2018	Provided during the year	Deductions/Adjustment during the year	As at 31st March 2019	As at 31st March 2018
OWN ASSET													
Land	28,158,942			28,158,942								28,158,942	28,158,942
Building	22,928,912			22,928,912	19,889,999	200,124		20,090,123				2,838,789	3,038,913
Furniture Fixture & Office Equipment	19,534,633			19,534,633	19,241,864	81,576		19,323,440				211,193	292,769
Motor Car	386,331			386,331	161,378	18,424		179,802				206,529	224,953
Windmill	36,100,798			36,100,798	34,295,758			34,295,758				1,805,040	1,805,040
SUB TOTAL	107,109,616			107,109,616	73,588,999	300,124		73,889,123				33,220,491	33,520,615
Previous Year	124,789,709	10,868	17,690,961	107,109,616	90,333,196	301,451	17,045,648	73,588,999				33,520,615	34,456,512
FOR LEASE ACTIVITIES													
FINANCE LEASE :													
Computer & Accessories	91,475,691			91,475,691	76,312,549			76,312,549				12,077,167	3,085,975
Machinery	385,899,571			385,899,571	230,526,700			230,526,700				140,407,630	14,966,241
Vehicles	292,491,121			292,491,121	237,949,768			237,949,768				407	407
Office Equipment	13,972,071			13,972,071	12,806,635			12,806,635				1,089,084	76,352
Generator set	4,461,540			4,461,540	4,461,540			4,461,540				17	17
Furniture & Fixture	16,099,999			16,099,999	14,932,852			14,932,852					
Two Wheeler	884,574			884,574	884,574			884,574					
SUB TOTAL	805,284,567			805,284,567	577,874,618			577,874,618				18,127,992	18,127,992
Previous Year	805,284,567			805,284,567	577,874,618			577,874,618				18,127,992	18,127,992
Total of Current Year	912,394,183			912,394,183	651,463,622	300,124		651,763,741				51,348,484	51,648,606
Capital W.I.P. of C. Year													
G. Total of Current Year	912,394,183			912,394,183	651,463,622	300,124		651,763,741				51,348,484	51,648,606
G. Total of Previous Year	930,074,276	10,868	17,690,961	912,394,183	668,207,814	301,451	17,045,648	651,463,617				51,648,607	52,584,503

- a) Depreciation amounting to Rs. 1,108/- (Previous Year Rs. 1,103/-) adjusted against Non-refundable capital grant.
b) Certain fixed assets owned by the company are charged with secured lenders of the company.
c) The process of preparation of Fixed Asset register destroyed in the fire has been initiated. However, the W.D.V of assets (i.e. furniture, computers etc.) destroyed in fire is not significant.
d) Furniture & Fixtures and Office Equipments have not been segregated in absence of Fixed Asset Register which is under preparation.



Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

NOTE 2.9 : NON CURRENT INVESTMENTS

31.03.19	31.03.18	31.03.19	31.03.18			As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
Number of Shares/ Securities/ Bonds/Units		Face Value					
INVESTMENTS :-							
Other than trade (Unless otherwise stated)							
(At cost unless otherwise stated)							
FULLY PAID SHARES / SECURITIES							
INVESTMENT IN EQUITY INSTRUMENT							
Equity Shares in Subsidiary Company-Unquoted							
50000	50000	10	10	Nicco Insutrance Agents & Consultants Limited	(A)	500,000	500,000
Equity Shares in Other Companies - Quoted							
4096875	4096875	2	2	Nicco Corporation Ltd. (In Liquidation)		62,376,305	62,376,305
33000	33000	1	1	Nicco Parks & Resorts Ltd.		34,650	34,650
14500	14500	10	10	Hanuman Tea Co. Ltd.		73,150	73,150
400	400	10	10	Bhagavati Gas Ltd.		920	920
2900	2900	10	10	Indian Overseas Bank		69,600	69,600
3500	3500	2	2	Archies Limited		31,745	31,745
1500	1500	10	10	Bata India Ltd. (750 Bonus Shares)		77,850	77,850
1000	1000	10	10	DIC India Ltd		119,900	119,900
1500	1500	1	1	Colgate Ltd. (750 Bonus Shares)		187,418	187,418
3333	3333	5	5	Eveready Industries India Ltd.		59,327	59,327
3333	3333	5	5	McLeod Russell India Ltd.		-	-
300	300	10	10	Ricoh India Limited		3,687	3,687
1500	1500	2	2	HCL Infosys Ltd.		114,000	114,000
2000	2000	1	1	Hindustan Unilever Ltd.		476,400	476,400
100	100	10	10	Shristi Infrastructure Development Corp Ltd		9,400	9,400
500	500	10	10	Reliance Capital Ltd		120,130	120,130
2500	2500	1	1	Tata Global Beverages Ltd. (Formerly : Tata Tea Ltd.)		85,200	85,200
1000	1000	1	1	Timex Group India Limited (Formerly : Timex Watches Ltd.)		-	-
1000	1000	2	2	HDFC Bank Ltd.		-	-
100	100	10	10	IFCI Limited		-	-
100	100	10	10	SBI Home Finance Ltd.		-	-
100	100	10	10	Tourism Finance Corpn. Of India		-	-
21450	21450	10	10	Golkonda Aluminium Extrusion Ltd. (Formerly Alumeco India Extrusion Ltd.)		-	-
1000	1000	10	10	Antarctica Ltd.		-	-
500	500			Reliance Home Finance Ltd.		-	-
4,193,991	4,193,991				(B)	63,839,682	63,839,682
Equity Shares in Other Companies - Unquoted							
5	5	50	50	Dalamal Tower Premises Co-Opt. Society Ltd.		250	250
22,000	22,000	6	6	Hindustan Wire & Metal Products Ltd.		115,500	115,500
1,300	1,300	100	100	Associated Industrial Development Co (P) Ltd.		196,000	196,000
900	900	100	100	Vinicab India Private Limited		90,000	90,000



Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

NOTE 2.9 : NON CURRENT INVESTMENTS (Contd.)

31.03.19	31.03.18	31.03.19	31.03.18		As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
Number of Shares/ Securities/ Bonds/Units		Face Value				
10,000	10,000	10	10	Coromondal Stamping Stones Ltd.	1	1
20,000	20,000	10	10	Besant Raj International Ltd.	149,000	149,000
118,889	118,889	10	10	Nicco Financial Services Ltd.	1,106,290	1,106,290
50,000	50,000	10	10	Global Procurement Consultants Ltd	325,238	325,238
4,000	4,000	10	10	Dibrusadia Tea Estate Ltd.	1	1
50,000	50,000	10	10	Bishnu Forge Industries Ltd.	1	1
150,000	150,000	10	10	Brunosante Ltd.	2	2
60,000	60,000	10	10	C. K. Exim Pvt. Ltd.	1	1
30,000	30,000	10	10	G R Magnets Ltd.	147,000	147,000
886,509	886,509	10	10	G.S.L. (India)	21,719,470	21,719,470
12,500	12,500	10	10	Crystal Cables Industries Ltd.	-	-
25,350	25,350	10	10	Malvika Steel Ltd.	-	-
500	500	10	10	Pasari Spinning Mills Ltd.	1,860	1,860
<u>2,514,400</u>	<u>2,514,400</u>	10	10	Alliance Management & Fiscal services Ltd.	<u>10,962,264</u>	<u>10,962,264</u>
3,956,353	3,956,353				(C) 34,812,878	34,812,878
				TOTAL INVESTMENT IN EQUITY INSTRUMENTS	(A+B+C) 99,152,560	99,152,560
				INVESTMENTS IN PREFERENCE SHARES - UNQUOTED		
500,000	500,000	10	10	Prestige Foods Ltd.(10% non-cum.convertible Pref. Share)(D)	5,000,000	5,000,000
				INVESTMENT IN GOVERNMENT SECURITIES - UNQUOTED		
				NSC (VIIIth Issue)	(E) 15,000	15,000
				INVESTMENTS IN MUTUAL FUNDS-UNQUOTED		
4,104.62	4,104.62			HDFC Equity Fund	269,373	269,373
7,388.88	7,388.88			HSBC Equity Fund	269,726	269,726
4,201.90	4,201.90			FRANKLIN India Bluechip Fund	270,356	270,356
9,828.37	9,828.37			PRINCIPAL Growth Fund	266,980	266,980
13,882.81	13,882.81			UTI Equity Fund	112,560	112,560
				Total	(F) 1,188,995	1,188,995
				AGGREGATE VALUE OF NON-CURRENT INVESTMENT [A to F]	105,356,555	105,356,555
				Less : Provision	101,902,046	101,730,463
				Net of Provision	3,454,509	3,626,092
				Provision for depreciation in value of Investment		
				As at 31st March, 2019	As at 31st March, 2018	
				Book Value (Rs.)	Market Value (Rs.)	Book Value (Rs.)
				Market Value (Rs.)	Book Value (Rs.)	Market Value (Rs.)
Quoted				65,028,677	22,299,819	65,028,677
Unquoted				40,327,878		40,327,878
				<u>105,356,555</u>		<u>105,356,555</u>

Provision held for diminution in value of investment Rs. 101,730,463/-

Provision for value of investment has been reassessed on the basis of market value in respect of quoted shares and break-up value for unquoted shares on the basis of latest available Balance Sheet.

Where market value of Unquoted Share is disclosing negative value it has been considered at Re. 1/-



Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

	Long-term		Short-term	
	As at 31st March, 2019 (Rs.)	As at 31st March, 2018 (Rs.)	As at 31st March, 2019 (Rs.)	As at 31st March, 2018 (Rs.)
2.10 : LOANS & ADVANCES				
Capital Advances	-	-	-	-
Unsecured, considered good				
Security Deposits	1,545,335	1,545,335	-	-
Sales of Shares	-	-	-	-
Advance Tax & TDS (Net of provision) (Provision Rs. 9,17,57,002/-, P. Y. Rs. 9,17,57,002/-)	275,360	31,979	2,190,385	2,899,471
Deposits under subjudice				
Unsecured, considered doubtful	34,000,000	34,000,000	-	-
Loan & Advances to Related Parties				
Unsecured, considered good	-	-	5,590	124,040
Advance against supply of Goods and Services				
Unsecured, considered good	-	-	339,024	467,224
Unsecured, considered doubtful	2,229,281	2,229,281	-	-
Loans against Fixed Deposits Receipts/NCD	36,229,281	36,229,281	-	-
Less : Provision	36,229,281	36,229,281	-	-
Net of Provision	-	-	-	-
Secured, considered good	-	-	-	30,000
Other Loans & Advances				
Prepaid Expenses	-	-	177,688	202,160
To Employees	-	-	31,126	60,426
	1,820,695	1,577,314	2,743,813	3,783,321

	Non Current		Current	
	As at 31st March, 2019 (Rs.)	As at 31st March, 2018 (Rs.)	As at 31st March, 2019 (Rs.)	As at 31st March, 2018 (Rs.)

2.11 : OTHER ASSETS

Unsecured, considered good				
Interest accrued on Bank Fixed Deposits	-	-	28,351	326,883
Receivable from Windmill customers	-	-	1,966,196	1,635,511
Excess of planned asset over liability towards gratuity A	145,947	136,947	-	-
Excess of planned asset over liability towards leave encashment B	631,824	574,128	-	-
Other Receivable	-	-	-	-
Unsecured, considered Doubtful				
Residual Value of Assets	9,397,169	9,397,169	-	-
Interest receivable on other deposits	555,983	555,983	-	-
Received against Rent	-	-	-	-
Disputed Bank Balances in Current Account (Refer note (b), (e), & (f) below)	20,962,453	20,962,453	-	-

**Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)****NOTE 2.11 : OTHER ASSETS (Contd.)**

	Non Current		Current	
	As at 31st March, 2019 (Rs.)	As at 31st March, 2018 (Rs.)	As at 31st March, 2019 (Rs.)	As at 31st March, 2018 (Rs.)
Inventory - Stock on Hire under Hire Purchase Agreement including Hire Purchasing Debtors	956,364,793	956,364,793	-	-
Provision for Doubtful Disputed Fixed Deposits with Bank (Refer note (f) below)	30,000	1,376,282	-	-
	<u>987,310,399</u>	<u>988,656,682</u>	-	-
Less : Provision	<u>987,310,399</u>	<u>988,656,682</u>	-	-
Net of Provision	-	-	-	-
Other Receivables (Refer note (c))	C			
Unsecured, considered good	22,000	22,000	-	-
Unsecured, considered doubtful	21,094,177	20,353,113	-	-
Less : Provision	(20,293,113)	(20,293,113)	-	-
A+B+C	<u>1,600,834</u>	<u>793,075</u>	<u>1,994,547</u>	<u>1,962,394</u>

- a) The inventory has turned NPA hence the same is treated as Non-Current Asset.
- b) Other Assets including some bank balances which are disputed / inaccessible have been treated as non-current.
- c) Police has submitted a charge-sheet with the criminal court against fraud perpetrated by two employees in 2008-09 involving an amount of Rs. 140.62 lakhs. However full provisions has been made against the amount.
- d) Positive balance lying in the current accounts with the members of the consortium bank, i.e. Rs.162.11 Lacs (P.Y. Rs.162.11 Lacs) in UCO Bank, Rs. 0.19 Lacs (P.Y. Rs. 0.19 Lacs) in Bank of Baroda, Rs. 3.01 Lacs (P.Y. Rs. 3.01 Lacs) in Canara Bank, Rs. 0.10 Lacs (P.Y. Rs. 0.10 Lacs) in Central Bank of India, Rs.0.01 Lacs (P.Y. Rs.0.01 Lacs) in United Bank of India, Rs. 42.53 Lacs (P.Y. Rs. 42.53 Lacs) in Indian Overseas Bank, Rs. 0.05 Lacs (P.Y. Rs. 0.05 Lacs) in State Bank of Mysore, Rs. 0.20 Lacs (P.Y. Rs. 0.20 Lacs) in State Bank of Travancore amounting in total Rs. 208.20 Lacs (P.Y. Rs. 208.20 Lacs) remain unconfirmed and inaccessible for the reasons stated in Note 2.3.ix.
- e) Balance of Rs. 2.20 Lacs (P.Y Rs. 2.20 Lacs) from other Banks also remain unconfirmed.
- f) Fixed deposit made by the company with the members of the consortium bank, i.e. Rs. 0.05 Lacs (P.Y. Rs. 0.05 Lacs) in Indian Overseas Bank and with other bank amounting to Rs. 0.25 Lacs (P.Y. Rs. 0.25 Lacs) amounting in total Rs. 0.30 Lacs (P.Y. Rs. 0.30 Lacs) remain unconfirmed and accordingly was provided for.
- g) The investigation for the fraud committed by two employees in the F.Y. 2008-09 has been completed and charge sheet has been submitted in the court by Kolkata Police.

