

**34TH ANNUAL GENERAL MEETING**

Date : 26th September, 2018  
Day : Wednesday  
Time : 10.30 A.M.  
Place : Subarnabanik Samaj of Calcutta  
47, Ganesh Chandra Avenue  
Kolkata - 700 013

**Contents**

	Page
Notice	3-6
Director's Report	7-10
Management Discussion and Analysis Report	11
Annexure to Director's Report	12-32
Auditors' Report	33-37
Balance Sheet	38
Statement of Profit & Loss	39
Cash Flow Statement	40
Significant Accounting Policies	41-42
Notes to the Balance Sheet & Statement of Profit & Loss	43-62
Schedule to the Balance Sheet of NBFC	63-65
Form AOC-1 of Subsidiary	66-67
Consolidated Statement of Accounts	68-96



NICCO UCO ALLIANCE CREDIT LIMITED

#### BOARD OF DIRECTORS

Mr. Debdatta Saila (DIN : 00198764)  
Mr. Lakshmi Narain Kaul (DIN : 00198692)  
Mr. Biswajit Roy (DIN : 00198746)  
Ms. Aparna Dey (DIN : 06941580)

Chairman (Non-Independent)  
Managing Director  
Independent  
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

There is no arrear of Annual  
Listing fee payable to  
BSE Limited



**Notice of the 34th Annual General Meeting to the Members**

NOTICE is hereby given that the 34th Annual General Meeting of the Company will be held on Wednesday, the 26th September, 2018 at 10.30 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, 2018, 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, 2018 and the report of Auditors thereon.
3. To appoint a Director in place of Mr. L. N. Kaul (DIN - 00198692) who retires by rotation, and being eligible offers himself for re-appointment.
4. To appoint auditors of the Company and 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 provision of Sec.139 M/s. G. Basu & Company, Chartered Accountants (Firm Registration No. 301174E), be and is hereby re-appointed as Auditors of the Company for a second term of five (5) years to hold office from the conclusion of the 34th Annual General Meeting till the conclusion of the 39th Annual General Meeting to be held in the financial year 2023-24, at a remuneration to be decided by the Board of Directors."

Registered Office :  
NICCO HOUSE  
2, Hare Street  
Kolkata - 700 001  
Date : 13th August, 2018

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

**S. S. MAJUMDAR**  
(Company Secretary)  
(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 19th September, 2018 to 26th September, 2018 (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 8th June, 2018 except in case of transmission or transposition of securities, request for effecting transfer of securities shall not be processed with effect from 5th December, 2018 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 17th September, 2018 (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 [csrarnagoyal@gmail.com](mailto:csrarnagoyal@gmail.com) with a copy marked to NSDL's e-mail ID [evoting@nsdl.co.in](mailto: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 18th September, 2018 (cut-off date)** may write to NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or to the Company [rdinfotech@yahoo.com](mailto: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](http://www.evoting.nsdl.com). You may also send your queries to the e-mail [rdinfotech@yahoo.com](mailto:rdinfotech@yahoo.com)**

**(VI) The period for remote e-voting starts at 9.00 a.m on 23rd September, 2018 and ends at 5.00 p.m on 25th September, 2018. Remote e-voting will be blocked by NSDL at 5.00 p.m on 25th September, 2018.**

**(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 (BombayStock Exchanges) where the Company's shares are listed.



NICCO UCO ALLIANCE CREDIT LIMITED

**ANNEXURE - A**

**Details of Director seeking appointment/re-appointment at the  
Thirtyfourth Annual General Meeting**

<b>Name of the Director</b>	<b>Mr. L. N. Kaul</b>
<b>Date of Birth</b>	05.06.1947
<b>Date of appointment</b>	01.05.2017
<b>Expertise</b>	Experience in the Management of Company and wide experience in Legal, shares, secretarial, fixed deposit, administration and recovery activities
<b>Qualifications</b>	M.COM, LL.B., A.C.S.
<b>List of other Companies in which directorship held</b>	Nil
<b>Membership/Chairmanship of Committee of Directors of the Company</b>	Stakeholders Relationship Committee - Member

Registered Office :  
NICCO HOUSE  
2, Hare Street  
Kolkata - 700 001  
Date : 13th August, 2018

By Order of the Board of Directors

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



## REPORT OF THE DIRECTORS

### For the year ended 31st March, 2018

The directors hereby present their 34th Annual Report together with the audited statement of accounts for the year ended 31st March, 2018.

#### 1. Financial Results & State of Affairs :

(Rs. In Lakhs)

	STANDALONE		CONSOLIDATED	
	2017-18	2016-17	2017-18	2016-17
Loss : For the year	-493.83	-1109.01	-494.00	-1109.06
Add : Balance of loss brought from the last year	-62830.48	-61721.47	-62832.42	-61723.36
Transfer to Balance Sheet	-63324.31	-62830.48	-63326.42	-62832.42

#### 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, 2018 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 2017-18.

#### 6. Operations :

There was an income of Rs. 23.10 lacs under standalone and Rs. 23.11 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 (SIFO) filed a few cases which are being contested by the Company in the Court of Law. After supplementary investigation in respect of securitization deal, SIFO 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, 2018 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 2017-18 forms part of the Report on Corporate Governance. The number of meetings attended by these Directors during the financial year 2017-18 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, 2018, 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, 2018 and of the loss of the Company for the year ended 31st March, 2018.
- 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, 2018 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 per SEBI Direction on listed shell companies, BSE Ltd. had appointed a firm to conduct forensic audit on your company which is progressing and the information required by the said firm had been provided and the last installment of such information is expected shall be furnished on-line, within 1st week of June, 2018.

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. L. N. Kaul (DIN 00198692), Director, is retiring by rotation at the ensuing AGM and being eligible offers himself for reappointment.

**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 - would be retiring at the forthcoming Annual General Meeting and being eligible, have given their consent for re-appointment for a second term of five years. The Members are requested to appoint the auditors and fix their remuneration.

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 28th May, 2018 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. 2.23 (a) & (b) 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 :**

Provision relating to Secretarial Audit and Secretarial Standard :

Pursuant to Section 204 of the Companies Act, 2013 the Board had appointed M/s. Rasna Goyal (CP No.9209 & FCS No.9096), Practicing Company Secretary, Kolkata as Secretarial Auditor to carry out the audit of the secretarial compliances by the Company during the year under review. The Secretarial Audit Report in Form MR-3 of the Auditor is attached forming part of the Board Report. The Report does not contain any qualifications, reservation or adverse remarks or disclaimer.

**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.

Place : Kolkata

Date : 28th May, 2018

For and on behalf of the Board of Directors

**DEBDATTA SAILA**  
(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 : 28th May, 2018

For and on behalf of the Board of Directors

**DEBDATTA SAILA**  
(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
1.	Mr. Debdatta Saila	Chairman & Non-Executive & Non-Independent	5	Yes	—
2.	Mr. L. N. Kaul	Managing Director	4	Yes	1
3.	Mr. Biswajit Roy	Independent	5	Yes	—
4.	Ms. Aparna Dey	Independent Woman Director	4	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, 2017-18 five Board Meetings were held on 24.04.2017, 29.5.2017, 10.8.2017, 13.11.2017 and 10.2.2018.

**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;



- 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, 2018 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-Executive
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	3

**II. Meetings**

During the financial year ended March 31, 2018, the Audit Committee met on following dates :-

29.5.2017, 10.8.2017, 13.11.2017 and 10.2.2018.

**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.



- 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 2017-2018 :**

(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	0.45	N.A.	N.A.	N.A.	N.A.	0.45
Mr. L. N. Kaul	None	Nil	N.A.	8.80	0	1.55	10.35
Mr. Biswajit Roy	None	0.45	N.A.	N.A.	N.A.	N.A.	0.45
Ms. Aparna Dey	None	0.31	N.A.	N.A.	N.A.	N.A.	0.31
<b>TOTAL :</b>		<b>1.21</b>		<b>8.80</b>	<b>0</b>	<b>1.55</b>	<b>11.56</b>

(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) One meeting of the Remuneration Committee was held on 24.04.2017 during the F.Y 2017-18.

#### 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

*(With the retirement of Mr. L. N. Kaul on 01.04.2017. Mr. Kaul ceased to be a member of Committee but after his appointment as Managing Director from 01.05.2017, he was appointed as a member of the Committee from that date.)*

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, 2018. 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 2017-18**

Type of Complaint	Pending at the beginning of the year	Received during the year	Disposed of during the year	Remaining un-disposed 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.	—	—	—	—
<b>Total</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

Note : The Company confirms that there were no share transfers lying pending as on 31.03.2018, 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 29/03/2018.

**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 and one EGM were held as under :**

Financial Year	Date	Time	Venue
2014-2015 (AGM)	30.09.2015	10.30 AM	Bengal National Chamber of Commerce & Industry 23, Sir R. N. Mukherjee Road, Kolkata-700 001
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

In the Annual General Meetings held during financial years 2014-2015 and 2015-16 no Special Resolutions were passed. In FY2016-17 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 2017-2018.

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 Wednesday, the 26nd September, 2018.

Time : 10.30 A.M.

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





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 34th 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, 2018	Within 15th August, 2018
30th September, 2018	Within 15th November, 2018
31st December, 2018	Within 15th February, 2019
Yearly Results as at 31st March, 2019	Within 30th May, 2019

**10. Dates of Book Closure**

The Share Transfer Books and Register of Members of the Company will remain closed from 19th September, 2018 to 26th September, 2018 (both days inclusive).

**11. Dividend Payment**

In view of the present financial condition of the company, no dividend is recommended for the financial year 2017-2018.

**12. Listing of Equity Shares on Stock Exchanges etc.**

The Company's Equity shares are listed on Bombay Stock Exchange only and payment of the listing fees for the period 2017-2018 is pending. Awaiting certain clarification from BSE Ltd.

**Stock Code :**

Name of the Stock Exchange	Stock Code	
	Physical	Demat
BSE Ltd.	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 2017	0.39	0.39	30184.22	29241.48
May 2017	0.42	0.38	31255.28	29804.12
June 2017	0.44	0.44	31522.87	30680.66
July 2017	0.40	0.40	32672.66	31017.11
August 2017	0.38	0.38	32686.48	31128.02
Sept. 2017	0	0	32524.11	31081.83
Oct. 2017	0	0	33340.17	31440.48
Nov. 2017	0	0	33865.97	32683.59
Dec. 2017	0	0	34137.97	32565.16
Jan. 2018	0.37	0.37	36443.98	33703.37
Feb. 2018	0	0	36256.83	33482.81
March 2018	0.37	0.37	34278.63	32483.84

**13. Distribution of Shareholding as on March 31, 2018 :****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	16528	46.411	939137	1.131
2	101 AND <= 500	8111	22.776	1866341	2.247
3	501 AND <= 1000	1674	4.701	1347092	1.622
4	1001 AND <= 5000	6381	17.637	18608808	22.408
5	5001 AND <=10000	2140	6.009	15679304	18.880
6	10001 AND ABOVE	878	2.465	44604821	53.711
	<b>GRAND TOTAL</b>	<b>35612</b>	<b>100.00</b>	<b>83045503</b>	<b>100.000</b>

**14. Pattern of Shareholding as on March 31, 2018 :****Table - 8**

Sl. No.	Category	Nos. of Equity Shares held	Percentage of Shareholding
<b>A.</b>	<b>Promoters' holding</b>		
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
	<b>Sub Total :</b>	<b>10982000</b>	<b>13.23</b>
<b>B.</b>	<b>Non-Promoters' Holding :</b>		
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
	<b>Sub Total :</b>	<b>1621974</b>	<b>1.95</b>
4.	Others :		
a.	Private Corporate bodies	11120902	13.39
b.	Indian Public	56590880	68.14
c.	NRIs/OCBs	758319	0.91
d.	Any Others :		
	Foreign Body Corporates	1971428	2.37
	<b>Sub Total :</b>	<b>70441529</b>	<b>84.82</b>
	<b>Non-Promoters's Holding :</b>	<b>72063503</b>	<b>86.78</b>
	<b>GRAND TOTAL</b>	<b>83045503</b>	<b>100.00</b>

**15. Dematerialisation of Shares**

As on March 31, 2018, 33.12% of the Company's total shares representing 27505236 shares were held in dematerialized form and the balance 66.88% representing 55540267 shares were held in physical form.

