

N.B.I. INDUSTRIAL FINANCE CO. LTD.

Registered Office: 21, Strand Road, Kolkata 700 001

CIN: L65923WB1936PLC065596

Website: www.nbi-india.co.in

Email: nbifinance@ymail.com

Phone: 033-22309601-04, Fax: 033-22131650

NOTICE

NOTICE is hereby given that the 82nd Annual General Meeting of N.B.I. Industrial Finance Co. Ltd. will be held on Saturday, the 16th September, 2017 at 10.30 A.M. at 21, Strand Road, Kolkata – 700 001 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2017 together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on equity shares for the financial year ended 31st March, 2017.
3. To appoint a Director in place of Shri Ashok Bhandari (DIN: 00012210), who retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Jagdish Prasad Mundra (DIN: 00630475), who retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-appointment.
5. To confirm appointment of M/s D.K. Chhajer & Co., Chartered Accountants, having Firm Registration No.304138E, as Statutory Auditors of the Company, appointed by the Board to hold office for a period of five consecutive years commencing from the conclusion of 82nd Annual General Meeting (AGM) of the Company till the conclusion of the 87th Annual General Meeting to be held in the year 2022, subject to ratification by the members at every AGM and to fix their remuneration for the financial year ending 31st March, 2018 and in this connection to consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to Sections 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s D.K. Chhajer & Co., Chartered Accountants, having Firm Registration No.304138E, be and are hereby appointed as the Statutory Auditors of the Company, to hold office for a period of five consecutive years commencing from the conclusion of the 82nd Annual General Meeting (AGM) till the conclusion of the 87th Annual General Meeting to be held in the year 2022, subject to ratification by the members at every AGM, on a remuneration that may be agreed to mutually by the Board and the Auditors.”

SPECIAL BUSINESS:

6. Sub-division of each Equity Share of ₹10/- each into 2 Equity Shares of ₹5/- each

To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 61(1)(d) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Article 59(iii) and other enabling

provisions of the Articles of Association of the Company and subject to the approvals, consents, permissions and sanctions, if any required from any authority, consent of the members be and is hereby accorded to sub-divide each Equity Share of the nominal value of ₹10/- (Ten) each in the Capital of the Company fully paid-up, into 2 Equity Shares of ₹5/- (Five) each fully paid-up and all the Equity Shares of ₹10/- (Ten) each fully paid, of the Company, be sub-divided accordingly, with effect from the Record Date as may be fixed for the purpose.

RESOLVED FURTHER THAT pursuant to the sub-division of the equity shares of the Company, all the issued, subscribed and paid up equity shares of the nominal value of ₹10/- (Ten) of the Company existing on the Record Date to be fixed by the Company shall stand sub-divided into equity shares of nominal value ₹5/- (Five) each fully paid-up.

RESOLVED FURTHER THAT upon sub-division as aforesaid, the existing Share Certificate(s) in relation to the existing Equity Shares of ₹10/- (Ten) each held in physical form shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date and the Company without requiring the surrender of the existing Share Certificate(s), do directly issue and despatch the new Share Certificate(s) of the Company, *in lieu of* such existing Share Certificate(s) subject to the provisions laid down in the Companies (Issue of Share Certificates) Rules, 1960 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company and in the case of shares held in dematerialised form, the number of sub-divided Equity Shares be credited to the respective beneficiary accounts of the shareholders with the Depository Participants, *in lieu of* the existing credits representing the Equity Shares of the Company before sub-division.

RESOLVED FURTHER THAT disclosure of the event of split of shares be made forthwith to the National Stock Exchange of India Limited (NSE) where the shares of the Company are listed, pursuant to Regulation 30 read with Schedule III Part A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The Record Date for the same be also intimated to NSE pursuant to Regulation 42(e) of the Listing Regulations in due course. In case of corporate benefits arising out of the unclaimed shares, pursuant to Regulation 39(4) read with Schedule VI Part E (1) of the Listing Regulations, the same shall be credited as provided under Sections 124(5) & (6) of the Companies Act, 2013 and the Listing Regulations.

RESOLVED FURTHER THAT the Board of Directors of the Company (the "Board", which expression shall also include a duly authorised Committee thereof) be and is hereby authorised to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things and to give, from time to time, such directions as may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution and to delegate all or any of the powers herein vested in the Board, to any Director(s) or Officer(s) of the Company as may be required to give effect to the above resolution."