As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
----------------------------------	----------------------------------

2.12 : TRADE RECEIVABLES

Unsecured, considered Doubtful	29,531,720	29,531,720
Less : Provision	(29,531,720)	(29,531,720)
	<u>—</u>	<u>—</u>


Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
2.13 : CASH AND BANK BALANCES		
Cash and Cash Equivalents		
Balances With Banks :		
In Current Account	436,970	44,872
Cash in hand	2,611	3,733
	<u>439,581</u>	<u>48,605</u>
Other Bank Balances		
Fixed Deposit with Banks - (3 to 12 months maturity)	3,400,000	3,159,183
	<u>3,400,000</u>	<u>3,159,183</u>
	<u>3,839,581</u>	<u>3,207,788</u>
<hr/>		
	For the year ended 31st March, 2019 Rs.	31st March, 2018 Rs.
2.14 : REVENUE FROM OPERATIONS		
Hire Purchase/ Leasing Income	—	—
	<u>—</u>	<u>—</u>
	<u>—</u>	<u>—</u>
<hr/>		
	For the year ended 31st March, 2019 Rs.	31st March, 2018 Rs.
2.15 : OTHER INCOME		
Interest Income		
On Banks Deposits	2,563,521	327,687
On Others	—	62,494
Dividend Income		
On Long term Investments	281,530	233,730
Other Non Operating Income		
Foreign Exchange Fluctuation Gain	—	—
Income from Electricity Generation at Windmill	1,289,906	1,681,648
Excess Liabilities, Unclaimed Balances and Provisions written back	1,376,282	—
Sundry Receipts	16,161	5,243
	<u>5,527,400</u>	<u>2,310,802</u>

**Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)**

	For the year ended	
	31st March, 2019	31st March, 2018
	Rs.	Rs.
2.16 : (INCREASE)/ DECREASE IN INVENTORIES		
Inventories at the beginning of the year		
Stock on Hire under Hire Purchase Agreement including Hire Purchase Debtors	956,364,794	956,364,794
	<u>956,364,794</u>	<u>956,364,794</u>
Inventories at the end of the year		
Stock on Hire under Hire Purchase Agreement including Hire Purchase Debtors	956,364,794	956,364,794
	<u>956,364,794</u>	<u>956,364,794</u>
	<u>—</u>	<u>—</u>

	For the year ended	
	31st March, 2019	31st March, 2018
	Rs.	Rs.
2.17 : EMPLOYEE BENEFIT EXPENSE		
Salaries & Wages	1,865,556	1,935,674
Contribution to Provident & Other Funds	(29,007)	82,619
Staff Welfare Expenses	316,424	204,250
	<u>2,152,973</u>	<u>2,222,543</u>

	For the year ended	
	31st March, 2019	31st March, 2018
	Rs.	Rs.
2.18 : FINANCE COST		
Interest Expenses		
On Term Loan from Financial Institutions and Others	19,335,070	16,781,542
On Loans from Banks for Working Capital	<u>30,703,297</u>	<u>25,730,480</u>
	50,038,367	42,512,022
Other Borrowing Cost		
Foreign Exchange Loss	—	—
	<u>50,038,367</u>	<u>42,512,022</u>



Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

	For the year ended	
	31st March, 2019 Rs.	31st March, 2018 Rs.
2.19 : OTHER EXPENSES		
OPERATING & ADMINISTRATION		
Power & Fuel	105,090	120,630
Insurance	47,501	49,434
Rent	1,200	1,200
Motor Car Expenses	342,023	328,496
Conveyance & Travelling	147,943	106,938
Rates & Taxes	16,215	88,054
Printing & Stationary	529,077	608,300
Professional & Consultancy Fees	82,515	233,240
Auditor's Remuneration		
As Statutory Audit Fees	123,890	105,580
Windmill Expenses	558,885	420,187
Office Maintenance	63,816	55,874
Legal Charges	61,936	235,443
Postage & Courier Charges	282,705	352,076
Provision for Diminution in value of Investment	171,583	2,265,382
Prior Period Expense	5,000	262,369
Loss on sale/discard of Fixed Assets (Net)	—	632,055
Stock Exchange Fees	341,138	386,136
Directors' Fees	85,000	121,000
Meeting Expenses	7,390	9,271
Telephone Expenses	40,206	46,236
Filing Fees	27,655	29,417
General Charges	53,106	1,050
Computer Expenses	10,120	22,188
Subscription	40,686	79,740
Registrar Service Charges	77,052	44,770
GST Payment	24,660	25,539
Miscellaneous Expenses	65,725	28,316
	3,312,119	6,658,921

	For the year ended	
	31st March, 2019 Rs.	31st March, 2018 Rs.
2.20 : DEPRECIATION AND AMORTIZATION EXPENSES		
Depreciation on Tangible Assets	299,016	300,348
	299,016	300,348

**Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)**

- 2.21** RBI has cancelled the Certificate of Registration of the Company to carry out Non-Banking Financial activities of the Company vide its order dated 31st March, 2005 against which Company has preferred an appeal before appellate authority for NBFC, Joint Secretary, Ministry of Finance, Govt. of India, New Delhi which is also pending. In view of the above, the accounts of the company has been prepared on going concern concept based on the legal opinion obtained.
- 2.22** The Company has complied with the guidelines issued by the Reserve Bank of India in respect of Prudential Norms for income recognition, accounting standards, provisions / write-downs of bad and doubtful debts unless mentioned otherwise except for maintaining excess provision against Non Performing Assets (NPA) to cover any future eventualities.
- 2.23a)** In anticipation of a favourable outcome in respect of ongoing negotiations with consortium bankers & IFC(W) for one time settlement of their respective dues inclusive of accumulated interest at a much lower amount, it has been decided by the board of directors to keep in abeyance charging of interest on dues to such institutions with effect from 01.04.2015, resulting in reduction of loss of Rs. 426 crores. However, interest on dues to two banks i.e. Indusind Bank portion outside the consortium), Axis bank & IFCI has been duly charged as they are outside the purview of such negotiations.
- 2.23b)** Pursuant to the above, the statement showing default in repayment of borrowing together with interest thereon does not take into account the accumulated interest pertaining to the institutions coming under consortium management and IFCW from 2015-16 onwards.

2.24 Disclosure regarding Contingent Liabilities :

- a) Claims / Disputed liabilities not acknowledged as debt

The Company has received the following demands which are disputed by the Company and are not provided for :

Nature of Contingent liability	Status of the case	As at 31st March 2019 (Rs. in lacs)	As at 31st March 2018 (Rs. in lacs)
Contingent liability w.r.t Central and State Sales Tax (A.Y. 1995-1996 to 2004-2005)	The disputed demand is pending before W. B. Taxation Tribunal and High Court	27.50	27.50
Contingent liability w.r.t Income Tax (A.Y. 2014-15)	The disputed demand is pending before Commissioner of Income Tax (Appeals)	*26.96 (Gross)	—
Contingent liability w.r.t Income Tax (A.Y. 2012-13)	The disputed demand is pending before Commissioner of Income Tax (Appeals)-II	61.40	61.40
Karnataka Sales Tax 1957	The disputed demand is pending before Karnataka High Court	26.53	26.53
M. S. Shoes	The Arbitration Award had been challenged in Delhi High Court	83.00	83.00
	Total	225.39	198.43

- b) * Against the gross demand, tax credit of Rs. 1.33 lakh has been admitted by the department and further amount of Rs. 3.84 lakhs has been deposited by the company.
- c) Against a demand of Rs. 26.53 lacs (Previous Year Rs. 26.53 lacs) by Assistant Commissioner of Commercial Tax, Bangalore an appeal has been preferred by the company and it is pending before the Karnataka Appellate Tribunal for Commercial Tax at Bangalore.
- d) UTKAL Auto has filed a claim against the company before Arbitrator at Cuttack amounting to Rs.76.90 lacs (Previous Year Rs. 76.90 lacs) against which the company filed a counter claim of Rs. 482.74 lacs against UTKAL Auto before the Arbitrator. An award was passed on 31st December, 2011 and the claim is partly accepted amounting to Rs. 2.78 lacs with interest at the rate 12% p.a. from 1st September, 2006 and the counter claim was rejected. An appeal has been filed in the Hon'ble High Court of Calcutta against the said order which was admitted on 15th May, 2012 by the Hon'ble High Court.

2.25 There being no indication of impairment, no exercise of impairment was undertaken as authorised under para vi of AS 28.

2.26 Except income from Windmill, income from other segment constitute negligible portion of total income. Hence, there are no reportable segment at present.

2.27 Disclosure for Lease under Accounting Standard (AS-19)

All the Lease deals of the company has already been matured. Hence, no separate disclosure under AS-19 is required.

2.28 Information pursuant to Accounting Standard (AS-22)

In view of uncertainty of future profits net deferred tax asset arising as at 31.03.2013 has not been recognized in the books of accounts.



Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

2.29 Related Party disclosures

Related party disclosures as required under Accounting Standard (AS - 18) on 'related party disclosures' issued by the Institute of Chartered Accountants of India are given below :

Nature of Relationship	Name of the Party
1. Subsidiary Company	Nicco Insurance Agents & Consultants Ltd.
2. Key Managerial personnel	L. N. Kaul - Managing Director A. Saila - Chief Financial Officer S. S. Majumdar - Company Secretary

Transaction with related parties

Nature of Transaction	2018-19 (Rs. In lacs)	2017-18 (Rs. In lacs)	Related parties
Remuneration & others	14.21	13.21	Key Management Personnel
Expenses incurred	0.055	0.04	Subsidiary Company
Advance paid	—	—	Subsidiary Company
Balance as on 31.03.2019 :			
Expenses recoverable	0.056	0.93	Subsidiary Company
Advance recoverable (Net)	0	0.31	Subsidiary Company
Advance repaid	1.24	0.17	Subsidiary Company
Investment in equity shares	*** 5.00	*** 5.00	Subsidiary Company

*** Seventy shares are held by Nominee shareholders

For the year ended
31st March, 2019
Rs.

For the year ended
31st March, 2018
Rs.

2.30 EARNINGS PER SHARE

a) BASIC & DILUTED

(i) Weighted average number of Equity Shares of Rs. 2/- each outstanding during the period (As per information available)	83,045,503	83,045,503
(ii) Profit after Tax attributable to Equity Shareholders	(50,275,074)	(49,383,031)
(iii) Basic/Diluted Earnings per share (in Rs.) [(ii)/(i)]	(0.61)	(0.59)

2.31 Employee Benefits :

Following adjustments relating to employee benefits have been made in these accounts in keeping with the requirements of Accounting Standard 15 (Revised) on "Employee Benefits" issued by The Companies (Accounting Standards) Rules, 2015.

a) Expenses under defined contribution plan with the following break up has been recognised during the year. Details are given below :

Particulars	For the year ended on 31.03.2019 Rs. in lacs	For the year ended on 31.03.2018 Rs. in lacs
Provident Fund	0.11	0.11
Employees Pension Scheme	0.25	0.25
Total	0.36	0.36



Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

b) Particulars in respect of post retirement benefit under defined benefit plans are as follows :

(Rs. in lacs)