**16. Secretarial Audit Report**

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 audit of the secretarial compliances by the Company was carried out by a Company Secretary in Practice and her Secretarial Audit Report in Form No. MR-3 was annexed to the Report of the Board of Directors for the year under review.

Apart from this 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 Reconciliation of Share Capital Audit was carried out regularly on quarterly basis by a Practicing Company Secretary to reconcile the total issued and listed capital of the Company with the admitted capital and the said quarterly reports were promptly submitted to BSE Ltd (Bombay Stock Exchange) and also were placed simultaneously before the Board of the Company.

**17. Share Transfer Committee**

The members of this committee are :

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

*(Mr. L. N. Kaul ceased to be a member of Committee on his retirement on 01.04.2017 but after his appointment as Managing Director from 01.05.2017, he was appointed as a member of the Committee from that date.)*

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.

**18. 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 regularly and the details of Share Transfers are placed before the Board regularly for information.

**19. 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. [nuac complaints@yahoo.com](mailto:nuac complaints@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.

**20. 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](mailto:rdinfotech@yahoo.com)

CONTACT PERSON : MR. RATAN MISHRA, DIRECTOR



NICCO UCO ALLIANCE CREDIT LIMITED

**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 : mdnuacl@gmail.com

GRIEVANCE REDRESSAL DIVISION/COMPLIANCE OFFICER :

nuaclcomplaints@yahoo.com

Contact person : Mr. S. S. MAJUMDAR, Company Secretary

For and on behalf of the Board of Directors

Place : Kolkata

**DEBDATTA SAILA**

(Chairman)

Date : 28th May, 2018

---

**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, 2018 as envisaged in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,

For NICCO UCO ALLIANCE CREDIT LTD.

Place : Kolkata

**Debdatta Saila**

(Chairman)

Date : 28th May, 2018



**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, 2018 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange in India .

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 statement 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 Listing Agreement.

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 : 28th May, 2018

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 31.03.2018  
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. 16.81 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, 2017)				No. of Shares held at the end of the year (as on 31st March, 2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>1) Indian</b>									
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	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A)</b>	<b>3923475</b>	<b>7058525</b>	<b>10982000</b>	<b>13.224</b>	<b>3923475</b>	<b>7058525</b>	<b>10982000</b>	<b>13.224</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
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)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1) :-</b>	<b>1586310</b>	<b>35664</b>	<b>1621974</b>	<b>1.953</b>	<b>1586310</b>	<b>35664</b>	<b>1621974</b>	<b>1.953</b>	<b>-</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	9301776	1913167	11214943	13.50	9207735	1913167	11120902	13.39	-0.11
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	9741891	44571634	54313525	62.40	9869988	44429764	54299752	65.39	3.00
ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	2066153	120000	2186153	2.632	2171128	120000	2291128	2.76	0.13
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	743761	11719	755480	0.909	746600	11719	758319	0.91	0.001
Overseas Corporate									
Bodies	-	1971428	1971428	2.374	-	1971428	1971428	2.374	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2) :-</b>	<b>21853581</b>	<b>48587948</b>	<b>70441529</b>	<b>84.82</b>	<b>21995451</b>	<b>48446078</b>	<b>70441529</b>	<b>84.82</b>	<b>-</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>23439891</b>	<b>48623612</b>	<b>72063503</b>	<b>86.78</b>	<b>23581761</b>	<b>481742</b>	<b>72063503</b>	<b>86.78</b>	<b>-</b>
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>27363366</b>	<b>55682137</b>	<b>83045503</b>	<b>100.000</b>	<b>27505236</b>	<b>55540267</b>	<b>83045503</b>	<b>100.000</b>	<b>-</b>

**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
	<b>TOTAL</b>	<b>10982000</b>	<b>13.224</b>	<b>0</b>	<b>10982000</b>	<b>13.224</b>	<b>0</b>	<b>0</b>

**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 01.04.2017	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 31.03.2018	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 (01.04.17)/end of the year (31.03.18)		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	2000 514092	0.000 0.62	514092	0.62	512092	Transfer
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 01.04.2017		Cumulative Shareholding during the financial year 2017-18	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>KEY MANAGERIAL PERSONNEL</b>					
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/acrued but not due for payment**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
<b>Indebtedness at the beginning of the financial year 2017-18</b>				
i) Principal Amount	1236011543	0	0	1236011543
ii) Interest due but not paid	4712547220	0	0	4712547220
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>5948558763</b>	<b>0</b>	<b>0</b>	<b>5948558763</b>
<b>Change in Indebtedness during the financial year</b>				
<b>* Addition</b>				
a) Principal	0	0	0	0
b) Interest	42512024	0	0	42512024
<b>* Reduction</b>				
a) Principal	0	0	0	0
b) Interest	0	0	0	0
<b>Net Change</b>	<b>42512024</b>	<b>0</b>	<b>0</b>	<b>42512024</b>
<b>Indebtedness at the end of the financial year</b>				
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
<b>Total (i+ii+iii)</b>	<b>5991070787</b>	<b>0</b>	<b>0</b>	<b>5991070787</b>

**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	880000	-	880000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	153111	-	153111
	(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	2500	-	2500
	<b>Total (A)</b>	<b>1035611</b>	<b>-</b>	<b>1035611</b>
<b>Ceiling as per the Act</b>		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	31000	45000	76000
	Commission	-	-	-
	Others, please specify	-	-	-
	<b>Total (1)</b>	<b>31000</b>	<b>45000</b>	<b>76000</b>
	Other Non-Executive Directors	MR. D. SAILA		
2	Fee for attending Board and Committee meetings	45000	-	45000
	Commission	-	-	-
	Others, please specify	-	-	-
	<b>Total (2)</b>	<b>45000</b>	<b>-</b>	<b>45000</b>
	<b>Total (B)=(1+2)</b>	<b>76000</b>	<b>45000</b>	<b>121000</b>
	<b>Total Managerial Remuneration</b>			<b>121000</b>
	<b>Overall Ceiling as per the Act</b> 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 01-04-17 to 31-03-18	CFO MR. A. SAILA 01-04-17 to 31-03-18		
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	127000	58823		185823
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	100022		100022
	(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	-	-		-
	<b>Total</b>	<b>127000</b>	<b>158845</b>		<b>285845</b>



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)
<b>A. COMPANY</b>					
Penalty			N I L		
Punishment			N I L		
Compounding			N I L		
<b>A. DIRECTORS</b>					
Penalty			N I L		
Punishment			N I L		
Compounding			N I L		
<b>A. OTHER OFFICERS IN DEFAULT</b>					
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 2017-18 and ratio of the remuneration of each Director to the median remuneration of employee of the Company for the financial year 2017-18 :

Sl. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for financial year 2017-18 (Rs. in lacs)	% increase in remuneration in the Financial year 2017-18	Ratio of remuneration of each Director/to median remuneration of employees
1.	Mr. Lakshmi Narain Kaul Managing Director	10.35 *		7:1
2.	Mr. Abhijit Saila Chief Financial Officer	1.47		N.A.
3.	Mr. S. S. Majumdar Company Secretary	1.27		N.A.

Note : No Director other than the Managing director receives any remuneration other than sitting fees during the financial year 2017-18.

\*Salary for 11 months (1st May, 2017 to 31st March, 2018)

- (ii) The median remuneration of the employees of the company during the financial year 2017-18 was Rs. 1.44 lacs.
- (iii) There was no increase in remuneration of Directors & employees hence increase in median salary of employees during 2017-18 is not applicable nor any average percentage shall apply to employees or managerial personell.
- (iv) The remuneration paid during the year ended 31st March, 2018 is as per the Nomination and Remuneration policy of the company.

For and on behalf of the Board of Directors

Place : Kolkata

Date : 28th May, 2018

**DEBDATTA SAILA**  
(DIN - 00198764)



NICCO UCO ALLIANCE CREDIT LIMITED

Annexure - E

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

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

[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, 2018 (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, 2018 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, 2009; **(Not Applicable during the Audit Period)**
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(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)**



- (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 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 May, 2018

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.



NICCO UCO ALLIANCE CREDIT LIMITED

**'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 : 21st May, 2018

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 FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **Nicco Uco Alliance Credit Limited**, which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance 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, read with rule 7 of the Companies (Accounts) Rules, 2014. 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 accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### 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 (CLW) 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. 295 crores.



NICCO UCO ALLIANCE CREDIT LIMITED

Except for Paragraph (d), the impact of other paragraphs on this loss after tax and shareholders funds of the company are not ascertainable.

#### **QUALIFIED OPINION**

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
- b) in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

#### **EMPHASIS OF MATTER**

##### **Attention is invited to the following points**

Note no. 2.3 iv (a to d) regarding application filed by different banks forming the consortium of bankers and by other banks outside the consortium with Debt Recovery Tribunal, and by International Finance Corporation, Washington with Hon'ble Calcutta High Court for recovery of their dues.

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure - 2 a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required under section 143(3) of the Act, we report that :
  - a. we have 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 appears from our examination of those books.
  - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013.
  - f. In our opinion the company has reasonable adequate Internal Financial Control System in place providing operating effectiveness of such control. A separate report is attached 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 details of pending litigation in Note 2.24 which are disputed by the company and impact whereof is not readily ascertainable.
    - (ii) There is no long term contracts including derivative contracts which requires provision for material foreseeable losses.
    - (iii) No amount was required to be transferred to Investor Education and Protection Fund.