Description	Gratuity		Leave Salary	
	(Funded) 2018-19	(Funded) 2017-18	(Funded) 2018-19	(Funded) 2017-18
A. Reconciliation of opening and closing balances of obligation				
a) Obligation as on Opening date	2.49	2.49	0.94	1.05
b) Past Service Cost	—	—	—	—
c) Current Service Cost	0.12	0.12	0.04	0.036
d) Interest cost	0.18	0.15	0.068	0.065
e) Actuarial (gain)/loss	(0.10)	0.61	(0.16)	0.17
f) Benefits paid	0.00	0.89	0.00	0.39
g) Obligation as at Closing date	2.70	2.49	0.88	0.94
B. Change in Plan Assets (Reconciliation of opening & closing balances)				
a) Fair value of plan assets as on Opening date	3.86	4.46	6.68	6.59
b) Expected return on plan assets	0.29	0.34	0.51	0.50
c) Actuarial gain/(loss)	—	(0.057)	0.01	(0.025)
d) Contributions by the employer	0.01	0.005	—	0.00045
e) Benefits paid	—	0.89	—	0.39
f) Fair value of plan assets as at Closing date	4.16	3.86	7.20	6.68
C. Reconciliation of fair value of plan assets and present value of defined benefit obligation				
a) Present value of obligation on closing date	2.70	2.49	0.89	0.94
b) Fair value of plan assets on closing date	4.15	3.86	7.20	6.68
c) Amount recognised in the balance sheet Net Asset / (Liability)	1.46	1.37	6.31	5.74
D. Expense recognized in the period				
a) Current Service Cost	0.13	0.12	0.03	0.036
b) Past Service Cost	—	—	—	—
c) Interest Cost	0.18	0.15	0.07	0.65
d) Expected return on plan assets gain/(loss)	0.29	0.34	0.51	0.50
e) Actuarial gain/(loss)	(0.10)	0.67	(0.17)	0.20
f) Expense recognised in the period (a to e)	(0.08)	0.61	(0.58)	(0.20)
	<u>2018-19</u>		<u>2017-18</u>	
E. Assumptions				
a) Discount rate (per annum) (%)	7.30%		7.60%	
b) Estimated rate of return on plan assets (p.a.) (%)	7.65%		7.65%	
c) Inflation rate (%)	6.00%		6.00%	
d) Remaining working life (in years)	8		8	
e) Method used	Projected unit credit method		Projected unit credit method	
f) Mortality factor	As per LIC1 1994 - 1996		As per LIC1 1994 - 1996	
g) Staff turnover	10 per / 1000 per annum		10 per / 1000 per annum	
h) Super annuation age	6 above age 45 3 between 29 and 45 1 below age 29		6 above age 45 3 between 29 and 45 1 below age 29	



Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

- F.** The plan assets created against the Gratuity and Leave Encashment liability of the company wholly comprised of the rights under insurance policies taken from the LIC.
- 2.32** Reserve Bank of India vide Notification No. DNBS.167/CGN (OPA) - 2003 dt. March 29, 2003 has directed that every NBFC shall append to its balance sheet prescribed under the Companies Act, 2013, the particulars in the format as set out in the schedule annexed, which has been complied with.
- 2.33** The areas have been identified where there is a scope of improvement for internal control system and steps have been taken for the said improvement.
- 2.34** Land & Building (in excess of its own use) & shares (unquoted shares other than of subsidiary companies or company in the same group) held by the company in contravention of Para 19 of Non Banking Financial (Deposit accepting or holding) Companies, Prudential Norms, (Reserve Bank) directions, 2007 in regards to Restriction on investment in land and building and unquoted shares. However since as per DRT court's order dated 01.12.2005 company can not sell, alienate or dispose of any of its assets, the company is unable to take steps to remedy the situation.
- However most of such assets are charged with Bank and Financial Institutions and cannot be liquidated to bring the same within limits of prudential norms as mentioned above.
- 2.35** The previous year figures have been regrouped / restated wherever considered necessary.

As per our Report of even date annexed
For G. BASU & CO.
Chartered Accountants
Firm Regn. No. 301174E
P. K. Chaudhuri
Partner
M. No. 003814
3, Chowringhee Approach
Kolkata - 700072
the 27th day of May, 2019

On behalf of the Board of Directors

Mr. Debdata Saila (DIN : 00198764)
Mr. L. N. Kaul (DIN : 00198692)
Mr. Biswajit Roy (DIN : 00198746)
Ms. Aparna Dey (DIN : 06941580)
Mr. S. S. Majumdar
Mr. Abhijit Saila

Chairman
Managing Director
Director
Director
Company Secretary
Chief Financial Officer



**Schedule to the
Balance Sheet of a Non-Banking Financial Company as on 31.03.2019**

(as required in terms of Paragraph 13 of Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)

Particulars		Rs. in lacs	
LIABILITIES SIDE :			
1)	Loans and advances availed by the Non-banking financial company inclusive of Interest accrued thereon but not paid :	Amount Outstanding	Amount Overdue
	a) Debentures :		
	Secured		
	Unsecured		
	(other than falling within the meaning of public deposits*)		
	b) Deferred Credits		
	c) Term Loans	49737.34	49737.34
	d) Inter-corporate loans and borrowing		
	e) Commercial Paper		
	f) Public Deposits		
	Principal		
	Interest accrued but not due		
	g) Other Loans (Loan from Bank & others)	59217.29	59217.29
	(including interest accrued and due for term loan as well as working capital)		
	*Please see Note 1 below		
2)	Break-up of (1) (f) above (Outstanding public deposits Inclusive of interest accrued thereon but not paid) :		
	a) In the form of Unsecured debentures		
	b) In the form of partly secured debentures		
	i.e. debentures where there is a shortfall in the value of security		
	c) Public Deposits		
	Principal		
	Interest accrued but not due		
	*Please see Note 1 below		
ASSETS SIDE :			
3)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :		
	a) Secured	0.00	
	b) Unsecured (net of Income Tax provisions)	52.90	
4)	Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities :		
	i) Lease assets including lease rentals under sundry debtors :		
	a) Financial lease	182.68	
	b) Operating lease		
	ii) Stock on hire including hire charges under sundry debtors :		
	a) Assets on hire	9563.65	
	Less Provision	<u>9563.65</u>	—
	iii) Other loans counting towards AFC activities :		
	a) Loans where assets have been repossessed		
	b) Loans other than (a) above		
	TOTAL (pt. 3 & 4)	235.58	



Particulars	Rs. in lacs	
5) Break-up of Investments :		
Current Investments :		
1. Quoted :		
i) Shares :		
a) Equity		
b) Preference		
ii) Debentures and Bonds		
iii) Units of Mutual Funds		
iv) Government Securities		
v) Others (Please specify)		
2. Unquoted :		
i) Shares :		
a) Equity		
b) Preference		
ii) Debentures and Bonds		
iii) Units of Mutual Funds		
iv) Government Securities		
v) Others (Subsidiary Company)		
Long-Term investments :		
1. Quoted :		
i) Shares :		
a) Equity	638.40	
b) Preference		
ii) Debentures and Bonds		
iii) Units of Mutual Funds		
iv) Government Securities		
v) Others (Please specify)		
2. Unquoted :		
i) Shares :		
a) Equity	348.13	
b) Preference	50.00	
ii) Debentures and Bonds	Nil	
iii) Units of Mutual Funds	11.89	
iv) Government securities	0.15	
v) Others (Subsidiary Company)	5.00	
TOTAL	1053.57	
LESS : PROVISION	1019.02	
TOTAL NET OF PROVISION	34.55	

6) Borrower group-wise classification of assets financed as in (3) and (4) above :			
Please see Note 2 below			
Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties **			
a) Subsidiaries	Nil	Nil	Nil
b) Companies in the same group	Nil	Nil	Nil
c) Other related parties	Nil	Nil	Nil
2. Other than related parties	Nil	Nil	Nil
Total	Nil	Nil	Nil



7) Investor group-wise classification of all investments (current and long-term) in shares and securities (both quoted and unquoted) : **Please see Note 3 below		
Category	TOTAL	
	Market Value/Break-up or Fair Value or NAV	Book Value (Net of Provisions)
1. Related Parties **		
a) Subsidiaries	—	5.00
b) Companies in the same group	—	NIL
c) Other related parties	—	NIL
2. Other than related parties	—	29.54
Total	—	34.54

As per Accounting Standard of ICAI

(Please see Note 3)

8. Other Information :		
Particulars		Amount
i) Gross Non-Performing Assets		
a) Related parties	11244.53	
Less : Provision	<u>11244.53</u>	NIL
ii) Net Non-Performing Assets :		
a) Related Parties		NIL
b) Other than related parties		NIL
iii) Assets acquired in satisfaction of debt		NIL

Notes :

- As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposit (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in the Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (5) above.

**Form AOC-1**

[Pursuant to first provision to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014]
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A" : Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	NICCO INSURANCE AGENTS AND CONSULTANTS LIMITED
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01/04/2018 TO 31/03/2019
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
4.	Share capital	Rs. 500000
5.	Reserves & surplus	(Rs. 230502)
6.	Total assets	Rs. 41228 (excluding Investment)
7.	Total Liabilities	Rs. 71730
8.	Investments	Rs. 300000
9.	Turnover	Nil
10.	Profit/(Loss) before taxation	(Rs. 19120)
11.	Provision for taxation	Nil
12.	Profit/(Loss) after taxation	(Rs. 19120)
13.	Proposed Dividend	Nil
14.	% of shareholding	100% (entirely held by holding company)

Notes : The following information shall be furnished at the end of the statement :

- Names of subsidiaries which are yet to commence operations.
- Names of subsidiaries which have been liquidated or sold during the year.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures	N.A.	N.A.	N.A.
1. Latest audited Balance Sheet Date	N.A.	N.A.	N.A.
2. Shares of Associate/Joint Ventures held by the company on the year end	N.A.	N.A.	N.A.
No.	N.A.	N.A.	N.A.
Amount of Investment in Associates/Joint Venture	N.A.	N.A.	N.A.
Extend of Holding %	N.A.	N.A.	N.A.



NICCO UCO ALLIANCE CREDIT LIMITED

Part "B": Associates and Joint Ventures (Contd.)

3. Description of how there is significant influence	N.A.	N.A.	N.A.
4. Reason why the associate/joint venture is not consolidated	N.A.	N.A.	N.A.
5. Net worth attributable to shareholding as per latest audited Balance Sheet	N.A.	N.A.	N.A.
6. Profit/Loss for the year	N.A.	N.A.	N.A.
i. Considered in Consolidation	N.A.	N.A.	N.A.
ii. Not Considered in Consolidation	N.A.	N.A.	N.A.

1. Names of associates or joint ventures which are yet to commence operations.
2. Names of associates or joint ventures which have been liquidated or sold during the year.

Note : This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

As per our Report of even date annexed
For G. BASU & CO.
Chartered Accountants
Firm Regn. No. 301174E
P. K. Chaudhuri
Partner
M. No. 003814
3, Chowringhee Approach
Kolkata - 700072
the 27th day of May, 2019

On behalf of the Board of Directors

Mr. Debdatta Saila (DIN : 00198764)
Mr. L. N. Kaul (DIN : 00198692)
Mr. Biswajit Roy (DIN : 00198746)
Ms. Aparna Dey (DIN : 06941580)
Mr. S. S. Majumdar
Mr. Abhijit Saila

Chairman
Managing Director
Director
Director
Company Secretary
Chief Financial Officer

CONSOLIDATED
FINANCIAL STATEMENT OF
NICCO UCO ALLIANCE CREDIT LIMITED



INDEPENDENT AUDITORS' REPORT

To the Members of NICCO UCO ALLIANCE CREDIT LIMITED

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

QUALIFIED OPINION

We have audited the accompanying consolidated financial statements of **Nicco Uco Alliance Credit Limited** (hereinafter referred to as the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at **March 31, 2019**, and the Consolidated Statement of Profit and Loss and Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs as at March 31, 2019, consolidated loss, and consolidated cash flows for the year then ended.

BASIS FOR QUALIFIED OPINION

- a) Note No. 2.21 regarding cancellation of certificate of registration of the company to carry out non-banking financial activities by Reserve Bank of India (RBI) vide its order dated 31st March, 2005, against which the company has preferred an appeal before the Appellate Authority for Non-Banking Finance Company (NBFC), Joint Secretary, Ministry of Finance, Govt. of India, New Delhi, which as stated, is pending.

As the decision with regard to appeal against cancellation of license is pending for reasons as stated in the note above, the accounts of the company have been prepared on going concern assumption on the basis of legal opinion obtained. In the event of adverse decision/ development the financial statements may require necessary adjustments in the value of its assets and liabilities.

- b) Note No. 2.3.ii (b) regarding non-confirmation of balances by Banks and Financial Institutions (FI's) in whose Books the account of Company has turned Non Performing Assets (NPAs).
- c) Note No. 2.3.vi regarding non compliance with order of Company Law Board (CLB) in repayment of its Fixed Deposits liability and other accounting violation, against which legal proceedings have been initiated by Serious Fraud Investigation Office. However, as per available records, fixed deposit liabilities had been settled as per a scheme approved by Hon'ble High Court at Calcutta.
- d) Note No. 2.23(a) regarding non-charging of interest on dues to banks and financial institution coming under the purview of consortium resulting in reduction of loss by Rs. 426 crores.

We conducted our audit in accordance with 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 we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics, We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified 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. In addition to the matters described in the *Basis for Qualified Opinion* section we have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	How our audit addressed the key audit matters
1.	<p>Litigations and claims – provisions and contingent liabilities</p> <p>As disclosed in Notes detailing contingent liability and provision for contingencies, the company is involved in direct, indirect tax and other litigations ("litigations") that are pending with different statutory authorities.</p> <p>Whether a liability is recognized or disclosed as a contingent liability in the financial statements is inherently judgmental and dependent on a number of significant assumptions and assessments.</p>	<p>Our key procedures included the following :</p> <ul style="list-style-type: none"> • Assessed the appropriates of the company accounting policies, including those relating to provision and contingent liability by comparing with the applicable accounting standards. • Assessed the company process for identification of the pending litigations and completeness for financial reporting and also for monitoring of significant developments in relation to such pending litigations; • Engaged subject matter specialists to gain an understanding of the current status of litigations and monitored changes in the disputes, if any, through discussions with the management and by



Sr. No.	Key Audit Matters	How our audit addressed the key audit matters
	The amounts involved are potentially significant and determining the amount, if any, to be recognized or disclosed in the Consolidated financial statements, is inherently subjective.	<p>reading external advice received by the company, where relevant, to establish that the provisions had been appropriately recognized or disclosed as required;</p> <ul style="list-style-type: none"> • Assessed the company assumptions and estimates in respect of litigations, including the liabilities or provisions recognized or contingent liabilities disclosed in the financial statements. This involved assessing the probability of an unfavorable outcome of a given proceeding and the reliability of estimates of related amounts; • Performed substantive procedures on the underlying calculations supporting the provisions recorded; • Assessed the management's conclusions through understanding precedents set in similar cases; and considering the appropriateness of the company's description of the disclosures related to litigations and whether these adequately presented in the Standalone financial statements.
2.	The company has not provided interest on dues to Banks and financial institutions coming within the purview of consortium arrangement with effect from 01.04.2015 in anticipation of a favorable outcome of the ongoing negotiation for one time settlement of such dues. The un-provided interest amounts to Rs. 426 crores upto 31.03.2019.	We have checked the details calculation of such un-provided interest.
3.	<p>Valuation of Investments :</p> <p>Quoted Investments have been valued at lower of cost or market price.</p> <p>Un-quoted Investments have been valued on the basis of Net Worth of the respective investees.</p>	<ul style="list-style-type: none"> • Necessary papers including the final order of honourable Supreme Court have been verified by us in order to ensure the correctness of accounting of the said claim. • We have checked the basis of valuation in detail and also the provision against such shortfall.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED 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 consolidated financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with 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.

The 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.

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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and the performance of the audit of the financial statements of such entities included in the financial statements.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these 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.

OTHER MATTERS

We did not audit the financial statements/financial information of one subsidiary whose financial statements/financial information reflect total assets of Rs. 3.41 lacs as at 31st March, 2019, total revenues of Rs. Nil and net cash flows amounting to Rs. 0.20 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries. Our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, we report that :
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books *[and proper returns adequate for the purposes of our audit have been received from the branches not visited by us]*.
 - (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 books of account *[and with the returns received from the branches not visited by us]*.
 - (d) In our opinion, the aforesaid consolidated 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 written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors of the Group is disqualified as on **31st March, 2019** 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-1**".
- (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 Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - i. The Group has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 2.24 to the financial statements.
 - ii. The Group does not have any material foreseeable loss arising out derivative contract.
 - iii. No money is required to be transferred by the Group to Investor Education and Protection Fund.

Place : Kolkata
Dated : May 27, 2019

For G. BASU & CO.
Chartered Accountants
Firm Regn. No. 301174E
G. Guha
Partner
M. No. 054702

Annexure - 1

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 accompanying consolidated financial statements of **Nicco Uco Alliance Credit Limited** (hereinafter referred to as the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at **March 31, 2019**, and the Consolidated Statement of Profit and Loss and Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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



NICCO UCO ALLIANCE CREDIT LIMITED

financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (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 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.

Qualified Opinion

Attention is invited to the paragraph on qualified opinion in our audit report on the consolidated financial statements of even date.

In our opinion, subject to the above qualification, which have arisen out of material deficiency in financial control over the past years, the company has maintained proper control over financial reporting during the year under review.

Place : Kolkata

Dated : May 27, 2019

For G. BASU & CO.
Chartered Accountants
Firm Regn. No. 301174E
G. Guha
Partner
M. No. 054702

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019**

	Note	Rs.	As at March 31, 2019 Rs.	Rs.	As at March 31, 2018 Rs.
EQUITY AND LIABILITIES					
SHAREHOLDERS' FUND					
Share Capital	2.1	165,636,006		165,636,006	
Reserves and Surplus	2.2	<u>(6,335,097,073)</u>	(6,169,461,067)	<u>(6,284,801,771)</u>	(6,119,165,765)
NON-CURRENT LIABILITIES					
Long-Term Borrowings	2.3	—		—	
Long-Term Provisions	2.4	<u>49,682,615</u>	49,682,615	<u>49,682,615</u>	49,682,615
CURRENT LIABILITIES					
Short-Term Borrowings	2.5	1,067,375,043		1,067,375,043	
Trade Payables	2.6	20,358,625		19,575,319	
Other Current Liabilities	2.7	5,098,682,888		5,048,977,713	
Short-Term Provisions	2.4	<u>—</u>	6,186,416,556	<u>—</u>	6,135,928,074
TOTAL			<u>66,638,104</u>		<u>66,444,924</u>
ASSETS					
NON-CURRENT ASSETS					
Fixed Assets					
Tangible Assets	2.8	51,348,484		51,648,608	
Intangible Assets	2.8	—		—	
Capital Work-In-Progress	2.8	<u>—</u>	51,348,484	<u>—</u>	51,648,608
Non-Current Investments	2.9	3,254,509		3,576,092	
Long-Term Loans and Advances	2.10	1,820,695		1,577,314	
Other Non-Current Assets	2.11	<u>1,600,836</u>	6,676,040	<u>793,075</u>	5,946,481
CURRENT ASSETS					
Trade Receivables	2.12	—		—	
Cash and Bank Balances	2.13	3,880,809		3,228,161	
Short-Term Loans and Advances	2.10	2,738,223		3,659,281	
Other Current Assets	2.11	<u>1,994,549</u>	8,613,581	<u>1,962,394</u>	8,849,835
TOTAL			<u>66,638,104</u>		<u>66,444,924</u>

Significant Accounting Policies 1

The accompanying notes are an integral part of the Financial Statements

As per our Report of even date annexed
For G. BASU & CO.
Chartered Accountants
Firm Regn. No. 301174E
P. K. Chaudhuri
Partner
M. No. 003814
3, Chowringhee Approach
Kolkata - 700072
the 27th day of May, 2019

On behalf of the Board of Directors

Mr. Debdata Saila (DIN : 00198764)
Mr. L. N. Kaul (DIN : 00198692)
Mr. Biswajit Roy (DIN : 00198746)
Ms. Aparna Dey (DIN : 06941580)
Mr. S. S. Majumdar
Mr. Abhijit Saila

Chairman
Managing Director
Director
Director
Company Secretary
Chief Financial Officer



NICCO UCO ALLIANCE CREDIT LIMITED

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	Note	For the year ended 31st March, 2019 Rs.	For the year ended 31st March, 2018 Rs.
INCOME			
Revenue from Operations	2.14	—	—
Other income	2.15	5,527,400	2,310,802
Total Revenue		5,527,400	2,310,802
EXPENDITURE			
Employee Benefits Expense	2.17	2,152,973	2,222,543
Finance Costs	2.18	50,038,367	42,512,022
Other Expenses	2.19	3,331,237	6,676,249
Depreciation and Amortization Expense	2.20	299,016	300,348
Exceptional Items		—	—
Total		55,821,593	51,711,162
Loss before Tax, Depreciation & Amortisation		(50,294,193)	(49,400,360)
Profit/(Loss) before extraordinary items and tax		(50,294,193)	(49,400,360)
Extraordinary Items		—	—
Loss before Tax		(50,294,193)	(49,400,360)
Income Tax for Earlier Years		—	—
Profit/(Loss) for the period from continuing operations		(50,294,193)	(49,400,360)
Loss for the year		(50,294,193)	(49,400,360)
Earnings Per Share			
Basic and Diluted earning per share (in Rs.)	2.30	(0.61)	(0.59)
Significant Accounting Policies	1		
The accompanying notes are an integral part of the Financial Statements			

As per our Report of even date annexed
For G. BASU & CO.
Chartered Accountants
Firm Regn. No. 301174E
P. K. Chaudhuri
Partner
M. No. 003814
3, Chowringhee Approach
Kolkata - 700072
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Mr. S. S. Majumdar
Mr. Abhijit Saila

Chairman
Managing Director
Director
Director
Company Secretary
Chief Financial Officer


CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

	For the year ended 31st March, 2019 Rs.	For the year ended 31st March, 2018 Rs.
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax & extraordinary items	(50,294,193)	(49,405,603)
Add/(Less) : Adjustments for		
Depreciation	299,016	300,348
Provision for diminutions in value of Investments	171,583	2,265,382
Provisions for Employee benefits	—	—
Dividend on investments	(281,530)	(233,730)
Profit on sale of Investments	—	—
Loss on sale of fixed assets / hire purchase stock	—	632,055
Liability no longer required written back	(1,346,282)	—
Interest Expenses	50,038,367	42,512,022
Interest Income	(2,563,521)	(390,181)
Operating profit / (loss) before working capital changes	(3,976,560)	(4,319,707)
Increase/(Decrease) in trade receivables	207,834	754,505
Increase/(Decrease) in loans & advances	293,604	—
Increase/(Decrease) in trade payables/current liabilities	331,664	(1,108,368)
Income Tax paid	502,523	860,817
Cash generated from operations	—	(3,812,753)
Adjustment for Extraordinary Items	—	—
Net Cash from Operating activities	(2,640,935)	(3,812,753)
CASH FLOW FROM INVESTING ACTIVITIES		
Redemption of investments in Mutual Fund	150000	(10,868)
Proceeds from Sale of fixed assets	—	18500
Proceeds from Sale of Investments	—	—
Interest received	2,862,053	246,985
Dividend received on investments	281,530	233,730
Net Cash used in Investing activities	3,293,583	488,347
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of borrowings	—	—
Net Cash used in Financing activities	—	—
Net increase/(decrease) in cash and cash equivalents	652,648	(3,324,406)
Opening cash and bank balances	3,228,161	6,552,566
Closing cash and bank balances	3,880,809	3,228,161

Notes :

- Above statement has been prepared in indirect method as given in Accounting Standard - 3 on Cash Flow Statement except in case of interest and dividend on investment, purchase and sale of Fixed assets and Investments which have been considered on the basis of actual movement of Cash, with corresponding adjustments in assets and liabilities.
- Negative figures indicate cash outflow.
- Figures for the previous year have been regrouped / restated wherever considered necessary.

As per our Report of even date annexed
For G. BASU & CO.
Chartered Accountants
Firm Regn. No. 301174E
P. K. Chaudhuri
Partner
M. No. 003814
3, Chowringhee Approach
Kolkata - 700072
the 27th day of May, 2019

On behalf of the Board of Directors

Mr. Debdata Saila (DIN : 00198764)
Mr. L. N. Kaul (DIN : 00198692)
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Mr. S. S. Majumdar
Mr. Abhijit Saila

Chairman
Managing Director
Director
Director
Company Secretary
Chief Financial Officer



1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention, in accordance with generally accepted accounting principles comprising the mandatory Accounting Standards issued by The Companies (Accounting Standards) Rules, 2006, the provisions of Companies Act, 2013, and the Guidelines issued by Reserve Bank of India and adopted consistently by the Company.

The financial statements has been prepared and presented as per the requirement of schedule III as notified under the Companies Act, 2013.

1.2 Use of Estimates

The preparation of financial statements require judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities including contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognised in the period in which the results are known / materialised.

1.3 Tangible Assets

Tangible assets are stated at cost. Capital Work-in-Progress forming part of note on fixed assets includes cost of assets not put to use before the year end.

1.4 Depreciation & Amortization

- a) Depreciation on own tangible assets (other than leased assets) have been provided on straight line method and on the basis of useful life as specified in schedule II of the Companies Act, 2013.
- b) Leased Assets are depreciated at rates specified in Schedule II to the Companies Act, 2013 as required by AS 19 regarding 'Leases' issued by the Companies (Accounting Standards) Rules, 2006. The difference between the depreciation charged, as computed on the basis of the IRR implicit in the lease, and that arrived at in terms of Schedule II to the Companies Act, 2013, to ensure capital recovery over the primary lease period, is reflected in the lease equalisation account.
- c) As per Accounting Standards AS-19 regarding 'Leases' issued by The Companies (Accounting Standards) Rules, 2006, which has been made mandatory w.e.f. 01.04.2001, Assets given under finance lease, are shown under non-current assets as other assets at an amount equal to the net investment value in the lease, initial indirect cost forming part of net investment value.

1.5 Impairment

Impairment loss is recognized based on cash generating unit concept, wherever the carrying amount of an asset is in excess of its recoverable amount and the same is recognized as an expense in the statement of profit and loss and carrying amount of the asset is reduced to its recoverable amount.

Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased.

1.6 Investments

- a) Long term quoted investments are valued at cost less provision for diminution in market value if decline in carrying cost of the investment is considered to be other than temporary in nature.
- b) Long term unquoted investments are valued at cost less provision for decline in break up value vis-à-vis cost.
- c) Quoted Current Investments are valued at cost or market value, whichever is lower.
- d) Unquoted Equity Shares in the nature of current investments are valued at cost or break-up value, whichever is lower. Where balance sheet of the investee company is not available for two years, such shares are valued at Re. 1 only.
- e) Investment in Unquoted Government Securities or Government Guaranteed Bonds are valued at carrying cost.

1.7 Recognition of Income & Expenditure

a) Income :-

- (i) Lease Income :

Lease income is computed as per agreement and in accordance with directions of Reserve Bank of India applicable to



SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Non-Banking Financial Companies and Accounting Standards (AS-19) regarding 'Leases' issued by The Companies (Accounting Standards) Rules, 2015.

Moreover, income from assets on lease in respect of lease agreement on or after 01.04.2001 are recognized on capital recovery basis over the effective lease period of the assets to comply with the requirement of Accounting Standards (AS-19) regarding "lease" issued by The Companies (Accounting Standards) Rules, 2015.

(ii) **Hire Purchase Income :**

Hire Purchase income is computed on the basis of internal rate of return implicit in contracts.

(iii) **Dividend income is accounted for as and when received.**

1.8 Retirement Benefits to Employees

a) Defined Contribution Plan :

Provident Fund and Employees Pension are provided on accrual basis. The accrued amount is deposited with the respective Trust / Authority.

b) Defined Benefit Plan :

Gratuity, Leave Salary and Superannuation benefit form part of defined benefit plan schemes existing in the company.