Place : Kolkata

Dated : 28th May, 2018

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

**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 internal financial controls over financial reporting of **NICCO UCO ALLIANCE CREDIT LIMITED** ("the Company") as of 31st March, 2018 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 : 28th May, 2018

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



**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) Since 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 31.03.2018 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. In compliance with the order of Hon'ble High Court the company has taken steps for meeting the principal amount of fixed deposit liability through issue of new shares.
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 31.03.2018 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



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
	<b>TOTAL</b>	<b>221.54</b>	

\* 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 : 28th May, 2018

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



NICCO UCO ALLIANCE CREDIT LIMITED

**BALANCE SHEET AS AT 31ST MARCH, 2018**

	Note	Rs.	As at March 31, 2018 Rs.	Rs.	As at March 31, 2017 Rs.
<b>EQUITY AND LIABILITIES</b>					
<b>SHAREHOLDERS' FUND</b>					
Share Capital	2.1	165,636,006		165,636,006	
Reserves and Surplus	2.2	<u>(6,284,590,390)</u>	<b>(6,118,954,384)</b>	<u>(6,235,206,255)</u>	<b>(6,069,570,249)</b>
<b>NON-CURRENT LIABILITIES</b>					
Long-Term Borrowings	2.3	—		—	
Long-Term Provisions	2.4	<u>49,682,615</u>	<b>49,682,615</b>	<u>49,682,615</u>	<b>49,682,615</b>
<b>CURRENT LIABILITIES</b>					
Short-Term Borrowings	2.5	1,067,375,043		1,067,375,043	
Trade Payables	2.6	19,517,603		19,315,659	
Other Current Liabilities	2.7	5,048,977,713		5,007,788,034	
Short-Term Provisions	2.4	<u>—</u>	<b>6,135,870,359</b>	<u>—</u>	<b>6,094,478,736</b>
<b>TOTAL</b>			<b><u>66,598,590</u></b>		<b><u>74,591,102</u></b>
<b>ASSETS</b>					
<b>NON-CURRENT ASSETS</b>					
<b>Fixed Assets</b>					
Tangible Assets	2.8	51,648,607		52,584,503	
Intangible Assets	2.8	—		—	
Capital Work-In-Progress	2.8	<u>—</u>	<b>51,648,607</b>	<u>—</u>	<b>52,584,503</b>
Non-Current Investments	2.9	3,626,092		5,891,474	
Long-Term Loans and Advances	2.10	1,577,314		1,614,132	
Other Non-Current Assets	2.11	<u>793,075</u>	<b>5,996,481</b>	<u>833,302</u>	<b>8,338,908</b>
<b>CURRENT ASSETS</b>					
Trade Receivables	2.12	—		—	
Cash and Bank Balances	2.13	3,207,788		6,509,546	
Short-Term Loans and Advances	2.10	3,783,321		4,743,432	
Other Current Assets	2.11	<u>1,962,394</u>	<b>8,953,502</b>	<u>2,414,713</u>	<b>13,667,691</b>
<b>TOTAL</b>			<b><u>66,598,590</u></b>		<b><u>74,591,102</u></b>

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 28th day of May, 2018

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



## STATEMENT OF PROFIT &amp; LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Note	For the year ended 31st March, 2018 Rs.	For the year ended 31st March, 2017 Rs.
<b>INCOME</b>			
Revenue from Operations	2.14	—	—
Other income	2.15	2,310,802	4,177,303
<b>Total Revenue</b>		<b>2,310,802</b>	<b>4,177,303</b>
<b>EXPENDITURE</b>			
Cost of Materials Consumed		—	—
Purchases of Stock-in-Trade		—	—
Changes in Inventories	2.16	—	—
Employee Benefits Expense	2.17	2,222,543	3,742,078
Finance Costs	2.18	42,512,022	102,087,199
Other Expenses	2.19	6,658,921	4,573,198
Depreciation and Amortization Expense	2.20	300,348	4,303,650
Exceptional Items		—	—
<b>Total</b>		<b>51,693,834</b>	<b>114,706,125</b>
<b>Loss before extraordinary items and tax</b>		<b>(49,383,031)</b>	<b>(110,528,822)</b>
Extraordinary Items		—	372,805
<b>Loss before Tax</b>		<b>(49,383,031)</b>	<b>(110,901,627)</b>
Tax Expense :			
Current Tax		—	—
Deferred Tax		—	—
Income Tax for earlier years		—	—
<b>Profit/(Loss) for the period from continuing operations</b>		<b>(49,383,031)</b>	<b>(110,901,627)</b>
Profit/(Loss) from discontinuing operations		—	—
Tax Expense of discontinuing operations		—	—
Profit/(Loss) from Discontinuing operations (after tax)		—	—
<b>Loss for the year</b>		<b>(49,383,031)</b>	<b>(110,901,627)</b>
<b>Earnings Per Share</b>			
Basic and Diluted earning per share (in Rs.)	2.30	<b>(0.59)</b>	<b>(1.34)</b>
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 28th day of May, 2018

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

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31.03.2018**

	For the year ended 31st March, 2018 Rs.	For the year ended 31st March, 2017 Rs.
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before tax & extraordinary items	(49,388,274)	(110,528,822)
Add/(Less) : Adjustments for		
Depreciation	300,348	4,303,650
Provisions for diminutions in value of investment	2,265,382	—
Provisions for Employee benefits	—	1,007,562
Dividend on investments	(233,730)	(224,924)
Profit on sale of Investments	—	(304,724)
Loss on sale of fixed assets / hire purchase stock	632,055	—
Liability no longer required written back	—	(417,840)
Interest Expenses	42,512,022	102,087,199
Interest Income	(390,181)	(584,925)
<b>Operating profit / (loss) before working capital changes</b>	<b>(4,302,378)</b>	<b>(4,662,824)</b>
(Increase)/Decrease in loans & advances	—	(1,752,390)
Increase/(Decrease) in trade receivables	771,855	—
Increase/(Decrease) in trade payables/current liabilities	(1,120,399)	(550,024)
Income Tax paid	860,817	(59,670)
Cash generated from operations	(3,790,105)	(7,024,908)
Adjustment for Extraordinary Items	—	(372,805)
<b>Net Cash from Operating activities</b>	<b>(3,790,105)</b>	<b>(7,397,713)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(10,868)	(10,400)
Proceeds from Sale of fixed assets	18,500	—
Proceeds from Sale of Investments	—	319,725
Interest received	246,985	868,450
Dividend received on investments	233,730	224,924
<b>Net Cash used in Investing activities</b>	<b>488,347</b>	<b>1,402,699</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of borrowings	—	—
<b>Net Cash used in Financing activities</b>	<b>—</b>	<b>—</b>
Net increase/(decrease) in cash and cash equivalents	(3,301,758)	(5,995,013)
Opening cash and bank balances	6,509,546	12,504,560
<b>Closing cash and bank balances</b>	<b>3,207,788</b>	<b>6,509,546</b>

**Notes :**

1. 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.
2. Negative figures indicate cash outflow.
3. 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 28th day of May, 2018

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





## 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, 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, 2006, 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, 2018

### 2.1 : SHARE CAPITAL

	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
<b>Authorised</b>		
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>
<b>Issued</b>		
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>
<b>Subscribed and Paid-up</b>		
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 01.04.2017	83,045,503
Add : Issued during the year (Issued for consideration other than cash)	—
Number of shares outstanding as on 31.03.2018	<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 :

	As at 31st March, 2018		As at 31st March, 2017	
	No. of Shares	% Holding	No. of Shares	% Holding
<b>Equity Shares of Rs. 2/- each fully paid</b>				
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, 2018 (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 due as per scheme of merger 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, 2018 Rs.	As at 31st March, 2017 Rs.
<b>2.2 : RESERVES AND SURPLUS</b>		
<b>Capital Reserve I</b>		
Paid up amount on shares forfeited As per last Financial Statements	20,500	20,500
	<u>20,500</u>	<u>20,500</u>
<b>Capital Reserve II</b>		
Non-refundable capital grant As per last Financial Statements	36,875	37,972
Less : Prorata Adjustment of Fixed Assets (Refer Note 2.8 (a))	1,103	1,097
	<u>35,772</u>	<u>36,875</u>
<b>Capital Reserve III</b>		
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>
<b>Total Capital Reserve</b>	<b>(A)</b> <u>1,056,272</u>	<u>1,057,375</u>
<b>Capital Redemption Reserve</b>		
As per last Financial Statements	20,000,000	20,000,000
	<b>(B)</b> <u>20,000,000</u>	<u>20,000,000</u>
<b>Statutory Reserve Fund</b>		
As per last Financial Statements	26,784,772	26,784,772
	<b>(C)</b> <u>26,784,772</u>	<u>26,784,772</u>



## Notes to Financial Statements for the year ended 31st March, 2018 (Contd.)

	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
<b>Surplus / (Deficit)</b>		
As per last Financial Statements	(6,283,048,402)	(6,172,146,775)
Add : Profit / (Loss) for the year	(49,383,031)	(110,901,627)
Less : Adjustment on account of share capital reduction	—	—
<b>Net Surplus / (Deficit)</b>	<b>(D) (6,332,431,434)</b>	<b>(6,283,048,402)</b>
<b>Total (A to D)</b>	<b>(6,284,590,390)</b>	<b>(6,235,206,255)</b>

Non-current portion		Current Maturities	
As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
(Rs.)	(Rs.)	(Rs.)	(Rs.)

## 2.3 : LONG-TERM BORROWINGS

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

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, 2018 (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, 2018 (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 31.03.2018		Default as on 31.03.2017	
			Principal (Rs.)	Interest (Rs.)	Principal (Rs.)	Interest (Rs.)
<b>Rupee Term Loan from Banks &amp; FI's</b>						
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	107,987,498	11,245,969	91,205,956
I.F.C.I. Loan		For Principal - 1st Jan '2004	3,837,053	34,483,266	3,837,053	28,371,919
<b>Sub-Total</b>			<b>50,321,348</b>	<b>214,512,110</b>	<b>50,321,348</b>	<b>191,619,221</b>
<b>Term Loan in Foreign Currency from banks</b>						
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
<b>Sub-Total</b>			<b>118,315,152</b>	<b>102,344,761</b>	<b>118,315,152</b>	<b>102,344,761</b>
<b>Grand - Total</b>			<b>168,636,500</b>	<b>316,856,871</b>	<b>168,636,500</b>	<b>293,963,982</b>

Long-term		Short-term	
As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
(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	—	—
	<b>49,682,615</b>	<b>49,682,615</b>	<b>—</b>	<b>—</b>

- 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, 2018 (Contd.)**

	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
<b>2.5 : SHORT TERM BORROWINGS</b>		
<b>Secured Borrowing</b>		
Working Capital Demand Loan	739,897,143	739,897,143
Cash Credit	327,477,900	327,477,900
Other Loans & Advances	—	—
	<b><u>1,067,375,043</u></b>	<b><u>1,067,375,043</u></b>
<b>The above amount includes</b>		
Secured Borrowings	1,067,375,043	1,067,375,043
	<b><u>1,067,375,043</u></b>	<b><u>1,067,375,043</u></b>

- 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 much 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, 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, 143 min, 44 min, 83 min, 108 min respectively at Village-Salhawas, Tehsil-Rewari, 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.ix for explanatory disclosure.
- v) The details of default given below showing dates and amount (Principal and Interest) referring note no. 2.5.vi is as furnished by the management.





## Notes to Financial Statements for the year ended 31st March, 2018 (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 31.03.2018		Default as on 31.03.2017	
		Principal (Rs.)	Interest (Rs.)	Principal (Rs.)	Interest (Rs.)
<b>Working Capital Demand Loan from banks</b>					
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	478,663,418	10,000,000	459,044,285
INDUSIND BANK MDS/CC15048280		39,931,056		39,931,056	
UTI-BANK LTD.CA-2951 INT.WARRA	1-Apr-04	4,479	—	4,479	—
<b>Sub-Total</b>		<b>865,651,833</b>	<b>3,697,391,843</b>	<b>865,651,833</b>	<b>3,677,772,710</b>
<b>Cash Credit Loan from banks</b>					
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	48,405,456
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
<b>Sub-Total</b>		<b>201,723,210</b>	<b>740,810,528</b>	<b>201,723,210</b>	<b>740,810,526</b>
<b>Total</b>		<b>1,067,375,043</b>	<b>4,438,202,371</b>	<b>1,067,375,043</b>	<b>4,418,583,236</b>

**Notes to Financial Statements for the year ended 31st March, 2018 (Contd.)**

	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
<b>2.6 : TRADE PAYABLES</b>		
For Goods & Services (a)	19,517,603	19,315,659
	<u>19,517,603</u>	<u>19,315,659</u>

- a) Based on the informations available with the company, there are no dues towards Micro, Small and Medium Enterprises as on 31.03.2018 (P.Y. Nil).

---

	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
<b>2.7 : OTHER CURRENT LIABILITIES</b>		
Current maturities of Long Term Debt ( Refer Note 2.3)	168,636,500	168,636,500
Interest accrued and due on Borrowings	4,755,059,242	4,712,547,220
Employee Cost	97,965	104,966
Duties & Taxes Payable	146,886	198,152
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	211,232	478,613
Payable for Service Tax under litigation	2,932,997	2,932,997
Others	13,717,199	14,713,893
	<u>5,048,977,713</u>	<u>5,007,788,034</u>



**Notes to Financial Statements for the year ended 31st March, 2018 (Contd.)**

**NOTE 2.8 : TANGIBLE ASSETS**

PARTICULARS OF ASSET	GROSS BLOCK			DEPRECIATION			LEASE ADJUSTMENT A/C				NET BLOCK		
	As at 1st April 2017	Additions/ Adjustment during the year	Deductions/ Adjustment during the year	As at 31st March 2018	As at 1st April 2017	Provided during the year	Deductions/ Adjustment during the year	As at 31st March 2018	As at 1st April 2017	Provided during the year	Deductions/ Adjustment during the year	As at 31st March 2018	As at 31st March 2017
<b>OWN ASSET</b>													
Land	28,158,942			28,158,942								28,158,942	28,158,942
Building	23,659,292		730,380	22,928,912	20,420,260	200,119	730,380	19,889,999				3,038,913	3,239,032
Furniture, Fixture & Office Equipment	20,184,035	10,868	660,270	19,534,633	19,813,320	82,908	654,364	19,241,964				292,769	370,715
Motor Car	4,017,015		3,630,684	386,331	3,773,637	18,424	3,630,683	161,378				224,953	243,378
Windmill	36,100,798		12,669,627	36,100,798	34,256,758		12,030,221	34,256,758				1,805,040	1,805,040
Machinery	12,669,627			12,669,627	12,030,221							639,406	639,406
<b>SUB TOTAL</b>	<b>124,789,709</b>	<b>10,868</b>	<b>17,690,961</b>	<b>107,109,616</b>	<b>90,333,196</b>	<b>301,451</b>	<b>17,045,648</b>	<b>73,588,999</b>				<b>33,520,615</b>	<b>34,456,512</b>
Previous Year	124,779,309	10,400		124,789,709	86,028,449	4,304,747		90,333,196				34,456,511	38,750,860
<b>FOR LEASE ACTIVITIES</b>													
<b>FINANCE LEASE :</b>													
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				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				17	17
Furniture & Fixture	16,099,999			16,099,999	14,932,852			14,932,852				1,167,130	
Two Wheeler	884,574			884,574	884,574			884,574					
<b>SUB TOTAL</b>	<b>805,284,567</b>			<b>805,284,567</b>	<b>577,874,618</b>			<b>577,874,618</b>				<b>18,127,992</b>	<b>18,127,992</b>
Previous Year	805,284,567			805,284,567	577,874,618			577,874,618				18,127,992	18,127,992
Total of Current Year	930,074,276	10,868	17,690,961	912,394,183	688,207,819	301,451	17,045,648	651,463,617	209,281,961			51,648,607	52,584,503
Capital W.I.P. of C. Year													799,600
G. Total of Current Year	930,074,276	10,868	17,690,961	912,394,183	688,207,819	301,451	17,045,648	651,463,617	209,281,961			51,648,607	53,384,103
G. Total of Previous Year	930,063,876	10,400		930,074,276	663,903,067	4,304,747		668,207,814	209,281,961			52,584,503	57,678,451

a) Depreciation amounting to Rs. 1,103/- (Previous Year Rs. 1,097/-) 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.



NICCO UCO ALLIANCE CREDIT LIMITED

**Notes to Financial Statements for the year ended 31st March, 2018 (Contd.)**

**NOTE 2.9 : NON CURRENT INVESTMENTS**

31.03.18	31.03.17	31.03.18	31.03.17			As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
Number of Shares/ Securities/ Bonds/Units		Face Value					
<b>INVESTMENTS :-</b>							
<b>Other than trade (Unless otherwise stated)</b>							
<b>(At cost unless otherwise stated)</b>							
<b>FULLY PAID SHARES / SECURITIES</b>							
<b>INVESTMENT IN EQUITY INSTRUMENT</b>							
<b>Equity Shares in Subsidiary Company-Unquoted</b>							
50000	50000	10	10	Nicco Insutrance Agents & Consultants Limited	(A)	500,000	500,000
<b>Equity Shares in Other Companies - Quoted</b>							
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.		-	-
<b>4,193,491</b>	<b>4,193,491</b>				(B)	<b>63,839,682</b>	<b>63,839,682</b>
<b>Equity Shares in Other Companies - Unquoted</b>							
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, 2018 (Contd.)**

**NOTE 2.9 : NON CURRENT INVESTMENTS (Contd.)**

31.03.18	31.03.17	31.03.18	31.03.17		As at 31st March, 2018 Rs.	As at 31st March, 2017 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>	
<b>3,956,353</b>	<b>3,956,353</b>			(C)	<b><u>34,812,878</u></b>	<b><u>34,812,878</u></b>	
				<b>TOTAL INVESTMENT IN EQUITY INSTRUMENTS</b>	<b>(A+B+C)</b>	<b>99,152,560</b>	<b>99,152,560</b>
<b>INVESTMENTS IN PREFERENCE SHARES - UNQUOTED</b>							
500,000	500,000	10	10	Prestige Foods Ltd.(10% non-cum.convertible Pref. Share)(D)	5,000,000	5,000,000	
<b>INVESTMENT IN GOVERNMENT SECURITIES - UNQUOTED</b>							
				NSC (VIIIth Issue)	(E)	15,000	15,000
<b>INVESTMENTS IN MUTUAL FUNDS-UNQUOTED</b>							
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	
				<b>Total</b>	<b>(F)</b>	<b><u>1,188,995</u></b>	<b><u>1,188,995</u></b>
<b>AGGREGATE VALUE OF NON-CURRENT INVESTMENT [A to F]</b>					<b><u>105,356,555</u></b>	<b><u>105,356,555</u></b>	
Less : Provision					101,730,463	99,465,081	
<b>Net of Provision</b>					<b><u>3,626,092</u></b>	<b><u>5,891,474</u></b>	

	As at 31st March, 2018		As at 31st March, 2017	
	Book Value (Rs.)	Market Value (Rs.)	Book Value (Rs.)	Market Value (Rs.)
Quoted	65,028,677	20,515,215	65,028,677	19,583,787
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.

**Notes to Financial Statements for the year ended 31st March, 2018 (Contd.)**

	Long-term		Short-term	
	As at 31st March, 2018 (Rs.)	As at 31st March, 2017 (Rs.)	As at 31st March, 2018 (Rs.)	As at 31st March, 2017 (Rs.)
<b>2.10 : LOANS &amp; ADVANCES</b>				
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/-)	31,979	68,797	2,899,471	3,723,470
Deposits under subjudice				
Unsecured, considered doubtful	34,000,000	34,000,000	-	-
Loan & Advances to Related Parties				
Unsecured, considered good	-	-	124,040	141,390
Other Loans and Advances (Net of provision Rs. 7,98,20,357/-)	-	-	-	-
Advance against supply of Goods and Services				
Unsecured, considered good	-	-	467,224	469,224
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	30,000
Other Loans & Advances				
Prepaid Expenses	-	-	202,160	317,922
To Employees	-	-	60,426	61,426
	<b>1,577,314</b>	<b>1,614,132</b>	<b>3,783,321</b>	<b>4,743,432</b>

	Non Current		Current	
	As at 31st March, 2018 (Rs.)	As at 31st March, 2017 (Rs.)	As at 31st March, 2018 (Rs.)	As at 31st March, 2017 (Rs.)
<b>2.11 : OTHER ASSETS</b>				
Unsecured, considered good				
Interest accrued on Bank Fixed Deposits	-	-	326,883	183,687
Receivable from Windmill customers	-	-	1,635,511	2,231,027
Excess of planned asset over liability towards gratuity A	136,947	197,491	-	-
Excess of planned asset over liability towards leave encashment B	574,128	553,811	-	-
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, 2018 (Contd.)**

**NOTE 2.11 : OTHER ASSETS (Contd.)**

	Non Current		Current	
	As at 31st March, 2018 (Rs.)	As at 31st March, 2017 (Rs.)	As at 31st March, 2018 (Rs.)	As at 31st March, 2017 (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)	1,376,282	1,376,282	-	-
	<u>988,656,681</u>	<u>988,656,681</u>	-	-
Less : Provision	<u>988,656,681</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	20,353,113	20,353,113	-	-
Less : Provision	(20,293,113)	(20,293,113)	-	-
<b>A+B+C</b>	<b><u>793,075</u></b>	<b><u>833,302</u></b>	<b><u>1,962,394</u></b>	<b><u>2,414,714</u></b>

- The inventory has turned NPA hence the same is treated as Non-Current Asset.
- Other Assets including some bank balances which are disputed / inaccessible have been treated as non-current.
- 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.
- 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.
- Balance of Rs. 2.20 Lacs (P.Y Rs. 2.20 Lacs) from other Banks also remain unconfirmed.
- Fixed deposit made by the company with the members of the consortium bank, i.e. Rs. 13.46 Lacs (P.Y. Rs. 13.46 Lacs) with Bank of Baroda, 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. 13.76 Lacs (P.Y. Rs. 13.76 Lacs) remain unconfirmed and accordingly was provided for.
- 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, 2018 Rs.	As at 31st March, 2017 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, 2018 (Contd.)**

	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
<b>2.13 : CASH AND BANK BALANCES</b>		
<b>Cash and Cash Equivalents</b>		
Balances With Banks :		
In Current Account	44,872	56,463
Cash in hand	3,733	4,360
	<u>48,605</u>	<u>60,823</u>
<b>Other Bank Balances</b>		
Fixed Deposit with Banks - (3 to 12 months maturity)	3,159,183	6,448,723
	<u>3,159,183</u>	<u>6,448,723</u>
	<b><u>3,207,788</u></b>	<b><u>6,509,546</u></b>
<hr/>		
	For the year ended 31st March, 2018 Rs.	31st March, 2017 Rs.
<b>2.14 : REVENUE FROM OPERATIONS</b>		
Hire Purchase/ Leasing Income	—	—
	<u>—</u>	<u>—</u>
	<u>—</u>	<u>—</u>
<hr/>		
	For the year ended 31st March, 2018 Rs.	31st March, 2017 Rs.
<b>2.15 : OTHER INCOME</b>		
<b>Interest Income</b>		
On Banks Deposits	327,687	584,925
On Others	62,494	—
<b>Dividend Income</b>		
On Long term Investments	233,730	224,924
<b>Net Gain / (Loss) on sale of Investments</b>		
On Long Term-Investments	—	—
<b>Other Non Operating Income</b>		
Foreign Exchange Fluctuation Gain	—	—
Income from Electricity Generation at Windmill	1,681,648	2,608,565
Profit on sale of Fixed Assets	—	—
Profit on Redemption of Preference Shares	—	304,724
Excess Liabilities, Unclaimed Balances and Provisions written back	—	417,841
Sundry Receipts	5,243	36,324
	<u>2,310,802</u>	<u>4,177,303</u>