The above benefits are accounted for on the basis of accrual of liability towards obligation on account of past/present service cost, interest and actuarial adjustment net of return on fund invested to cover the obligation in planned assets and actuarial gain/loss thereon in terms of calculation made by actuary under Unit Projected Credit Method.

c) Short Term Benefits :

Benefits payable within a year has been accounted for on accrual basis in terms of non discounted value.

1.9 Taxes on Income

Provision for current income tax is made on the basis of estimated taxable income.

Deferred tax is recognized, subject to the consideration of prudence, on timing differences as per Accounting Standard (AS-22) regarding 'Accounting for taxes on income' issued by The Companies (Accounting Standards) Rules, 2015, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

1.10 Foreign Currency Transactions

a) Transactions in foreign currency are recorded at the rate of exchange prevailing on the date of transaction. Year end balance of foreign currency transactions is translated at the year end rates. Exchange differences arising on settlement of monetary items or on reporting of monetary items at rates different from those at which they were initially recorded during the period or reported in previous financial statements are recognized as income or expenses in the period in which they arise.

b) In respect of Forward Exchange Contracts (except for firm commitments and highly probable forecast transactions), the premium or discount arising at the inception of Forward Exchange Contracts entered into to hedge an existing asset / liability, is amortised over the life of the contract. Exchange differences between the rate at the inception of such contracts and rate on the reporting date are recognised as income or expense for the period.

1.11 Valuation of Stock, etc.

a) Stock on hire under hire purchase agreement - At agreement value less amounts received.

b) Stock of Shares - Category-wise at lower of cost and market value in conformity to RBI prudential guidelines.

1.12 Provisions & Contingent Liabilities

Where there is estimable amount of present obligation that warrant to be settled as a result of past event with possible outflow of resources embodying economic benefit, provision is recognized in account therefore. Otherwise no provision is made against contingent liabilities which are disclosed in notes to accounts.

**Consolidated Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)****2.1 : SHARE CAPITAL**

	Rs.	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
Authorised			
2,15,000,000 (P.Y. 43,000,000) Equity Shares of Rs. 2/- each		430,000,000	430,000,000
7,000,000 (P.Y. 7,000,000) Redeemable Cumulative Non-Convertible Preference Shares of Rs. 10/- each		70,000,000	70,000,000
		<u>500,000,000</u>	<u>500,000,000</u>
Issued			
40,147,173 (P.Y. 40,147,173) Equity Shares of Rs. 10/- each prior to approval of scheme		<u>401,471,730</u>	<u>401,471,730</u>
Subscribed and Paid-up			
40,147,173 (P.Y. 40,147,173) Equity Shares of Rs. 10/- each prior to approval of scheme		401,471,730	401,471,730
Less : Cancellation on Amalgamation 400 (P.Y. 400)		<u>4,000</u>	<u>4,000</u>
		401,467,730	401,467,730
Less : As per scheme of arrangement		(321,174,184)	(321,174,184)
Add : Allotment of 42,898,730 Equity Shares of Rs. 2/- each as per scheme		85,797,460	85,797,460
Less : Calls-in-Arrear		<u>(455,000)</u>	<u>(455,000)</u>
		<u>165,636,006</u>	<u>165,636,006</u>

- a) The company has one class of issued shares i.e. equity shares of Rs. 2/- per share.
b) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period.

Number of shares outstanding as on 01.04.2018	83,045,503
Add : Issued during the year (Issued for consideration other than cash)	—
Number of shares outstanding as on 31.03.2019	<u>83,045,503</u>

- c) The Company does not have any holding company/ultimate holding company.
d) Details of shareholders holding more than 5% shares in the company :

	<u>As at 31st March, 2019</u>		<u>As at 31st March, 2018</u>	
	<u>No. of Shares</u>	<u>% Holding</u>	<u>No. of Shares</u>	<u>% Holding</u>
Equity Shares of Rs. 2/- each fully paid				
Nicco Corporation Limited (In Liquidation)	7,058,524	8.50	7,058,524	8.50
Sanmar Holding Ltd.	7,130,441	8.59	7,130,441	8.59

- e) No equity shares have been reserved for issue under options and contracts/ commitments for the sale of shares/disinvestment as at the balance sheet date.
f) No securities convertible into equity/preference shares has been issued by the company during the year.
g) No calls are unpaid by any Director and Officer of the Company during the year.
h) No shares have been allotted or has been bought back by the company during the period of 5 years preceding the date as at which the Balance Sheet is prepared.


Consolidated Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

- i) Equity shares issued for consideration other than cash include 9,60,000 Equity shares of Rs. 10/- each allotted pursuant to amalgamation of Sanpaola Hambro Nicco Finance Ltd.
- j.i) 4,00,000 Equity Share of Rs. 10/- each allotted pursuant to amalgamation of Nicco Investments Ltd.
- j.ii) 19,72,560 Equity Shares of Rs. 10/- each issued as free share in the ratio 1:7, as per scheme of merger with Alliance Credit & Investment Ltd. approved by Hon'ble Calcutta High Court on 21st April, 1999.
- j.iii) 1,38,66,687 Equity Shares of Rs. 10/- each issued to the share holders of Alliance Credit & Investments Limited as per scheme of amalgamation approved by Hon'ble Calcutta High Court on 21st April, 1999.
- j.iv) 1,05,00,000 Equity Shares of Rs. 10/- each issued to the shareholders of Overseas Sanmar Financial Limited as per scheme of amalgamation approved by Hon'ble Calcutta High Court on 20th April, 2000 and Hon'ble Chennai High Court on 10th May, 2000.
- j.v) Restriction on transferability of shares - Shares are transferable with the approval of directors. Board may refuse to recognise the transfer of shares in any case in which the company has a lien upon such shares or where any money in respect of shares desired to be transferred remain unpaid. Board may also decline to recognise any instrument of transfer unless,
- a) it is accompanied by certificate of shares to which it relates and such other evidence as the Board may reasonably required to show the right of the transferrer to make the transfer.
- b) The instrument of transfer is in respect of one class of shares only.

	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
2.2 : RESERVES AND SURPLUS		
Capital Reserve I		
Paid up amount on shares forfeited As per last Financial Statements	20,500	20,500
	<u>20,500</u>	<u>20,500</u>
Capital Reserve II		
Non-refundable capital grant As per last Financial Statements	35,772	36,875
Less : Prorata Adjustement of Fixed Assets (Refer Note 2.8 (a))	1,108	1,103
	<u>34,664</u>	<u>35,772</u>
Capital Reserve III		
On amalgamation of Nicco Investments Ltd As per last Financial Statements	1,000,000	1,000,000
	<u>1,000,000</u>	<u>1,000,000</u>
Total Capital Reserve	(A) <u>1,055,164</u>	<u>1,056,272</u>
Capital Redemption Reserve		
As per last Financial Statements	20,000,000	20,000,000
	(B) <u>20,000,000</u>	<u>20,000,000</u>
Statutory Reserve Fund		
As per last Financial Statements	26,784,772	26,784,772
	(C) <u>26,784,772</u>	<u>26,784,772</u>

**Consolidated Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)**

	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
Surplus / (Deficit)		
As per last Financial Statements	(6,332,642,815)	(6,283,242,455)
Add : Profit / (Loss) for the year	(50,294,193)	(49,400,360)
Less : Adjustment on account of share capital reduction	—	—
Net Surplus / (Deficit)	(D) (6,382,937,008)	(6,332,642,815)
Total (A to D)	(6,335,097,073)	(6,284,801,771)

Non-current portion		Current Maturities	
As at 31st March, 2019 (Rs.)	As at 31st March, 2018 (Rs.)	As at 31st March, 2019 (Rs.)	As at 31st March, 2018 (Rs.)

2.3 : LONG-TERM BORROWINGS**Term Loans (Secured)**

Rupee Loans from Banks & Financial Institutions	—	—	50,321,348	50,321,348
Foreign Currency Loans from Financial Institutions	—	—	118,315,152	118,315,152
Total Secured Borrowings	—	—	168,636,500	168,636,500
Amount disclosed under the head "Other Current Liabilities" (Note 2.7)	—	—	168,636,500	168,636,500

i.a) Rupee Loans from Banks & Financial Institution consist of loans from: UCO Bank (Mehta Transport), UTI Bank (Axis Bank), IFCI.

i.b) **Nature of Security : For UCO Bank (Mehta Transport) :** By an agreement for hypothecation of movable plant and machinery to secure a term loan by the company on November 17, 2000, the company hypothecated the following vehicles as security for the repayment of the said term loan facility availed of by it from the applicant bank being the 50 number of Ashok Leyland Tusker Turbo tractors along with new chasis lent under Hire Purchase to M/s Mehta Transport Services (I) Ltd.

Further the company hypothecated to and charged in favour of the applicant bank as and by way of first charge thereon :

(i) all the goods described in general terms in the schedule written there under being 50 numbers of trailers to be purchased under the term loan and is to be lent under hire purchase agreement.

(ii) all the company's present and future book debts, outstanding monies, receivables, claims, bills, contracts etc.

i.c) **Nature of Security : For UTI Bank (Axis Bank) :** The facility is secured against assignment of receivable of the selected pool together with the entire interest, ownership and clear title and rights to the assets provided in the hire purchase agreements and also against cash collateral.

i.d) **"Nature of Security :** For IFCI - The company hypothecated on 29th April, 1999 in favour of the lender by virtue of which the whole of the specific Industrial Assets, equipments, plant, machinery and other assets together with its spares, tools and



Consolidated Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

other accessories acquired / to be acquired, were more particularly described below to the application were hypothecated in favour of the applicant as security for the term loan.

Particulars of the equipments, plant, machinery and other assets acquired by the company out of loan :

1. TIL make Cranes
2. Particles board plant.

All the movable properties and immovable properties of the company wherever lying and wherever situated.

- i.e) Foreign Currency Loan consists of **IFC-Washington**.
- i.f) **Nature of Security - For IFC Washington** : The company hypothecated and charged as and by way of first fixed and exclusive charge and lien to and / or in favour of the trustee in for the benefit of the corporation, certain properties and assets given on lease or hire purchase or acquired by the company out of finances.
- ii.a) All loans have turned Non-Performing Assets in the books of the lenders and the same have been recalled by them and at present being contested in Debt Recovery Tribunals and High Court at Calcutta. Hence, the clause relating to disclosure of terms of repayment of loans in such cases has become inapplicable.
- ii.b) Banks and financial institutions have stopped giving confirmation of the balances and statements of accounts.
- iii) The details of default given below showing dates and amount (Principal and Interest) referring note no. 2.3.vii is as furnished by the management.
- iv.a) UCO Bank has filed application in DRT - I to recover Rs. 327 Lacs (P.Y. Rs. 327 Lacs) on account of term loan, matter is pending.
- iv.b) IFCL has filed an application in DRT - I to recover Rs. 62.91 Lacs (P.Y. Rs. 62.91 Lacs), matter is pending.
- iv.c) Indusind Bank has filed an application in DRT, Chennai to recover Rs. 164.46 Lacs (P.Y. Rs. 164.46 Lacs) on account of Securitisation loan which is being contested (This relates to Note 2.5 short term borrowing).
- iv.d) Axis Bank has filed an application in DRT, Chennai to recover Rs. 1368 Lacs (P.Y. Rs. 1368 Lacs) which is also being contested.
- International Finance Corporation Washington initiated a suit in the Hon'ble High Court at Calcutta for recovery of a sum of US\$ 26,82,877.73 (P.Y. US\$ 26,82,877.73) with further interest against the company. The case is being contested.
- UCO Bank has taken measures under section 13(4) of the SARFAESI Act against the company. The company filed an application under section 17(1) of the said Act.
- In the Sarfaesi proceedings against the company by UCO Bank, being aggrieved by DRAT's Order, company filed a Writ Petition before Hon'ble High Court, Calcutta and due to some deficiency in the procedure followed by UCO Bank and Others., High Court Ordered that no coercive steps should be taken by Bank. Bank has appealed against this order.
- v) The entire secured loan accounts of the company except interest accrued and due have become NPA in the books of the lenders. The banks/financial institution have stopped giving statements & confirmations. Interest on loan with Banks in consortiums and IFCW are not provided in the books after 31.3.15 in view of discussions on settlement but in all other loan provision for interest are regularly made as per agreed rates. No confirmation has been received in respect of current accounts from most of the banks.
- vi) A few cases have been initiated by Serious Fraud Investigation Office against the company relating to Accounting, Securitisation deals and default in repayment of fixed deposits etc. which are pending before the Chief Metropolitan Magistrates' Court. However, it may be noted that the entire fixed deposit liabilities had been settled as per a scheme approved by Hon'ble High Court, Calcutta.

**Consolidated Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)**

Note No. 2.3.vii

Statement showing defaults in repayment of borrowings shown under current maturities of long term debts and interests thereon

Nature of Loan	Refer	Continuing Period of default from	Default as on 31.03.2019		Default as on 31.03.2018	
			Principal (Rs.)	Interest (Rs.)	Principal (Rs.)	Interest (Rs.)
Rupee Term Loan from Banks & FI's						
TERM LOAN- UCO A/C		8-May-07	25,319,863	72,041,346	25,319,863	72,041,346
Axis Bank		March'2007	9,918,463		9,918,463	
Axis Bank		March'2007	11,245,969	127,322,568	11,245,969	107,987,498
I.F.C.I. Loan		For Principal - 1st Jan '2004	3,837,053	41,754,183	3,837,053	34,483,266
Sub-Total			50,321,348	241,118,097	50,321,348	214,512,110
Term Loan in Foreign Currency from banks						
International Finance Corporation, Washington		For Principal 6th Jan'2004	118,315,152		118,315,152	
		For interest 17th Dec' 2003		102,344,761		102,344,761
Sub-Total			118,315,152	102,344,761	118,315,152	102,344,761
Grand - Total			168,636,500	343,462,858	168,636,500	316,856,871

Long-term		Short-term	
As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
(Rs.)	(Rs.)	(Rs.)	(Rs.)