**Notes to Financial Statements for the year ended 31st March, 2018 (Contd.)**

	For the year ended	
	31st March, 2018	31st March, 2017
	Rs.	Rs.
<b>2.16 : (INCREASE)/ DECREASE IN INVENTORIES</b>		
<b>Inventories at the beginning of the year</b>		
Stock on Hire under Hire Purchase Agreement including Hire Purchase Debtors	956,364,794	956,364,794
<b>Inventories at the end of the year</b>		
Stock on Hire under Hire Purchase Agreement including Hire Purchase Debtors	956,364,794	956,364,794
	<u>                    </u>	<u>                    </u>
	<u>                    </u>	<u>                    </u>

	For the year ended	
	31st March, 2018	31st March, 2017
	Rs.	Rs.
<b>2.17 : EMPLOYEE BENEFIT EXPENSE</b>		
Salaries & Wages	1,935,674	2,120,359
Contribution to Provident & Other Funds	82,619	1,302,280
Staff Welfare Expenses	204,250	319,439
	<u>2,222,543</u>	<u>3,742,078</u>

	For the year ended	
	31st March, 2018	31st March, 2017
	Rs.	Rs.
<b>2.18 : FINANCE COST</b>		
<b>Interest Expenses</b>		
On Public Fixed Deposits	—	—
On Term Loan from Financial Institutions and Others	16,781,542	14,675,155
On Loans from Banks for Working Capital	25,730,480	87,412,044
	<u>42,512,022</u>	<u>102,087,199</u>
<b>Other Borrowing Cost</b>		
Foreign Exchange Loss	—	—
	<u>42,512,022</u>	<u>102,087,199</u>

**Notes to Financial Statements for the year ended 31st March, 2018 (Contd.)**

	For the year ended	
	31st March, 2018 Rs.	31st March, 2017 Rs.
<b>2.19 : OTHER EXPENSES</b>		
<b>OPERATING &amp; ADMINISTRATION</b>		
Power & Fuel	120,630	97,410
Insurance	49,434	55,948
Rent	1,200	—
Motor Car Expenses	328,496	440,890
Conveyance & Travelling	106,938	86,009
Rates & Taxes	88,054	190,659
Printing & Stationary	608,300	631,705
Professional & Consultancy Fees	233,240	95,398
Auditor's Remuneration		
As Statutory Audit Fees	105,580	101,200
Windmill Expenses	420,187	607,032
Office Maintenance	55,874	142,162
Legal Charges	235,443	749,065
Postage & Courier Charges	352,076	602,258
Provision for Diminution in value of Investment	2,265,382	—
Prior Period Expense	262,369	—
Loss on sale/discard of Fixed Assets (Net)	632,055	—
Stock Exchange Fees	386,136	341,791
Directors' Fees	121,000	103,000
Meeting Expenses	9,271	5,510
Telephone Expenses	46,236	46,355
Filing Fees	29,417	9,771
General Charges	1,050	8,950
Computer Expenses	22,188	55,371
Subscription	79,740	123,119
Registrar Service Charges	44,770	39,225
GST Payment	25,539	—
Miscellaneous Expenses	28,316	40,370
	<b>6,658,921</b>	<b>4,573,198</b>

	For the year ended	
	31st March, 2018 Rs.	31st March, 2017 Rs.
<b>2.20 : DEPRECIATION AND AMORTIZATION EXPENSES</b>		
Depreciation on Tangible Assets	300,348	4,303,650
	<b>300,348</b>	<b>4,303,650</b>



### Notes to Financial Statements for the year ended 31st March, 2018 (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. 295 crores. However, interest on dues to two banks i.e Indusind Bank portion outside the consortium), Axi 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 2018 (Rs. in lacs)	As at 31st March 2017 (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
	<b>Total</b>	<b>225.39</b>	<b>198.43</b>

- 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) Advance paid / Bank Guarantee of Rs. 26.53 lacs (Previous Year Rs. 26.53 lacs) was issued in favour of Assistant Commissioner of Commercial Tax, Bangalore against an appeal preferred by the company and 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, 2018 (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. <b>Subsidiary Company</b>	Nicco Insurance Agents & Consultants Ltd.
2. <b>Key Managerial personnel</b>	L. N. Kaul - Managing Director A. Saila - Chief Financial Officer S. S. Majumdar - Company Secretary

**Transaction with related parties**

Nature of Transaction	2017-18 (Rs. In lacs)	2016-17 (Rs. In lacs)	Related parties
Remuneration & others	13.21	** 21.69	Key Management Personnel
Expenses incurred	0.04	0.04	Subsidiary Company
Advance paid	—	—	Subsidiary Company
<b>Balance as on 31.03.2018 :</b>			
Expenses recoverable	0.93	1.11	Subsidiary Company
Advance recoverable (Net)	0.31	0.31	Subsidiary Company
Investment in equity shares	*** 5.00	*** 5.00	Subsidiary Company

\*\* Includes contribution to Superannuation Fund

\*\*\* Seventy shares are held by Nominee shareholders

For the year ended  
31st March, 2018  
Rs.

For the year ended  
31st March, 2017  
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

(49,383,031)

(110,901,627)

- (iii) Basic/Diluted Earnings per share (in Rs.) [(ii)/(i)]

(0.59)

(1.34)

**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, 2006.

- 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 31.03.2018 Rs. in lacs	For the year ended on 31.03.2017 Rs. in lacs
Provident Fund	0.11	5.04
Employees Pension Scheme	0.25	0.33
<b>Total</b>	<b>0.36</b>	<b>5.37</b>



**Notes to Financial Statements for the year ended 31st March, 2018 (Contd.)**

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

(Rs. in lacs)

Description	Gratuity		Leave Salary		Superannuation	
	(Funded) 2017-18	(Funded) 2016-17	(Funded) 2017-18	(Funded) 2016-17	(Funded) 2017-18	(Funded) 2016-17
<b>A. Reconciliation of opening and closing balances of obligation</b>						
a) Obligation as on Opening date	2.49	11.69	1.05	5.35	—	18.64
b) Past Service Cost	—	—	—	—	—	8.71
c) Current Service Cost	0.12	0.13	0.036	—	—	1.36
d) Interest cost	0.15	0.52	0.065	0.24	—	—
e) Actuarial (gain)/loss	0.61	(1.10)	0.17	(0.59)	—	—
f) Benefits paid	0.89	8.76	0.39	3.96	—	—
g) Obligation as at Closing date	2.49	2.49	0.94	1.05	—	28.72
<b>B. Change in Plan Assets (Reconciliation of opening &amp; closing balances)</b>						
a) Fair value of plan assets as on Opening date	4.46	12.26	6.59	9.77	—	17.22
b) Expected return on plan assets	0.34	1.01	0.50	0.81	—	1.42
c) Actuarial gain/(loss)	(0.057)	(0.05)	(0.025)	(0.02)	—	—
d) Contributions by the employer	0.005	—	0.00045	—	—	—
e) Benefits paid	0.89	8.75	0.39	3.96	—	—
f) Fair value of plan assets as at Closing date	3.86	4.46	6.68	6.59	—	18.64
<b>C. Reconciliation of fair value of plan assets and present value of defined benefit obligation</b>						
a) Present value of obligation on closing date	2.49	2.49	0.94	1.05	—	28.71
b) Fair value of plan assets on closing date	3.86	4.46	6.68	6.59	—	(18.64)
c) Amount recognised in the balance sheet Net Asset / (Liability)	1.37	1.97	5.74	5.54	—	10.08
<b>D. Expense recognized in the period</b>						
a) Current Service Cost	0.12	0.13	0.036	0.001	—	1.36
b) Past Service Cost	—	—	—	—	—	8.71
c) Interest Cost	0.15	0.52	0.065	0.24	—	—
d) Expected return on plan assets gain/(loss)	0.34	1.01	0.50	0.81	—	—
e) Actuarial gain/(loss)	0.67	(1.05)	0.20	(0.56)	—	—
f) Expense recognised in the period (a to e)	0.61	0.61	(0.20)	(1.12)	—	10.07
	<b>2017-18</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2016-17</b>		
<b>E. Assumptions</b>						
a) Discount rate (per annum) (%)	7.60%	7.14%	—	N/A		
b) Estimated rate of return on plan assets (p.a.) (%)	7.65%	8.25%	—	8.25%		
c) Inflation rate (%)	6.00%	6.00%	—	N/A		
d) Remaining working life (in years)	10	10	—	—		
e) Method used	Projected unit credit method	Projected unit credit method	—	Projected unit credit method		
f) Mortality factor	As per LIC 1994 - 1996	As per LIC 1994 - 1996	—	As per LIC 1994 - 1996		
g) Staff turnover	10 per / 1000 per annum	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	—	6 above age 45 3 between 29 and 45 1 below age 29		



NICCO UCO ALLIANCE CREDIT LIMITED

**Notes to Financial Statements for the year ended 31st March, 2018 (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) amounting to Rs. 292.85 lacs & 6.80 lacs respectively 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, alineate 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 28th day of May, 2018

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 31.03.2018**

(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	
<b>LIABILITIES SIDE :</b>			
1)	<b>Loans and advances availed by the Non-banking financial company inclusive of Interest accrued thereon but not paid :</b>	<b>Amount Outstanding</b>	<b>Amount Overdue</b>
	a) Debentures :		
	Secured		
	Unsecured		
	(other than falling within the meaning of public deposits*)		
	b) Deferred Credits		
	c) Term Loans	49236.96	49236.96
	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)	58792.17	58792.17
	(including interest accrued and due for term loan as well as working capital)		
	*Please see Note 1 below		
2)	<b>Break-up of (1) (f) above (Outstanding public deposits Inclusive of interest accrued thereon but not paid) :</b>		
	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		
<b>ASSETS SIDE :</b>			
3)	<b>Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :</b>		
	a) Secured	0.30	
	b) Unsecured (net of Income Tax provisions)	58.35	
4)	<b>Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities :</b>		
	i) Lease assets including lease rentals under sundry debtors :		
	a) Financial lease		
	b) Operating lease	182.68	
	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		
	<b>TOTAL (pt. 3 &amp; 4)</b>	<b>241.33</b>	



Particulars	Rs. in lacs	
<b>5) Break-up of Investments :</b>		
<b>Current Investments :</b>		
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)		
<b>Long-Term investments :</b>		
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	1017.30	
TOTAL NET OF PROVISION	36.27	

**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	—	31.27
Total	—	36.27

**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	N.A.
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. 211382)
6.	Total assets	Rs. 20374 (excluding Investment)
7.	Total Liabilities	Rs. 181756
8.	Investments	Rs. 450000
9.	Turnover	Nil
10.	Profit/(Loss) before taxation	(Rs. 17329)
11.	Provision for taxation	Nil
12.	Profit/(Loss) after taxation	(Rs. 17329)
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.

**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 28th day of May, 2018

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 AUDITOR'S REPORT

To the members of Nicco Uco Alliance Credit Ltd.

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Nicco Uco Alliance Credit Ltd.** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2018 the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### Auditor's Responsibility

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### 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 (CLW) 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.295 crores.



NICCO UCO ALLIANCE CREDIT LIMITED

Except for Paragraph (d), the impact of other paragraphs on this loss after tax and shareholders' funds of the company are not ascertainable.

#### Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the group as at March 31, 2018
- b) in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

#### Emphasis of matter

Attention is invited to the following points :

Note no. 2.3 iv (a to d) regarding application filed by different banks forming the consortium of bankers and by other banks outside the consortium with Debt Recovery Tribunal and by International Finance Corporation, Washington with Hon'ble Calcutta High Court for recovery of their dues.

#### Other Matters

We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of Rs. 4,70,374/- as at 31st March, 2018, total revenues nil and net cash outflows of Rs. 22,647/- for the year ended on that date, as considered in the consolidated financial statements. Said financial statements are audited by other auditors and 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 the subsidiary, and 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 subsidiary, is based solely on such financial statements.

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, to the extent applicable, that :
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books and account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - (c) The Consolidated Balance Sheet, the consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors of the Holding Companies and subsidiary (incorporated in India) as on 31st March, 2018 taken on record by the respective Board of Directors of the Holding and subsidiary company none of the directors of such companies is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) 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 details of pending litigation in Note 2.24 which are disputed by the company and impact whereof is not readily ascertainable.
    - (ii) There is no long term contracts including derivative contracts which requires provision for material foreseeable losses.
    - (iii) No amount was required to be transfer to investors education and protection fund.

Place : Kolkata

Dated : 28th May, 2018

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

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018**

	Note	Rs.	As at March 31, 2018 Rs.	Rs.	As at March 31, 2017 Rs.
<b>EQUITY AND LIABILITIES</b>					
<b>SHAREHOLDERS' FUND</b>					
Share Capital	2.1	165,636,006		165,636,006	
Reserves and Surplus	2.2	<u>(6,284,801,771)</u>	<b>(6,119,165,765)</b>	<u>(6,235,400,308)</u>	<b>(6,069,764,302)</b>
<b>NON-CURRENT LIABILITIES</b>					
Long-Term Borrowings	2.3	—		—	
Long-Term Provisions	2.4	<u>49,682,615</u>	<b>49,682,615</b>	<u>49,682,615</u>	<b>49,682,615</b>
<b>CURRENT LIABILITIES</b>					
Short-Term Borrowings	2.5	1,067,375,043		1,067,375,043	
Trade Payables	2.6	19,575,319		19,361,343	
Other Current Liabilities	2.7	5,048,977,713		5,007,788,034	
Short-Term Provisions	2.4	<u>—</u>	<b>6,135,928,074</b>	<u>—</u>	<b>6,094,524,420</b>
<b>TOTAL</b>			<b><u>66,444,924</u></b>		<b><u>74,442,732</u></b>
<b>ASSETS</b>					
<b>NON-CURRENT ASSETS</b>					
<b>Fixed Assets</b>					
Tangible Assets	2.8	51,648,608		52,584,503	
Intangible Assets	2.8	—		—	
Capital Work-In-Progress	2.8	<u>—</u>	<b>51,648,608</b>	<u>—</u>	<b>52,584,503</b>
Non-Current Investments	2.9	3,576,092		5,841,474	
Long-Term Loans and Advances	2.10	1,577,314		1,614,132	
Other Non-Current Assets	2.11	<u>793,075</u>	<b>5,946,481</b>	<u>833,302</u>	<b>8,288,908</b>
<b>CURRENT ASSETS</b>					
Trade Receivables	2.12	—		—	
Cash and Bank Balances	2.13	3,228,161		6,552,567	
Short-Term Loans and Advances	2.10	3,659,281		4,602,041	
Other Current Assets	2.11	<u>1,962,394</u>	<b>8,849,835</b>	<u>2,414,714</u>	<b>13,569,322</b>
<b>TOTAL</b>			<b><u>66,444,924</u></b>		<b><u>74,442,732</u></b>

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 28th day of May, 2018

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, 2018**

Particulars	Note	For the year ended 31st March, 2018 Rs.	For the year ended 31st March, 2017 Rs.
<b>INCOME</b>			
Revenue from Operations	2.14	—	—
Other income	2.15	2,310,802	4,189,463
<b>Total Revenue</b>		<b>2,310,802</b>	<b>4,189,463</b>
<b>EXPENDITURE</b>			
Cost of Materials Consumed		—	—
Purchases of Stock-in-Trade		—	—
Changes in Inventories	2.16	—	—
Employee Benefits Expense	2.17	2,222,543	3,742,078
Finance Costs	2.18	42,512,022	102,087,199
Other Expenses	2.19	6,676,249	4,590,222
Depreciation and Amortization Expense	2.20	300,348	4,303,650
Exceptional Items		—	—
<b>Total</b>		<b>51,711,162</b>	<b>114,723,149</b>
<b>Loss before extraordinary items and tax</b>		<b>(49,400,360)</b>	<b>(110,533,686)</b>
Extraordinary Items		—	372,805
<b>Loss before Tax</b>		<b>(49,400,360)</b>	<b>(110,906,491)</b>
Tax Expense :			
Current Tax		—	—
Deferred Tax		—	—
Income Tax for earlier years		—	—
<b>Profit/(Loss) for the period from continuing operations</b>		<b>(49,400,360)</b>	<b>(110,906,491)</b>
Profit/(Loss) from discontinuing operations		—	—
Tax Expense of discontinuing operations		—	—
Profit/(Loss) from Discontinuing operations (after tax)		—	—
<b>Loss for the year</b>		<b>(49,400,360)</b>	<b>(110,906,491)</b>
<b>Earnings Per Share</b>			
Basic and Diluted earning per share (in Rs.)	2.30	<b>(0.59)</b>	<b>(1.34)</b>
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 28th day of May, 2018

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 CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018**

	For the year ended 31st March, 2018 Rs.	For the year ended 31st March, 2017 Rs.
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before tax & extraordinary items	(49,405,603)	(110,533,686)
Add/(Less) : Adjustments for		
Depreciation	300,348	4,303,650
Provisions for diminutions in value of investment	2,265,382	—
Provisions for Employee benefits	—	1,007,562
Dividend on investments	(233,730)	(224,924)
Profit on sale of Investments	—	(304,724)
Loss on sale of fixed assets / hire purchase stock	632,055	—
Liability no longer required written back	—	(417,840)
Interest Expenses	42,512,022	102,087,199
Interest Income	(390,181)	(584,925)
<b>Operating profit / (loss) before working capital changes</b>	<b>(4,319,707)</b>	<b>(4,667,688)</b>
(Increase)/Decrease in loans & advances	—	(1,747,991)
Increase/(Decrease) in trade receivables	754,505	—
Increase/(Decrease) in trade payables/current liabilities	(1,108,368)	(546,399)
Income Tax paid	860,817	(59,670)
Cash generated from operations	(3,812,753)	(7,021,748)
Adjustment for Extraordinary Items	—	(372,805)
<b>Net Cash from Operating activities</b>	<b>(3,812,753)</b>	<b>(7,394,553)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(10,868)	(10,400)
Proceeds from Sale of fixed assets	18,500	—
Proceeds from Sale of Investments	—	319,725
Interest received	246,985	868,450
Dividend received on investments	233,730	224,924
<b>Net Cash used in Investing activities</b>	<b>488,347</b>	<b>1,402,699</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of borrowings	—	—
<b>Net Cash used in Financing activities</b>	<b>—</b>	<b>—</b>
Net increase/(decrease) in cash and cash equivalents	(3,324,406)	(5,991,854)
Opening cash and bank balances	6,552,566	12,544,420
<b>Closing cash and bank balances</b>	<b>3,228,161</b>	<b>6,552,566</b>

**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 28th day of May, 2018

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



## 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, 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, 2006, 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, 2018 (Contd.)****2.1 : SHARE CAPITAL**

	Rs.	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
<b>Authorised</b>			
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>
<b>Issued</b>			
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>
<b>Subscribed and Paid-up</b>			
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><b>165,636,006</b></u>	<u><b>165,636,006</b></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 01.04.2017	83,045,503
Add : Issued during the year (Issued for consideration other than cash)	—
Number of shares outstanding as on 31.03.2018	<u><b>83,045,503</b></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, 2018</u>		<u>As at 31st March, 2017</u>	
	<u>No. of Shares</u>	<u>% Holding</u>	<u>No. of Shares</u>	<u>% Holding</u>
<b>Equity Shares of Rs. 2/- each fully paid</b>				
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, 2018 (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 due as per scheme of merger 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, 2018 Rs.	As at 31st March, 2017 Rs.
<b>2.2 : RESERVES AND SURPLUS</b>		
<b>Capital Reserve I</b>		
Paid up amount on shares forfeited As per last Financial Statements	20,500	20,500
	<u>20,500</u>	<u>20,500</u>
<b>Capital Reserve II</b>		
Non-refundable capital grant As per last Financial Statements	36,875	37,972
Less : Prorata Adjustment of Fixed Assets (Refer Note 2.8 (a))	1,103	1,097
	<u>35,772</u>	<u>36,875</u>
<b>Capital Reserve III</b>		
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>
<b>Total Capital Reserve</b>	<b>(A)</b> <u>1,056,272</u>	<u>1,057,375</u>
<b>Capital Redemption Reserve</b>		
As per last Financial Statements	20,000,000	20,000,000
	<b>(B)</b> <u>20,000,000</u>	<u>20,000,000</u>
<b>Statutory Reserve Fund</b>		
As per last Financial Statements	26,784,772	26,784,772
	<b>(C)</b> <u>26,784,772</u>	<u>26,784,772</u>

**Consolidated Notes to Financial Statements for the year ended 31st March, 2018 (Contd.)**

	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
<b>Surplus / (Deficit)</b>		
As per last Financial Statements	(6,283,242,455)	(6,172,335,964)
Add : Profit / (Loss) for the year	(49,400,360)	(110,906,491)
Less : Adjustment on account of share capital reduction	—	—
<b>Net Surplus / (Deficit)</b>	<b>(D) (6,332,642,815)</b>	<b>(6,283,242,455)</b>
<b>Total (A to D)</b>	<b>(6,284,801,771)</b>	<b>(6,235,400,308)</b>

Non-current portion		Current Maturities	
As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
(Rs.)	(Rs.)	(Rs.)	(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
<b>Total Secured Borrowings</b>	<b>—</b>	<b>—</b>	<b>168,636,500</b>	<b>168,636,500</b>
Amount disclosed under the head "Other Current Liabilities" (Note 2.7)	—	—	(168,636,500)	(168,636,500)
	<b>—</b>	<b>—</b>	<b>(168,636,500)</b>	<b>(168,636,500)</b>

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.



**Consolidated Notes to Financial Statements for the year ended 31st March, 2018 (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.

**Consolidated Notes to Financial Statements for the year ended 31st March, 2018 (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 31.03.2018		Default as on 31.03.2017	
			Principal (Rs.)	Interest (Rs.)	Principal (Rs.)	Interest (Rs.)
<b>Rupee Term Loan from Banks &amp; FI's</b>						
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	107,987,498	11,245,969	91,205,956
I.F.C.I. Loan		For Principal - 1st Jan '2004	3,837,053	34,483,266	3,837,053	28,371,919
<b>Sub-Total</b>			<b>50,321,348</b>	<b>214,512,110</b>	<b>50,321,348</b>	<b>191,619,221</b>
<b>Term Loan in Foreign Currency from banks</b>						
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
<b>Sub-Total</b>			<b>118,315,152</b>	<b>102,344,761</b>	<b>118,315,152</b>	<b>102,344,761</b>
<b>Grand - Total</b>			<b>168,636,500</b>	<b>316,856,871</b>	<b>168,636,500</b>	<b>293,963,982</b>

Long-term		Short-term	
As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
(Rs.)	(Rs.)	(Rs.)	(Rs.)