2.4 : PROVISIONS

Provision for Doubtful Advance	—	—	—	—
Provision for Doubtful Fixed	—	—	—	—
Provision against Non-Performing Assets (a)	49,682,615	49,682,615	—	—
	49,682,615	49,682,615	—	—

- a) All assets financed through Hire Purchase / Lease have turned Non Performing Assets (N.P.A.) in the books of the Company and have been provided for. List of such inventories are available excepting a few cases where financing were made through dealer however in the opinion of the management the same is not substantial. Full provision has also been made against doubtful debtors, loans & advances.


Consolidated Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
2.5 : SHORT TERM BORROWINGS		
Secured Borrowing		
Working Capital Demand Loan	739,897,143	739,897,143
Cash Credit	327,477,900	327,477,900
Other Loans & Advances	—	—
	<u>1,067,375,043</u>	<u>1,067,375,043</u>
The above amount includes		
Secured Borrowings	1,067,375,043	1,067,375,043
	<u>1,067,375,043</u>	<u>1,067,375,043</u>

- i) UCO Bank, the leader of the consortium of bankers, moved an application in the Debt Recovery Tribunal on 29.11.2005 to recover the outstanding dues amounting to Rs. 119.23 crores (P.Y. Rs. 119.23 crores) pending against the company which the company has contested. The learned D.R.T. has passed an order on 01.12.2005 that till disposal of the prayer for interim relief, the company will not deal with or transfer or dispose off any of its secured properties. However, the company shall carry on its business as usual. However negotiation is under process for out of court settlement at a lower amount.
- ii.A) **Nature of Security** : The company extended a joint deed of hypothecation in favour of consortium of bankers headed by UCO bank whereby the company hypothecated as and by way of first charge its entire tangible properties and on assets both present and future including plant and machinery and / or other assets purchased and / or acquired for its hire purchase/leasing business/ operations and all relative lease rentals, hire charges receivables, both present and future.
- ii.B) The company further created equitable mortgage in favour of the applicant banks in respect of the properties by way of deposit of original title deeds on 20th June, 2001 :
- a) Office Space at Nicco House, 2nd Floor, 2 Hare Street, Kolkata - 700 001;
 - b) Flat at 718, Dalamal Towers, Nariman Point, Mumbai - 400 021;
 - c) Flat no. 3 at 9, South North Road, Juhu Ville Parle Development Scheme, Mumbai - 400 049;
 - d) Premises at 93/4, Karaya Road, 4th Floor Kolkata - 700 019;
 - e) 0.65 acre, 2.92 acres, 1.70 acres, 0.95 acre, 0.85 acre and 5.90 acres of land at Poolavadi, Coimbatore, Tamil Nadu;
 - f) 79 kanal, 18 marla of land (approx 10 acres) in khewat nos. 16,37,38,61 & 79, khatoni nos. 21 min, 43 min, 44 min, 83 min, 108 min respectively at Village-Salhawas, Tehsil & District-Rewari, Haryana.
- iii) All loans have turned Non-Performing Assets in the books of the lenders and the same have been recalled by them and at present being contested in Debt Recovery Tribunals. Hence, the clause relating to disclosure of terms of repayment of loans in such cases has become inapplicable.
- iv) Refer Note 2.3.vii for explanatory disclosure.
- v) The details of default given below showing dates and amount (Principal and Interest) refer note no. 2.5.vi is furnished by the management as below :



Consolidated Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

Note No. 2.5.vi

Statement showing defaults in repayment of Short Term Borrowings and Interest thereon

Nature of Loan	Period of default from	Default as on 31.03.2019		Default as on 31.03.2018	
		Principal (Rs.)	Interest (Rs.)	Principal (Rs.)	Interest (Rs.)
Working Capital Demand Loan from banks					
P & S BANK	1-Apr-04	49,823,355	172,062,194	49,823,355	172,062,194
FEDERAL BANK	1-Nov-05	25,924,317	106,882,245	25,924,317	106,882,245
FBL/MDC/CC-105	1-Nov-05	10,014,065		10,014,065	
UBI	1-Nov-05	53,999,693	226,826,193	53,999,693	226,826,193
UCO BANK	1-Apr-04	240,000,000	868,593,578	240,000,000	868,593,578
WORKING CAPITAL DEMAND LOAN	1-Apr-04	91,900,000	—	91,900,000	—
THE FEDERAL BANK OF INDIA	1-Nov-05	40,000,000	214,583,498	40,000,000	214,583,498
BANK OF BARODA-17	1-Sep-04	32,000,000	142,300,229	32,000,000	142,300,229
BANK OF BARODA-172 MAD		7,813,814		7,813,814	
INDIAN OVERSEAS BANK	1-Apr-04	18,200,000	509,936,842	18,200,000	509,936,842
IOB/MDS CC-14		26,596,950		26,596,950	
IOB-I/N A/C NO-804		4,351		4,351	
THE SOUTH INDIAN BANK LTD.	1-Nov-05	32,000,000	198,985,721	32,000,000	198,985,721
SIBL/MDS CC-1036		8,030,678		8,030,678	
STATE BANK OF TRAVANCORE	1-Feb-04	54,000,000	279,908,440	54,000,000	279,908,440
SBT/MDS(CC-125613)		13,260,881		13,260,881	
SBT/VELLORE		8		8	
SBT/MADURAI		(90)		(90)	
CATHOLIC SYRIAN BANK LTD.	1-Nov-05	28,000,000	178,944,297	28,000,000	178,944,297
CSB/MDS CC-1595		7,000,585		7,000,585	
CBS/MDS/CC-220222		8,990,257		8,990,257	
DENA BANK MADRAS-600001	1-Jun-05	16,000,000	82,976,687	16,000,000	82,976,687
DENA BANK-CC20016		4,006,264		4,006,264	
STATE BANK OF MYSORE	1-Apr-04	12,039,971	42,094,372	12,039,971	42,094,372
SBM/MDS CC-13		101,393		101,393	
CENTRAL BANK OF INDIA	1-Oct-04	36,009,806	194,634,129	36,009,806	194,634,129
INDUSIND BANK	1-Aug-05	10,000,000	502,095,798	10,000,000	478,663,418
INDUSIND BANK MDS/CC15048280		39,931,056		39,931,056	
UTI-BANK LTD.CA-2951 INT.WARRA	1-Apr-04	4,479	—	4,479	—
Sub-Total		865,651,833	3,720,824,223	865,651,833	3,697,391,843
Cash Credit Loan from banks					
UCO BANK - MAIN BRANCH	1-Apr-04	35,675,316	191,774,909	35,675,316	191,774,909
NUACL- FD. CACR-52	1-Apr-04	8,619,258		8,619,258	
PUNJAB & SINDH (CCHPL-3)	1-Apr-04	12,208,114	41,466,371	12,208,114	41,466,371
UBI - CORP.BUS.BRANCH (CC 20039)	1-Nov-05	13,522,496	48,405,458	13,522,496	48,405,458
CANARA BANK	1-Jun-04	7,074,619	27,619,129	7,074,619	27,619,129
DENA BANK	1-Jun-05	18,741,674	81,913,435	18,741,674	81,913,435
FEDERAL BANK - CALCUTTA	1-Nov-05	5,881,711	26,668,458	5,881,711	26,668,458
SBI(IFB)/MDS-CC-974	1-Jul-04	100,000,020	322,962,768	100,000,020	322,962,768
Sub-Total		201,723,210	740,810,528	201,723,210	740,810,528
Total		1,067,375,043	4,461,634,751	1,067,375,043	4,438,202,371


Consolidated Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
2.6 : TRADE PAYABLES		
For Goods & Services (*)	20,358,625	19,575,319
	<u>20,358,625</u>	<u>19,575,319</u>

(*) Based on the informations available with the company, there are no dues towards Micro, Small and Medium Enterprises as on 31.03.2019 (P.Y. Nil).

	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
2.7 : OTHER CURRENT LIABILITIES		
Current maturities of Long Term Debt (Refer Note 2.3)	168,636,500	168,636,500
Interest accrued and due on Borrowings	4,805,097,609	4,755,059,242
Employee Cost	97,965	97,965
Duties & Taxes Payable	(2,072)	146,886
Security Deposit	4,304,385	4,304,385
Retention Money	4,576,443	4,576,443
Securitisation Dues Payable	99,294,865	99,294,865
Book Overdraft	37,866	211,232
Payable for Service Tax under litigation	2,932,997	2,932,997
Others	13,706,331	13,717,199
	<u>5,098,682,888</u>	<u>5,048,977,713</u>



Consolidated Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

NOTE 2.8 : TANGIBLE ASSETS

PARTICULARS OF ASSET	GROSS BLOCK			DEPRECIATION			LEASE ADJUSTMENT - A/C			NET BLOCK			
	As at 1st April 2018	Additions/Adjustment during the year	Deductions/Adjustment during the year	As at 31st March 2019	As at 1st April 2018	Provided during the year	Deductions/Adjustment during the year	As at 31st March 2019	As at 1st April 2018	Provided during the year	Deductions/Adjustment during the year	As at 31st March 2019	As at 31st March 2018
OWN ASSET													
Land	28,158,942			28,158,942								28,158,942	28,158,942
Building	22,928,912			22,928,912	19,889,999	200,124		20,090,123				2,838,789	3,038,913
Furniture, Fixture & Office Equipment	19,534,633			19,534,633	19,241,864	81,576		19,323,440				211,193	292,769
Motor Car	386,331			386,331	161,378	18,424		179,802				206,529	224,953
Windmill	36,100,798			36,100,798	34,295,758			34,295,758				1,805,040	1,805,040
SUB TOTAL	107,109,616			107,109,616	73,588,999	300,124		73,889,123				33,220,491	33,520,615
Previous Year	124,789,709	10,868	17,690,961	107,109,616	90,333,196	301,451	17,045,648	73,588,999				33,520,615	34,456,512
FOR LEASE ACTIVITIES													
FINANCE LEASE :													
Computer & Accessories	91,475,691			91,475,691	76,312,549			76,312,549				12,077,167	3,085,975
Machinery	385,899,571			385,899,571	230,526,700			230,526,700				140,407,630	14,965,241
Vehicles	292,491,121			292,491,121	237,949,768			237,949,768				54,540,946	407
Office Equipment	13,972,071			13,972,071	12,806,635			12,806,635				1,089,084	76,352
Generator set	4,461,540			4,461,540	4,461,540			4,461,540				1,167,130	17
Furniture & Fixture	16,099,999			16,099,999	14,932,852			14,932,852				17	17
Two Wheeler	884,574			884,574	884,574			884,574					
SUB TOTAL	805,284,567			805,284,567	577,874,618			577,874,618				209,281,961	18,127,992
Previous Year	805,284,567			805,284,567	577,874,618			577,874,618				209,281,961	18,127,992
Total of Current Year	912,394,183			912,394,183	651,463,622	300,124		651,763,741				209,281,961	51,348,484
Capital W.I.P. of C. Year													
G. Total of Current Year	912,394,183			912,394,183	651,463,622	300,124		651,763,741				209,281,961	51,648,606
G. Total of Previous Year	930,074,276	10,868	17,690,961	912,394,183	668,207,814	301,451	17,045,648	651,463,617				209,281,961	52,584,503

a) Depreciation amounting to Rs. 1,108/- (Previous Year Rs. 1,103/-) adjusted against Non-refundable capital grant.

b) Certain fixed assets owned by the company are charged with secured lenders of the company.

c) The process of preparation of Fixed Asset register destroyed in the fire has been initiated. However, the W.D.V of assets (i.e. furniture, computers etc.) destroyed in fire is not significant.

d) Furniture & Fixtures and Office Equipments have not been segregated in absence of Fixed Asset Register which is under preparation.