**2.4 : PROVISIONS**

Provision against Non-Performing Assets (a)	49,682,615	49,682,615	—	—
	<b>49,682,615</b>	<b>49,682,615</b>	<b>—</b>	<b>—</b>

- 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, 2018 (Contd.)**

	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
<b>2.5 : SHORT TERM BORROWINGS</b>		
<b>Secured Borrowing</b>		
Working Capital Demand Loan	739,897,143	739,897,143
Cash Credit	327,477,900	327,477,900
Other Loans & Advances	—	—
	<b><u>1,067,375,043</u></b>	<b><u>1,067,375,043</u></b>
<b>The above amount includes</b>		
Secured Borrowings	1,067,375,043	1,067,375,043
	<b><u>1,067,375,043</u></b>	<b><u>1,067,375,043</u></b>

- 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 much 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, 143 min, 44 min, 83 min, 108 min respectively at Village-Salhawas, Tehsil-Rewari, 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.ix for explanatory disclosure.
- v) The details of default given below showing dates and amount (Principal and Interest) referring note no. 2.5.vi is as furnished by the management.



## Consolidated Notes to Financial Statements for the year ended 31st March, 2018 (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 31.03.2018		Default as on 31.03.2017	
		Principal (Rs.)	Interest (Rs.)	Principal (Rs.)	Interest (Rs.)
<b>Working Capital Demand Loan from banks</b>					
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	478,663,418	10,000,000	459,044,285
INDUSIND BANK MDS/CC15048280		39,931,056		39,931,056	
UTI-BANK LTD.CA-2951 INT.WARRA	1-Apr-04	4,479	—	4,479	—
<b>Sub-Total</b>		<b>865,651,833</b>	<b>3,697,391,843</b>	<b>865,651,833</b>	<b>3,677,772,710</b>
<b>Cash Credit Loan from banks</b>					
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	48,405,456
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
<b>Sub-Total</b>		<b>201,723,210</b>	<b>740,810,528</b>	<b>201,723,210</b>	<b>740,810,526</b>
<b>Total</b>		<b>1,067,375,043</b>	<b>4,438,202,371</b>	<b>1,067,375,043</b>	<b>4,418,583,236</b>


**Consolidated Notes to Financial Statements for the year ended 31st March, 2018 (Contd.)**

	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
<b>2.6 : TRADE PAYABLES</b>		
For Goods & Services (a)	19,575,319	19,361,343
	<b><u>19,575,319</u></b>	<b><u>19,361,343</u></b>

- a) Based on the informations available with the company, there are no dues towards Micro, Small and Medium Enterprises as on 31.03.2018 (P.Y. Nil).

---

	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
<b>2.7 : OTHER CURRENT LIABILITIES</b>		
Current maturities of Long Term Debt ( Refer Note 2.3)	168,636,500	168,636,500
Interest accrued and due on Borrowings	4,755,059,242	4,712,547,220
Employee Cost	97,965	104,966
Duties & Taxes Payable	146,886	198,152
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	211,232	478,613
Payable for Service Tax under litigation	2,932,997	2,932,997
Others	13,717,199	14,713,893
	<b><u>5,048,977,713</u></b>	<b><u>5,007,788,034</u></b>



**Consolidated Notes to Financial Statements for the year ended 31st March, 2018 (Contd.)**

**NOTE 2.8 : TANGIBLE ASSETS**

PARTICULARS OF ASSET	GROSS BLOCK			DEPRECIATION			LEASE ADJUSTMENT A/C			NET BLOCK	
	As at 1st April 2017	Additions/Adjustment during the year	Deductions/Adjustment during the year	As at 31st March 2018	As at 1st April 2017	Provided during the year	Deductions/Adjustment during the year	As at 31st March 2018	As at 31st March 2018	As at 31st March 2017	
<b>OWN ASSET</b>											
Land	28,158,942			28,158,942						28,158,942	
Building	23,659,292		730,380	22,928,912	20,420,260	200,119	730,380	19,889,999		3,038,913	
Furniture, Fixture & Office Equipment	20,184,035	10,868	660,270	19,534,633	19,813,320	82,908	654,364	19,241,864		292,769	
Motor Car	4,017,015		3,630,684	386,331	3,773,637	18,424	3,630,683	161,378		224,953	
Windmill	36,100,798			36,100,798	34,295,758			34,295,758		1,805,040	
Machinery	12,668,627		12,669,627		12,030,221		12,030,221			639,406	
<b>SUB TOTAL</b>	<b>124,789,709</b>	<b>10,868</b>	<b>17,690,961</b>	<b>107,109,616</b>	<b>90,333,196</b>	<b>301,451</b>	<b>17,045,648</b>	<b>73,588,999</b>		<b>33,520,615</b>	
Previous Year	124,779,309	10,400		124,789,709	86,028,449	4,304,747		90,333,196		34,456,511	
<b>FOR LEASE ACTIVITIES</b>											
<b>FINANCE LEASE :</b>											
Computer & Accessories	91,475,691			91,475,691	76,312,549			76,312,549		3,085,975	
Machinery	385,899,571			385,899,571	230,526,700			230,526,700		14,965,241	
Vehicles	292,491,121			292,491,121	237,949,768			237,949,768		407	
Office Equipment	13,972,071			13,972,071	12,806,635			12,806,635		76,352	
Generator set	4,461,540			4,461,540	4,461,540			4,461,540		17	
Furniture & Fixture	16,098,999			16,098,999	14,932,852			14,932,852			
Two Wheeler	884,574			884,574	884,574			884,574			
<b>SUB TOTAL</b>	<b>805,284,567</b>			<b>805,284,567</b>	<b>577,874,618</b>			<b>577,874,618</b>		<b>18,127,992</b>	
Previous Year	805,284,567			805,284,567	577,874,618			577,874,618		18,127,992	
Total of Current Year	930,074,276	10,868	17,690,961	912,394,183	668,207,819	301,451	17,045,648	651,463,617		51,648,607	
Capital W.I.P. of C. Year										799,600	
G. Total of Current Year	930,074,276	10,868	17,690,961	912,394,183	668,207,819	301,451	17,045,648	651,463,617		51,648,607	
G. Total of Previous Year	930,063,876	10,400		930,074,276	663,903,067	4,304,747		668,207,814		52,584,503	

a) Depreciation amounting to Rs. 1,103/- (Previous Year Rs. 1,097/-) 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, 2018 (Contd.)**
**NOTE 2.9 : NON CURRENT INVESTMENTS**

31.03.18	31.03.17	31.03.18	31.03.17		As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
Number of Shares/ Securities/ Bonds/Units		Face Value				
<b>INVESTMENTS :-</b>						
<b>Other than trade (Unless otherwise stated)</b>						
<b>(At cost unless otherwise stated)</b>						
<b>FULLY PAID SHARES / SECURITIES</b>						
<b>INVESTMENT IN EQUITY INSTRUMENT</b>						
<b>Equity Shares in Other Companies - Quoted</b>						
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.	-	-
<b>4,193,491</b>	<b>4,193,491</b>				<b>(A) 63,839,682</b>	<b>63,839,682</b>
<b>Equity Shares in Other Companies - Unquoted</b>						
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, 2018 (Contd.)**

**NOTE 2.9 : NON CURRENT INVESTMENTS (Contd.)**

31.03.18	31.03.17	31.03.18	31.03.17		As at 31st March, 2018 Rs.	As at 31st March, 2017 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>
<b>3,956,353</b>	<b>3,956,353</b>				<b>(B) 34,812,878</b>	<b>34,812,878</b>
				<b>TOTAL INVESTMENT IN EQUITY INSTRUMENTS (A+B)</b>	<b>98,652,560</b>	<b>98,652,560</b>
				<b>INVESTMENTS IN PREFERENCE SHARES - UNQUOTED</b>		
500,000	500,000	10	10	Prestige Foods Ltd.(10% non-cum.convertible Pref. Share)(C)	5,000,000	5,000,000
				<b>INVESTMENT IN GOVERNMENT SECURITIES - UNQUOTED</b>		
				NSC (VIIIth Issue) (D)	15,000	15,000
				<b>INVESTMENTS IN MUTUAL FUNDS-UNQUOTED</b>		
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
3174.518	3174.518			ICICI Prudential	450,000	450,000
				<b>Total (E)</b>	<b>1,638,995</b>	<b>1,638,995</b>
				<b>AGGREGATE VALUE OF NON-CURRENT INVESTMENT [A to E]</b>	<b>105,306,555</b>	<b>105,306,555</b>
				Less : Provision	101,730,463	99,465,081
				<b>Net of Provision</b>	<b>3,576,092</b>	<b>5,841,474</b>

	As at 31st March, 2018		As at 31st March, 2017	
	Book Value (Rs.)	Market Value (Rs.)	Book Value (Rs.)	Market Value (Rs.)
Quoted	65,028,677	21,774,094	65,028,677	20,768,325
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.



**Consolidated Notes to Financial Statements for the year ended 31st March, 2018 (Contd.)**

	Long-term		Short-term	
	As at 31st March, 2018 (Rs.)	As at 31st March, 2017 (Rs.)	As at 31st March, 2018 (Rs.)	As at 31st March, 2017 (Rs.)
<b>2.10 : LOANS &amp; ADVANCES</b>				
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/-)	31,979	68,797	2,899,471	3,723,470
Deposits under subjudice				
Unsecured, considered doubtful	34,000,000	34,000,000	-	-
Loan & Advances to Related Parties				
Unsecured, considered good	-	-	-	-
Other Loans and Advances (Net of provision Rs. 7,98,20,357/-)	-	-	-	-
Advance against supply of Goods and Services				
Unsecured, considered good	-	-	467,224	469,224
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	30,000
Other Loans & Advances				
Prepaid Expenses	-	-	202,160	317,922
To Employees	-	-	60,426	61,426
	<b>1,577,314</b>	<b>1,614,132</b>	<b>3,659,281</b>	<b>4,602,041</b>

	Non Current		Current	
	As at 31st March, 2018 (Rs.)	As at 31st March, 2017 (Rs.)	As at 31st March, 2018 (Rs.)	As at 31st March, 2017 (Rs.)
<b>2.11 : OTHER ASSETS</b>				
Unsecured, considered good				
Interest accrued on Bank Fixed Deposits	-	-	326,883	183,687
Receivable from Windmill customers	-	-	1,635,511	2,231,027
Excess of planned asset over liability towards gratuity A	136,947	197,491	-	-
Excess of planned asset over liability towards leave encashment B	574,128	553,811	-	-
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, 2018 (Contd.)****NOTE 2.11 : OTHER ASSETS (Contd.)**

	Non Current		Current	
	As at 31st March, 2018 (Rs.)	As at 31st March, 2017 (Rs.)	As at 31st March, 2018 (Rs.)	As at 31st March, 2017 (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)	1,376,282	1,376,282	-	-
	<u>988,656,681</u>	<u>988,656,681</u>	-	-
Less : Provision	<u>988,656,681</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	20,353,113	20,353,113	-	-
Less : Provision	(20,293,113)	(20,293,113)	-	-
<b>A+B+C</b>	<b><u>793,075</u></b>	<b><u>833,302</u></b>	<b><u>1,962,394</u></b>	<b><u>2,414,714</u></b>

- 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. 13.46 Lacs (P.Y. Rs. 13.46 Lacs) with Bank of Baroda, 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. 13.76 Lacs (P.Y. Rs. 13.76 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, 2018 Rs.	As at 31st March, 2017 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, 2018 (Contd.)**

	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
<b>2.13 : CASH AND BANK BALANCES</b>		
<b>Cash and Cash Equivalents</b>		
Balances With Banks :		
In Current Account	65,246	99,484
Cash in hand	3,733	4,360
	<u>68,979</u>	<u>103,844</u>
<b>Other Bank Balances</b>		
Fixed Deposit with Banks - (3 to 12 months maturity)	3,159,183	6,448,723
	<u>3,159,183</u>	<u>6,448,723</u>
	<b><u>3,228,161</u></b>	<b><u>6,552,567</u></b>
<hr/>		
	For the year ended 31st March, 2018 Rs.	31st March, 2017 Rs.
<b>2.14 : REVENUE FROM OPERATIONS</b>		
Hire Purchase/ Leasing Income	—	—
	<u>—</u>	<u>—</u>
	<u>—</u>	<u>—</u>
<hr/>		
	For the year ended 31st March, 2018 Rs.	31st March, 2017 Rs.
<b>2.15 : OTHER INCOME</b>		
<b>Interest Income</b>		
On Banks Deposits	327,687	584,925
On Others	62,494	—
<b>Dividend Income</b>		
On Long term Investments	233,730	224,924
<b>Net Gain / (Loss) on sale of Investments</b>		
On Long Term-Investments	—	—
<b>Other Non Operating Income</b>		
Foreign Exchange Fluctuation Gain	—	—
Income from Electricity Generation at Windmill	1,681,648	2,608,565
Profit on sale of Fixed Assets	—	—
Profit on Redemption of Preference Shares	—	304,724
Excess Liabilities, Unclaimed Balances and Provisions written back	—	417,841
Sundry Receipts	5,243	48,484
	<u>2,310,802</u>	<u>4,189,463</u>

**Consolidated Notes to Financial Statements for the year ended 31st March, 2018 (Contd.)**

	For the year ended	
	31st March, 2018	31st March, 2017
	Rs.	Rs.
<b>2.16 : (INCREASE)/ DECREASE IN INVENTORIES</b>		
<b>Inventories at the beginning of the year</b>		
Stock on Hire under Hire Purchase Agreement including Hire Purchase Debtors	956,364,794	956,364,794
<b>Inventories at the end of the year</b>		
Stock on Hire under Hire Purchase Agreement including Hire Purchase Debtors	956,364,794	956,364,794
	<u>—</u>	<u>—</u>

	For the year ended	
	31st March, 2018	31st March, 2017
	Rs.	Rs.
<b>2.17 : EMPLOYEE BENEFIT EXPENSE</b>		
Salaries & Wages	1,935,674	2,120,359
Contribution to Provident & Other Funds	82,619	1,302,280
Staff Welfare Expenses	204,250	319,439
	<u>2,222,543</u>	<u>3,742,078</u>

	For the year ended	
	31st March, 2018	31st March, 2017
	Rs.	Rs.
<b>2.18 : FINANCE COST</b>		
<b>Interest Expenses</b>		
On Public Fixed Deposits	—	—
On Term Loan from Financial Institutions and Others	16,781,542	14,675,155
On Loans from Banks for Working Capital	25,730,480	87,412,044
	<u>42,512,022</u>	<u>102,087,199</u>
<b>Other Borrowing Cost</b>		
Foreign Exchange Loss	—	—
	<u>42,512,022</u>	<u>102,087,199</u>



**Consolidated Notes to Financial Statements for the year ended 31st March, 2018 (Contd.)**

	For the year ended	
	31st March, 2018 Rs.	31st March, 2017 Rs.
<b>2.19 : OTHER EXPENSES</b>		
<b>OPERATING &amp; ADMINISTRATION</b>		
Power & Fuel	120,630	97,410
Insurance	49,434	55,948
Rent	1,200	—
Motor Car Expenses	328,496	440,890
Conveyance & Travelling	106,938	86,009
Rates & Taxes	90,204	192,559
Printing & Stationary	608,300	631,705
Professional & Consultancy Fees	237,864	102,538
Auditor's Remuneration		
As Statutory Audit Fees	111,480	106,868
Windmill Expenses	420,187	607,032
Office Maintenance	55,874	142,162
Legal Charges	235,443	749,065
Postage & Courier Charges	352,076	602,258
Provision for Diminution in value of Investment	2,265,382	—
Prior Period Expense	262,842	—
Loss on sale/discard of Fixed Assets (Net)	632,055	—
Stock Exchange Fees	386,136	341,791
Directors' Fees	121,000	103,000
Meeting Expenses	9,271	5,510
Telephone Expenses	46,236	46,355
Filing Fees	30,952	11,408
General Charges	1,050	8,950
Computer Expenses	22,188	55,371
Subscription	79,740	123,119
Registrar Service Charges	44,770	39,225
GST Payment	25,539	—
Miscellaneous Expenses	28,963	41,049
	<b>6,676,249</b>	<b>4,590,222</b>

	For the year ended	
	31st March, 2018 Rs.	31st March, 2017 Rs.
<b>2.20 : DEPRECIATION AND AMORTIZATION EXPENSES</b>		
Depreciation on Tangible Assets	300,348	4,303,650
	<b>300,348</b>	<b>4,303,650</b>

**Consolidated Notes to Financial Statements for the year ended 31st March, 2018 (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. 295 crores. However, interest on dues to two banks i.e. Indusind Bank portion outside the consortium), Axiom 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 2018 (Rs. in lacs)	As at 31st March 2017 (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
	<b>Total</b>	<b>225.39</b>	<b>198.43</b>

- 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) Advance paid / Bank Guarantee of Rs. 26.53 lacs (Previous Year Rs. 26.53 lacs) was issued in favour of Assistant Commissioner of Commercial Tax, Bangalore against an appeal preferred by the company and 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.



**Consolidated Notes to Financial Statements for the year ended 31st March, 2018 (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. <b>Subsidiary Company</b>	Nicco Insurance Agents & Consultants Ltd.
2. <b>Key Managerial personnel</b>	L. N. Kaul - Managing Director A. Saila - Chief Financial Officer S. S. Majumdar - Company Secretary

**Transaction with related parties**

Nature of Transaction	2017-18 (Rs. In lacs)	2016-17 (Rs. In lacs)	Related parties
Remuneration & others	13.21	** 21.69	Key Management Personnel
Expenses incurred	0.04	0.04	Subsidiary Company
Advance paid	—	—	Subsidiary Company
<b>Balance as on 31.03.2018 :</b>			
Expenses recoverable	0.93	1.11	Subsidiary Company
Advance recoverable (Net)	0.31	0.31	Subsidiary Company
Investment in equity shares	*** 5.00	*** 5.00	Subsidiary Company

\*\* Includes contribution to Superannuation Fund

\*\*\* Seventy shares are held by Nominee shareholders

For the year ended  
31st March, 2018  
Rs.

For the year ended  
31st March, 2017  
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

(49,400,360)

(110,906,491)

- (iii) Basic / Diluted Earnings per share (in Rs.) [(ii)/(i)]

(0.59)

(1.34)

**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, 2006.

- 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 31.03.2018 Rs. in lacs	For the year ended on 31.03.2017 Rs. in lacs
Provident Fund	0.11	5.04
Employees Pension Scheme	0.25	0.33
<b>Total</b>	<b>0.36</b>	<b>5.37</b>



**Consolidated Notes to Financial Statements for the year ended 31st March, 2018 (Contd.)**

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

(Rs. in lacs)

Description	Gratuity		Leave Salary		Superannuation	
	(Funded) 2017-18	(Funded) 2016-17	(Funded) 2017-18	(Funded) 2016-17	(Funded) 2017-18	(Funded) 2016-17
<b>A. Reconciliation of opening and closing balances of obligation</b>						
a) Obligation as on Opening date	2.49	11.69	1.05	5.35	—	18.64
b) Past Service Cost	—	—	—	—	—	8.71
c) Current Service Cost	0.12	0.13	0.036	—	—	1.36
d) Interest cost	0.15	0.52	0.065	0.24	—	—
e) Actuarial (gain)/loss	0.61	(1.10)	0.17	(0.59)	—	—
f) Benefits paid	0.89	8.76	0.39	3.96	—	—
g) Obligation as at Closing date	2.49	2.49	0.94	1.05	—	28.72
<b>B. Change in Plan Assets</b>						
<b>(Reconciliation of opening &amp; closing balances)</b>						
a) Fair value of plan assets as on Opening date	4.46	12.26	6.59	9.77	—	17.22
b) Expected return on plan assets	0.34	1.01	0.50	0.81	—	1.42
c) Actuarial gain/(loss)	(0.057)	(0.05)	(0.025)	(0.02)	—	—
d) Contributions by the employer	0.005	—	0.00045	—	—	—
e) Benefits paid	0.89	8.75	0.39	3.96	—	—
f) Fair value of plan assets as at Closing date	3.86	4.46	6.68	6.59	—	18.64
<b>C. Reconciliation of fair value of plan assets and present value of defined benefit obligation</b>						
a) Present value of obligation on closing date	2.49	2.49	0.94	1.05	—	28.71
b) Fair value of plan assets on closing date	3.86	4.46	6.68	6.59	—	(18.64)
c) Amount recognised in the balance sheet Net Asset / (Liability)	1.37	1.97	5.74	5.54	—	10.08
<b>D. Expense recognized in the period</b>						
a) Current Service Cost	0.12	0.13	0.036	0.001	—	1.36
b) Past Service Cost	—	—	—	—	—	8.71
c) Interest Cost	0.15	0.52	0.065	0.24	—	—
d) Expected return on plan assets gain/(loss)	0.34	1.01	0.50	0.81	—	—
e) Actuarial gain/(loss)	0.67	(1.05)	0.20	(0.56)	—	—
f) Expense recognised in the period (a to e)	0.61	0.61	(0.20)	(1.12)	—	10.07
	<b>2017-18</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2016-17</b>		
<b>E. Assumptions</b>						
a) Discount rate (per annum) (%)	7.60%	7.14%	—	N/A		
b) Estimated rate of return on plan assets (p.a.) (%)	7.65%	8.25%	—	8.25%		
c) Inflation rate (%)	6.00%	6.00%	—	N/A		
d) Remaining working life (in years)	10	10	—	—		
e) Method used	Projected unit credit method	Projected unit credit method	—	Projected unit credit method		
f) Mortality factor	As per LIC 1994 - 1996	As per LIC 1994 - 1996	—	As per LIC 1994 - 1996		
g) Staff turnover	10 per / 1000 per annum	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	—	6 above age 45 3 between 29 and 45 1 below age 29		



**Consolidated Notes to Financial Statements for the year ended 31st March, 2018 (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) amounting to Rs. 292.85 lacs & 6.80 lacs respectively 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, alineate 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 28th day of May, 2018

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, 2018 (Contd.)**

**Additional Disclosure in Consolidated Accounts**

F.Y. : 2017-18

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.)
<b>Parent Co.</b>				
Nicco Uco Alliance Credit Ltd.	99.9965	6118954384	99.9543	49383031
<b>Subsidiary Co.</b>				
Nicco Insurance Agents & Consultants Ltd.	0.0024	288618	0.0351	17329
Adjustment in Consolidation	0.0012	(71994)	0.0106	5243
<b>Total</b>	<b>100</b>	<b>6119171008</b>	<b>100</b>	<b>49405603</b>

The accompanying notes are an integral part of the Financial Statements

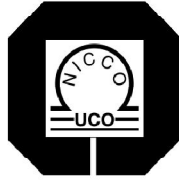
As per our Report of even date annexed  
For G. BASU & CO.  
Chartered Accountants  
Firm Regn. No. 301174E  
P. K. Chaudhuri  
Partner  
M. No. 003814  
3, Chowringhee Approach  
Kolkata - 700072  
the 28th day of May, 2018

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





# Annual Report 2017 - 2018

**NICCO UCO ALLIANCE CREDIT LIMITED**