Consolidated Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

NOTE 2.9 : NON CURRENT INVESTMENTS

31.03.19	31.03.18	31.03.19	31.03.18		As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
Number of Shares/ Securities/ Bonds/Units		Face Value				
INVESTMENTS :-						
Other than trade (Unless otherwise stated)						
(At cost unless otherwise stated)						
FULLY PAID SHARES / SECURITIES						
INVESTMENT IN EQUITY INSTRUMENT						
Equity Shares in Other Companies - Quoted						
4096875	4096875	2	2	Nicco Corporation Ltd. (In liquidation)	62,376,305	62,376,305
33000	33000	1	1	Nicco Parks & Resorts Ltd.	34,650	34,650
14500	14500	10	10	Hanuman Tea Co. Ltd.	73,150	73,150
400	400	10	10	Bhagavati Gas Ltd.	920	920
2900	2900	10	10	Indian Overseas Bank	69,600	69,600
3500	3500	2	2	Archies Limited	31,745	31,745
1500	1500	10	10	Bata India Ltd. (750 Bonus Shares)	77,850	77,850
1000	1000	10	10	DIC India Ltd	119,900	119,900
1500	1500	1	1	Colgate Ltd. (750 Bonus Shares)	187,418	187,418
3333	3333	5	5	Eveready Industries India Ltd.	59,327	59,327
3333	3333	5	5	McLeod Russell India Ltd.	-	-
300	300	10	10	Ricoh India Limited	3,687	3,687
1500	1500	2	2	HCL Infosys Ltd.	114,000	114,000
2000	2000	1	1	Hindustan Unilever Ltd.	476,400	476,400
100	100	10	10	Shristi Infrastructure Development Corp Ltd	9,400	9,400
500	500	10	10	Reliance Capital Ltd	120,130	120,130
2500	2500	1	1	Tata Global Beverages Ltd. (Formerly : Tata Tea Ltd.)	85,200	85,200
1000	1000	1	1	Timex Group India Limited (Formerly : Timex Watches Ltd.)	-	-
1000	1000	2	2	HDFC Bank Ltd.	-	-
100	100	10	10	IFCI Limited	-	-
100	100	10	10	SBI Home Finance Ltd.	-	-
100	100	10	10	Tourism Finance Corpn. Of India	-	-
21450	21450	10	10	Golkonda Aluminium Extrusion Ltd. (Formerly Alumeco India Extrusion Ltd.)	-	-
1000	1000	10	10	Antarctica Ltd.	-	-
500	500			Reliance Home Finance Ltd.	-	-
4,193,991	4,193,991				(A) 63,839,682	63,839,682
Equity Shares in Other Companies - Unquoted						
5	5	50	50	Dalamal Tower Premises Co-Opt. Society Ltd.	250	250
22,000	22,000	6	6	Hindustan Wire & Metal Products Ltd.	115,500	115,500
1,300	1,300	100	100	Associated Industrial Development Co (P) Ltd.	196,000	196,000
900	900	100	100	Vinicab India Private Limited	90,000	90,000
10,000	10,000	10	10	Coromondal Stamping Stones Ltd.	1	1



Consolidated Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

NOTE 2.9 : NON CURRENT INVESTMENTS (Contd.)

31.03.19	31.03.18	31.03.19	31.03.18		As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
Number of Shares/ Securities/ Bonds/Units		Face Value				
20,000	20,000	10	10	Besant Raj International Ltd.	149,000	149,000
118,889	118,889	10	10	Nicco Financial Services Ltd.	1,106,290	1,106,290
50,000	50,000	10	10	Global Procurement Consultants Ltd	325,238	325,238
4,000	4,000	10	10	Dibrusadia Tea Estate Ltd.	1	1
50,000	50,000	10	10	Bishnu Forge Industries Ltd.	1	1
150,000	150,000	10	10	Brunosante Ltd.	2	2
60,000	60,000	10	10	C. K. Exim Pvt. Ltd.	1	1
30,000	30,000	10	10	G R Magnets Ltd.	147,000	147,000
886,509	886,509	10	10	G.S.L. (India)	21,719,470	21,719,470
12,500	12,500	10	10	Crystal Cables Industries Ltd.	-	-
25,350	25,350	10	10	Malvika Steel Ltd.	-	-
500	500	10	10	Pasari Spinning Mills Ltd.	1,860	1,860
<u>2,514,400</u>	<u>2,514,400</u>	10	10	Alliance Management & Fiscal services Ltd.	<u>10,962,264</u>	<u>10,962,264</u>
3,956,353	3,956,353				(B) 34,812,878	34,812,878
				TOTAL INVESTMENT IN EQUITY INSTRUMENTS (A+B)	98,652,560	98,652,560
				INVESTMENTS IN PREFERENCE SHARES - UNQUOTED		
500,000	500,000	10	10	Prestige Foods Ltd.(10% non-cum.convertible Pref. Share)(C)	5,000,000	5,000,000
				INVESTMENT IN GOVERNMENT SECURITIES - UNQUOTED		
				NSC (VIIIth Issue)	(D) 15,000	15,000
				INVESTMENTS IN MUTUAL FUNDS-UNQUOTED		
4,105	4,105			HDFC Equity Fund	269,373	269,373
7,385	7,389			HSBC Equity Fund	269,726	269,726
4,202	4,202			FRANKLIN India Bluechip Fund	270,356	270,356
9,828	9,828			PRINCIPAL Growth Fund	266,980	266,980
13,883	13,883			UTI Equity Fund	112,560	112,560
3175	3175			ICICI Prudential	300,000	450,000
				Total (E)	1,488,995	1,638,995
				AGGREGATE VALUE OF NON-CURRENT INVESTMENT [A to E]	105,156,555	105,306,555
				Less : Provision	101,902,046	101,730,463
				Net of Provision	3,254,509	3,576,092

Provision for depreciation in value of Investment

	As at 31st March, 2019		As at 31st March, 2018	
	Book Value (Rs.)	Market Value (Rs.)	Book Value (Rs.)	Market Value (Rs.)
Quoted	65,028,677	21,774,094	65,028,677	21,774,094
Unquoted	40,327,878		40,327,878	
	<u>105,356,555</u>		<u>105,356,555</u>	

Provision held for diminution in value of investment Rs. 101,902,246/-

Provision for value of investment has been reassessed on the basis of market value in respect of quoted shares and break-up value for unquoted shares on the basis of latest available Balance Sheet.



Consolidated Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

	Long-term		Short-term	
	As at 31st March, 2019 (Rs.)	As at 31st March, 2018 (Rs.)	As at 31st March, 2019 (Rs.)	As at 31st March, 2018 (Rs.)
2.10 : LOANS & ADVANCES				
Capital Advances	-	-	-	-
Unsecured, considered good				
Security Deposits	1,545,335	1,545,335	-	-
Sales of Shares	-	-	-	-
Advance Tax & TDS (Net of provision) (Provision Rs. 9,17,57,002/-, P. Y. Rs. 9,17,57,002/-)	275,360	31,979	2,190,385	2,899,471
Deposits under subjudice				
Unsecured, considered doubtful	34,000,000	34,000,000	-	-
Loan & Advances to Related Parties				
Unsecured, considered good	-	-	-	-
Advance against supply of Goods and Services				
Unsecured, considered good	-	-	339,024	467,224
Unsecured, considered doubtful	2,229,281	2,229,281	-	-
Loans against Fixed Deposits Receipts/NCD	36,229,281	36,229,281	-	-
Less : Provision	36,229,281	36,229,281	-	-
Net of Provision	-	-	-	-
Secured, considered good	-	-	-	30,000
Other Loans & Advances				
Prepaid Expenses	-	-	177,688	202,160
To Employees	-	-	31,126	60,426
	1,820,695	1,577,314	2,738,223	3,659,281

	Non Current		Current	
	As at 31st March, 2019 (Rs.)	As at 31st March, 2018 (Rs.)	As at 31st March, 2019 (Rs.)	As at 31st March, 2018 (Rs.)

2.11 : OTHER ASSETS

Unsecured, considered good				
Interest accrued on Bank Fixed Deposits	-	-	28,351	326,883
Receivable from Windmill customers	-	-	1,966,197	1,635,511
Excess of planned asset over liability towards gratuity A	145,947	136,947	-	-
Excess of planned asset over liability towards leave encashment B	631,824	574,128	-	-
Other Receivable	-	-	-	-
Unsecured, considered Doubtful				
Residual Value of Assets	9,397,169	9,397,169	-	-
Interest receivable on other deposits	555,983	555,983	-	-
Received against Rent	-	-	-	-
Disputed Bank Balances in Current Account (Refer note (b), (e), & (f) below)	20,962,453	20,962,453	-	-

**Consolidated Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)****NOTE 2.11 : OTHER ASSETS (Contd.)**

	Non Current		Current	
	As at 31st March, 2019 (Rs.)	As at 31st March, 2018 (Rs.)	As at 31st March, 2019 (Rs.)	As at 31st March, 2018 (Rs.)
Inventory - Stock on Hire under Hire Purchase Agreement including Hire Purchasing Debtors	956,364,793	956,364,793	-	-
Provision for Doubtful Disputed Fixed Deposits with Bank (Refer note (g) below)	30,000	1,376,282	-	-
	<u>987,310,399</u>	<u>988,656,681</u>	-	-
Less : Provision	<u>987,310,399</u>	<u>988,656,681</u>	-	-
Net of Provision	-	-	-	-
Other Receivables (Refer note (c))	C			
Unsecured, considered good	22,000	22,000	-	-
Unsecured, considered doubtful	21,094,177	20,353,113	-	-
Less : Provision	(20,293,112)	(20,293,113)	-	-
A+B+C	<u>1,600,836</u>	<u>793,075</u>	<u>1,994,548</u>	<u>1,962,394</u>

- a) The inventory has turned NPA hence the same is treated as Non-Current Asset.
- b) Other Assets including some bank balances which are disputed / inaccessible have been treated as non-current.
- c) Police has submitted a charge-sheet with the criminal court against fraud perpetrated by two employees in 2008-09 involving an amount of Rs. 140.62 lakhs. The case is in progress before Chief Metropolitan Magistrate's Court. However full provisions has been made against the amount.
- d) Positive balance lying in the current accounts with the members of the consortium bank, i.e. Rs.162.11 Lacs (P.Y. Rs.162.11 Lacs) in UCO Bank, Rs. 0.19 Lacs (P.Y. Rs. 0.19 Lacs) in Bank of Baroda, Rs. 3.01 Lacs (P.Y. Rs. 3.01 Lacs) in Canara Bank, Rs. 0.10 Lacs (P.Y. Rs. 0.10 Lacs) in Central Bank of India, Rs.0.01 Lacs (P.Y. Rs.0.01 Lacs) in United Bank of India, Rs. 42.53 Lacs (P.Y. Rs. 42.53 Lacs) in Indian Overseas Bank, Rs. 0.05 Lacs (P.Y. Rs. 0.05 Lacs) in State Bank of Mysore, Rs. 0.20 Lacs (P.Y. Rs. 0.20 Lacs) in State Bank of Travancore amounting in total Rs. 208.20 Lacs (P.Y. Rs. 208.20 Lacs) remain unconfirmed and inaccessible for the reasons stated in Note 2.3.ix.
- e) Balance of Rs. 2.20 Lacs (P.Y Rs. 2.20 Lacs) from other Banks also remain unconfirmed.
- f) Fixed deposit made by the company with the members of the consortium bank, i.e. Rs. 0.05 Lacs (P.Y. Rs. 0.05 Lacs) in Indian Overseas Bank and with other bank amounting to Rs. 0.25 Lacs (P.Y. Rs. 0.25 Lacs) amounting in total Rs. 0.30 Lacs (P.Y. Rs. 0.30 Lacs) remain unconfirmed and accordingly was provided for.
- g) The investigation for the fraud committed by two employees in the F.Y. 2008-09 has been completed and charge sheet has been submitted in the court by Kolkata Police.

	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
2.12 : TRADE RECEIVABLES		
Unsecured, considered Doubtful	29,531,720	29,531,720
Less : Provision	(29,531,720)	(29,531,720)
	<u>—</u>	<u>—</u>


Consolidated Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
2.13 : CASH AND BANK BALANCES		
Cash and Cash Equivalents		
Balances With Banks :		
In Current Account	478,198	65,246
Cash in hand	2,611	3,733
	<u>480,809</u>	<u>68,979</u>
Other Bank Balances		
Fixed Deposit with Banks - (3 to 12 months maturity)	3,400,000	3,159,183
	<u>3,400,000</u>	<u>3,159,183</u>
	<u>3,880,809</u>	<u>3,228,161</u>

	For the year ended 31st March, 2019 Rs.	31st March, 2018 Rs.
2.14 : REVENUE FROM OPERATIONS		
Hire Purchase/ Leasing Income	—	—
	<u>—</u>	<u>—</u>

	For the year ended 31st March, 2019 Rs.	31st March, 2018 Rs.
2.15 : OTHER INCOME		
Interest Income		
On Banks Deposits	2,563,521	327,687
On Others	—	62,494
Dividend Income		
On Long term Investments	281,530	233,730
Other Non Operating Income		
Foreign Exchange Fluctuation Gain	—	—
Income from Electricity Generation at Windmill	1,289,906	1,681,648
Excess Liabilities, Unclaimed Balances and Provisions written back	1,376,282	—
Sundry Receipts	16,161	5,243
	<u>5,527,400</u>	<u>2,310,802</u>

**Consolidated Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)**

	For the year ended	
	31st March, 2019	31st March, 2018
	Rs.	Rs.
2.16 : (INCREASE)/ DECREASE IN INVENTORIES		
Inventories at the beginning of the year		
Stock on Hire under Hire Purchase Agreement including Hire Purchase Debtors	956,364,794	956,364,794
	<u>956,364,794</u>	<u>956,364,794</u>
Inventories at the end of the year		
Stock on Hire under Hire Purchase Agreement including Hire Purchase Debtors	956,364,794	956,364,794
	<u>956,364,794</u>	<u>956,364,794</u>
	<u>—</u>	<u>—</u>

	For the year ended	
	31st March, 2019	31st March, 2018
	Rs.	Rs.
2.17 : EMPLOYEE BENEFIT EXPENSE		
Salaries & Wages	1,865,556	1,935,674
Contribution to Provident & Other Funds	(29,007)	82,619
Staff Welfare Expenses	316,424	204,250
	<u>2,152,973</u>	<u>2,222,543</u>

	For the year ended	
	31st March, 2019	31st March, 2018
	Rs.	Rs.
2.18 : FINANCE COST		
Interest Expenses		
On Term Loan from Financial Institutions and Others	19,335,070	16,781,542
On Loans from Banks for Working Capital	30,703,297	25,730,480
	<u>50,038,367</u>	<u>42,512,022</u>
Other Borrowing Cost		
Foreign Exchange Loss	—	—
	<u>50,038,367</u>	<u>42,512,022</u>


Consolidated Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

	For the year ended	
	31st March, 2019 Rs.	31st March, 2018 Rs.
2.19 : OTHER EXPENSES		
OPERATING & ADMINISTRATION		
Power & Fuel	105,090	120,630
Insurance	47,501	49,434
Rent	1,200	1,200
Motor Car Expenses	342,023	328,496
Conveyance & Travelling	147,943	106,938
Rates & Taxes	18,715	90,204
Printing & Stationary	529,077	608,300
Professional & Consultancy Fees	86,015	237,864
Auditor's Remuneration		
As Statutory Audit Fees	129,790	111,480
Windmill Expenses	558,885	420,187
Office Maintenance	63,816	55,874
Legal Charges	61,936	235,443
Postage & Courier Charges	282,705	352,076
Provision for Diminution in value of Investment	171,583	2,265,382
Prior Period Expense	5,000	269,842
Loss on sale/discard of Fixed Assets (Net)	—	632,055
Stock Exchange Fees	341,138	386,136
Directors' Fees	85,000	121,000
Meeting Expenses	7,390	9,271
Telephone Expenses	40,206	46,236
Filing Fees	32,730	30,952
General Charges	53,106	1,050
Computer Expenses	10,120	22,188
Subscription	40,686	79,740
Registrar Service Charges	77,052	44,770
GST Payment	24,660	25,539
Miscellaneous Expenses	67,870	28,963
	<u>3,331,237</u>	<u>6,676,249</u>

**Consolidated Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)**

	For the year ended	
	31st March, 2019 Rs.	31st March, 2018 Rs.
2.20 : DEPRECIATION AND AMORTIZATION EXPENSES		
Depreciation on Tangible Assets	299,016	300,348
	299,016	300,348

2.21 RBI has cancelled the Certificate of Registration of the Company to carry out Non-Banking Financial activities of the Company vide its order dated 31st March, 2005 against which Company has preferred an appeal before appellate authority for NBFC, Joint Secretary, Ministry of Finance, Govt. of India, New Delhi which is also pending. In view of the above, the accounts of the company has been prepared on going concern concept based on the legal opinion obtained.

2.22 The Company has complied with the guidelines issued by the Reserve Bank of India in respect of Prudential Norms for income recognition, accounting standards, provisions / write-downs of bad and doubtful debts unless mentioned otherwise except for maintaining excess provision against Non Performing Assets (NPA) to cover any future eventualities.

2.23a) In anticipation of a favourable outcome in respect of ongoing negotiations with consortium bankers & IFC(W) for one time settlement of their respective dues inclusive of accumulated interest at a much lower amount, it has been decided by the Board of Directors to keep in abeyance charging of interest on dues to such institutions with effect from 01.04.2015, resulting in reduction of loss of Rs. 426 crores inclusive of Rs. 131 crores for the current year. However, interest on dues to two banks i.e Indusind Bank (portion outside the consortium), Axis bank & IFCI has been duly charged as they are outside the purview of such negotiations.

2.23b) Pursuant to the above, the statement showing default in repayment of borrowing together with interest thereon does not take into account the accumulated interest pertaining to the institutions coming under consortium management and IFCW from 2015-16 onwards.

2.24 Disclosure regarding Contingent Liabilities :

a) Claims / Disputed liabilities not acknowledged as debt

The Company has received the following demands which are disputed by the Company and are not provided for :

Nature of Contingent liability	Status of the case	As at 31st March 2019 (Rs. in lacs)	As at 31st March 2018 (Rs. in lacs)
Contingent liability w.r.t Central and State Sales Tax (A.Y. 1995-1996 to 2004-2005)	The disputed demand is pending before W. B. Taxation Tribunal and High Court	27.50	27.50
Contingent liability w.r.t Income Tax (A.Y. 2014-15)	The disputed demand is pending before Commissioner of Income Tax (Appeals)	*26.96 (Gross)	—
Contingent liability w.r.t Income Tax (A.Y. 2012-13)	The disputed demand is pending before Commissioner of Income Tax (Appeals)-II	61.40	61.40
Karnataka Sales Tax 1957	The disputed demand is pending before Karnataka High Court	26.53	26.53
M. S. Shoes	The Arbitration Award had been challenged in Delhi High Court	83.00	83.00
	Total	225.39	198.43

b) * Against the gross demand, tax credit of Rs. 1.33 lakh has been admitted by the department and further amount of Rs. 3.84 lakhs has been deposited by the company.

c) Against demand of Rs. 26.53 lacs (Previous Year Rs. 26.53 lacs) by Assistant Commissioner of Commercial Tax, Bangalore an appeal has been preferred by the company and it is pending before the Karnataka Appellate Tribunal for Commercial Tax at Bangalore.



Consolidated Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

d) UTKAL Auto has filed a claim against the company before Arbitrator at Cuttack amounting to Rs.76.90 lacs (Previous Year Rs. 76.90 lacs) against which the company filed a counter claim of Rs. 482.74 lacs against UTKAL Auto before the Arbitrator. An award was passed on 31st December, 2011 and the claim is partly accepted amounting to Rs. 2.78 lacs with interest at the rate 12% p.a. from 1st September, 2006 and the counter claim was rejected. An appeal has been filed in the Hon'ble High Court of Calcutta against the said order which was admitted on 15th May, 2012 by the Hon'ble High Court.

2.25 There being no indication of impairment, no exercise of impairment was undertaken as authorised under para vi of AS 28.

2.26 Except income from Windmill, income from other segment constitute negligible portion of total income. Hence, there are no reportable segment at present.

2.27 Disclosure for Lease under Accounting Standard (AS-19)

All the Lease deals of the company has already been matured. Hence, no separate disclosure under AS-19 is required.

2.28 Information pursuant to Accounting Standard (AS-22)

In view of uncertainty of future profits net deferred tax asset arising as at 31.03.2019 has not been recognized in the books of accounts.

2.29 Related Party disclosures

Related party disclosures as required under Accounting Standard (AS - 18) on 'Related party disclosures' issued by The Institute of Chartered Accountants of India are given below :

Nature of Relationship	Name of the Party
Key Managerial personnel	L. N. Kaul - Managing Director A. Saila - Chief Financial Officer S. S. Majumdar - Company Secretary

Transaction with related parties

Nature of Transactions	2018-19 (Rs. In lacs)	2017-18 (Rs. In lacs)	Related parties
Remuneration & others	14.21	13.21	Key Management Personnel

For the year ended
31st March, 2019
Rs.

For the year ended
31st March, 2018
Rs.

2.30 EARNINGS PER SHARE

a) BASIC & DILUTED

(i) Weighted average number of Equity Shares of Rs. 2/- each	83,045,503	83,045,503
(ii) Profit after Tax attributable to Equity Shareholders	(50,294,193)	(49,383,031)
(iii) Basic / Diluted Earnings per share (in Rs.) [(ii)/(i)]	(0.61)	(0.59)

2.31 Employee Benefits :

Following adjustments relating to employee benefits have been made in these accounts in keeping with the requirements of Accounting Standard 15 (Revised) on "Employee Benefits" issued by The Companies (Accounting Standards) Rules, 2015.

a) Expenses under defined contribution plan with the following break up has been recognised during the year. Details are given below :

Particulars	For the year ended on 31.03.2019 Rs. in lacs	For the year ended on 31.03.2018 Rs. in lacs
Provident Fund	0.11	0.11
Employees Pension Scheme	0.25	0.25
Total	0.36	0.36

**Consolidated Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)**

b) Particulars in respect of post retirement benefit under defined benefit plans are as follows :

(Rs. in lacs)

Description	Gratuity		Leave Salary	
	(Funded) 2018-19	(Funded) 2017-18	(Funded) 2018-19	(Funded) 2017-18
A. Reconciliation of opening and closing balances of obligation				
a) Obligation as on Opening date	2.49	2.49	0.94	1.05
b) Past Service Cost	—	—	—	—
c) Current Service Cost	0.12	0.12	0.04	0.036
d) Interest cost	0.18	0.15	0.068	0.065
e) Actuarial (gain)/loss	(0.10)	0.61	(0.16)	0.17
f) Benefits paid	0.00	0.89	0.00	0.39
g) Obligation as at Closing date	2.70	2.49	0.88	0.95
B. Change in Plan Assets (Reconciliation of opening & closing balances)				
a) Fair value of plan assets as on Opening date	3.86	4.46	6.68	6.59
b) Expected return on plan assets	0.29	0.34	0.51	0.50
c) Actuarial gain/(loss)	—	(0.057)	0.01	(0.025)
d) Contributions by the employer	0.01	0.005	—	0.00045
e) Benefits paid	—	0.89	—	0.39
f) Fair value of plan assets as at Closing date	4.16	3.86	7.20	6.68
C. Reconciliation of fair value of plan assets and present value of defined benefit obligation				
a) Present value of obligation on closing date	2.70	2.49	0.89	0.94
b) Fair value of plan assets on closing date	4.15	3.86	7.20	6.68
c) Amount recognised in the balance sheet Net Asset / (Liability)	1.46	1.37	6.31	5.74
D. Expense recognized in the period				
a) Current Service Cost	0.13	0.12	0.03	0.036
b) Past Service Cost	—	—	—	—
c) Interest Cost	0.18	0.15	0.07	0.65
d) Expected return on plan assets gain/(loss)	0.29	0.34	0.51	0.50
e) Actuarial gain/(loss)	(0.10)	0.67	(0.17)	0.20
f) Expense recognised in the period (a to e)	(0.08)	0.61	(0.58)	(0.20)
	2018-19		2017-18	
E. Assumptions				
a) Discount rate (per annum) (%)	7.30%		7.60%	
b) Estimated rate of return on plan assets (p.a.) (%)	7.65%		7.65%	
c) Inflation rate (%)	6.00%		6.00%	
d) Remaining working life (in years)	8		8	
e) Method used	Projected unit credit method		Projected unit credit method	
f) Mortality factor	As per LIC1 1994 - 1996		As per LIC1 1994 - 1996	
g) Staff turnover	10 per / 1000 per annum		10 per / 1000 per annum	
h) Super annuation age	6 above age 45 3 between 29 and 45 1 below age 29		6 above age 45 3 between 29 and 45 1 below age 29	



Consolidated Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

- F.** The plan assets created against the Gratuity and Leave Encashment liability of the company wholly comprised of the rights under insurance policies taken from the LIC.
- 2.32** Reserve Bank of India vide Notification No. DNBS.167/CGN (OPA) - 2003 dt. March 29, 2003 has directed that every NBFC shall append to its balance sheet prescribed under the Companies Act, 2013, the particulars in the format as set out in the schedule annexed, which has been complied with.
- 2.33** The areas have been identified where there is a scope of improvement for internal control system and steps have been taken for the said improvement.
- 2.34** Land & Building (in excess of its own use) & shares (unquoted shares other than of subsidiary companies or company in the same group) held by the company in contravention of Para 19 of Non Banking Financial (Deposit accepting or holding) Companies, Prudential Norms, (Reserve Bank) directions, 2007 in regards to Restriction on investment in land and building and unquoted shares. However since as per DRT court's order dated 01.12.2005 company can not sell, alienate or dispose of any of its assets, the company is unable to take steps to remedy the situation.
- However most of such assets are charged with Bank and Financial Institutions and cannot be liquidated to bring the same within limits of prudential norms as mentioned above.
- 2.35** The previous year figures have been regrouped / restated wherever considered necessary.

As per our Report of even date annexed
For G. BASU & CO.
Chartered Accountants
Firm Regn. No. 301174E
P. K. Chaudhuri
Partner
M. No. 003814
3, Chowringhee Approach
Kolkata - 700072
the 27th day of May, 2019

On behalf of the Board of Directors

Mr. Debdata Saila (DIN : 00198764)
Mr. L. N. Kaul (DIN : 00198692)
Mr. Biswajit Roy (DIN : 00198746)
Ms. Aparna Dey (DIN : 06941580)
Mr. S. S. Majumdar
Mr. Abhijit Saila

Chairman
Managing Director
Director
Director
Company Secretary
Chief Financial Officer



NICCO UCO ALLIANCE CREDIT LIMITED

Consolidated Notes to Financial Statements for the year ended 31st March, 2019 (Contd.)

Additional Disclosure in Consolidated Accounts

F.Y. : 2018-19

Name of the Entity	Net Asset, i.e Total Asset minus Total Liability		Share of Profit & Loss	
	As % of Consolidated Net Asset	Amount (Rs.)	% of Consolidated Profit & Loss	Amount (Rs.)
Parent Co.				
Nicco Uco Alliance Credit Ltd.	99.9963	6169260565	99.9620	50275074
Subsidiary Co.				
Nicco Insurance Agents & Consultants Ltd.	0.0044	269498	0.0380	19120
Adjustment in Consolidation	-0.0006	(38996)	0	0
Total	100	6169491067	100	50294194

The accompanying notes are an integral part of the Financial Statements

As per our Report of even date annexed
For G. BASU & CO.
Chartered Accountants
Firm Regn. No. 301174E
P. K. Chaudhuri
Partner
M. No. 003814
3, Chowringhee Approach
Kolkata - 700072
the 27th day of May, 2019

On behalf of the Board of Directors

Mr. Debdatta Saila (DIN : 00198764)
Mr. L. N. Kaul (DIN : 00198692)
Mr. Biswajit Roy (DIN : 00198746)
Ms. Aparna Dey (DIN : 06941580)
Mr. S. S. Majumdar
Mr. Abhijit Saila

Chairman
Managing Director
Director
Director
Company Secretary
Chief Financial Officer



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NICCO UCO ALLIANCE CREDIT LIMITED