7. Alteration of Memorandum of Association of the Company

To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Section 13, 61 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the existing

Clause V of the Memorandum of Association of the Company be substituted with the following new clause:

- V. The Authorized Share Capital of the Company is ₹10,00,00,000/- (Rupees Ten Crores only) divided into 2,00,00,000 Equity Shares of ₹5/- (Five) each with such rights, privileges or conditions attached thereto as may be determined by the Board at the time of issue, with powers to increase and decrease the Capital and to divide the shares into several classes.

RESOLVED FURTHER THAT the Board of Directors of the Company (the "Board", which expression shall also include a duly authorised Committee thereof) be and is hereby authorised to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things and to give, from time to time, such directions as may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution and to delegate all or any of the powers herein vested in the Board, to any Director(s) or Officer(s) of the Company as may be required to give effect to the above resolution."

8. To appoint Shri Mukesh Chaturvedi as Secretarial Auditor of the Company and in this regard to consider and if thought fit, to pass, with or without modifications(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Shri Mukesh Chaturvedi (CP No.3390), a Secretary in Whole-time Practice (CSP), be and is hereby appointed as the Secretarial Auditor of the Company in terms of the provisions of Section 204 of the Companies Act, 2013 to hold the office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on such remuneration as may be determined by the Board and agreed to by him."

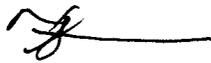
9. To authorise Board to make donations to *bona fide* charitable and other funds and in this connection to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT in supersession of all earlier resolutions passed in this behalf and in connection therewith, pursuant to the provisions of Section 181 and other applicable provisions, if any, of the Companies Act, 2013, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to contribute to *bona fide* charitable and other funds such sums as may be decided by the Board of Directors from time to time in excess of the limit specified in the said section so however that the aggregate sums so contributed shall not exceed Rupees Two Crores in any financial year, effective from financial year 2017-18."

Registered Office:
21, Strand Road,
Kolkata – 700 001

Date: 26th June, 2017

By order of the Board


(BANKAT LAL GAGGAR)
Director
DIN: 00404123

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED, NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM FOR THE MEETING IS ENCLOSED. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN 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 A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. A proxy form for the Annual General Meeting is enclosed.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 11th September, 2017 to 16th September, 2017 (both days inclusive).
3. Subject to the provisions of the Act, dividend as recommended by the Board, if declared at the meeting, will be paid within a period of 30 days from the date of declaration, to those members whose names appear on the Register of Members as on 9th September, 2017. The recommended dividend is ₹1/- per equity share (Pre Stock Split).
4. Members are requested to bring the attendance slip along with their copy of the Annual Report to the Meeting.
5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers etc. to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and its Registrars and Transfer Agents (RTA), Maheshwari Datamatics Pvt. Ltd. (MDPL) to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to RTA.
7. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate risks associated with physical shares and for ease of portfolio management. The Company has made arrangements with NSDL and CDSL to offer facility of dematerialisation of securities to its shareholders. The ISIN allotted by the depositories to the Company is – INE365101012. Members may contact the Depository Participant for assistance in this regard.
8. Members holding shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the details of such folios together with the share certificates to RTA, for consolidation into single folio.
9. **For smooth and secure payment of dividend members are requested to intimate/update their bank account details with their DP / RTA of the Company, as the case may be, i.e. Bank Account No., Bank Name and Branch Address, IFS Code and 9 digit MICR Code of the bank branch. Further, the members holding shares in physical form are also advised to send a cancelled cheque leaf with name printed on it to the RTA of the Company.**
10. Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to Members the facility to exercise their right to vote by electronic means. The Members may cast their votes

using an electronic voting system from a place other than the venue of the meeting ('remote e-voting'). The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Saturday, 9th September, 2017, i.e. the date of commencement of book closure date are entitled to vote on the Resolutions set forth in this Notice. Members who have acquired shares after the despatch of the Annual Report and before the book closure may approach the Company/RTA for issuance of the User ID and Password for exercising their right to vote by electronic means. The e-voting period will commence at 10.00 A.M. on Wednesday, 13th September, 2017 and will end at 5.00 P.M. on Friday, 15th September, 2017. The Company has appointed Mr. Mahesh Agrawal, Practising Chartered Accountant, to act as the Scrutiniser, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

PROCEDURE FOR E-VOTING

The Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting for Annual General Meeting. The instructions for e-voting are as under:

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field – Sequence number is communicated in the Attendance Slip/ Covering Letter.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.

- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> i.e. N.B.I. Industrial Finance Co. Ltd. on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy of the Notice:

Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

- (A) The voting period begins at 10.00 A.M. on Wednesday, 13th September, 2017 and will end at 5.00 P.M. on Friday, 15th September, 2017. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Saturday, 9th September, 2017, may cast their vote electronically. The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by CDSL upon expiry of aforesaid period.

- (B) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
- (C) The facility for voting through ballot paper shall be made available at the AGM and the members as on the “cut-off date” i.e. 9th September, 2017, attending the meeting who have not cast their vote by e-voting shall be able to exercise their right to vote at the meeting through ballot paper.
11. Additional information, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the directors seeking re-appointment at the Annual General Meeting, is furnished as annexure to the Notice.
12. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the business under item nos.6 to 9 of the Notice is annexed hereto and forms part of the Notice.
13. Members having queries on Accounts are requested to send the same to the Company at its registered office or through mail at least 7(seven) days before the date of AGM to enable the Company to keep the clarifications ready.

ANNEXURE TO THE NOTICE

Additional information on directors recommended for re-appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Item No.3

Shri Ashok Bhandari

Shri Ashok Bhandari is a Non-Executive Director of the Company.

Mr. Bhandari is a Science Graduate and a Fellow Member of the Institute of Chartered Accountants of India. He joined the Company's Board in 2000 and has skill, knowledge and experience in Corporate Management and also in the business carried on by the Company. Mr. Bhandari has given a declaration that he is not disqualified from being re-appointed as a Director in terms of Section 164(2) of the Companies Act, 2013 and rules framed thereunder.

Disclosure of relationship between directors *inter-se*
NIL

Listed Companies (other than this Company) in which he holds directorship and committee membership

Directorship

Maithan Alloys Ltd.

NPR Finance Ltd.

Intrasoft Technologies Ltd.

Shareholding in the Company

NIL

Item No.4

Shri Jagdish Prasad Mundra

Shri J.P. Mundra is a Non-Executive Director of the Company.

Mr. Mundra is a Law Graduate and an MBA. He joined the Company's Board in 2012 and has appropriate skill, knowledge and experience in Corporate Management and also in the business carried on by the Company. Shri Mundra has given a declaration that he is not disqualified from being re-appointed as a Director in terms of Section 164(2) of the Companies Act, 2013 and rules framed thereunder.

Disclosure of relationship between directors *inter-se*
NIL

Listed Companies (other than this Company) in which he holds directorship and committee membership

Directorship

Western India Commercial Co. Ltd.

Membership of Board Committees

Western India Commercial Co. Ltd.

1. Nomination and Remuneration Committee
2. Stakeholders Relationship Committee

Shareholding in the Company

NIL

EXPLANATORY STATEMENT

Voluntary Explanation to Item of Ordinary Business No.5:

The Companies Act, 2013 (the Act) was notified effective April 1, 2014. Section 139 of the Act lays down the criteria for appointment and mandatory rotation of statutory auditors. Pursuant to section 139 of the Act and the Rules made thereunder, it is mandatory to rotate the statutory auditors on completion of two terms of five consecutive years. The Rules also lay down the transitional period that can be served by the existing auditors as on 1st April, 2014 depending on the number of consecutive years for which an audit firm has been functioning as auditor in the same company. The incumbent auditors, Lakhota & Co., Chartered Accountants having Firm Registration No.313149E have served the Company for over 10 years before the Act was notified and will be completing the maximum number of years of transitional period (three years) at the ensuing 82nd Annual General Meeting (AGM).

The Audit Committee of the Company has proposed and the Board has recommended the appointment of D.K. Chhajer & Co., Chartered Accountants having Firm Registration No.304138E as the statutory auditors of the Company to hold office for a period of 5(five) consecutive years from the conclusion of the 82nd AGM till the conclusion of the 87th AGM to be held in the year 2022. The first year of audit of the financial statements will be for the year ending March 31, 2018, which will include the review of the quarterly financial statements in respect of the said financial year.

The shareholders are requested to assent to the proposed resolution.

As required by section 102 of the Companies Act, 2013 (the Act), the following explanatory statement sets out all material facts relating to the business mentioned under item nos.6 to 9 of the accompanying Notice.

Item No.6

The Equity Shares of the Company are listed on National Stock Exchange of India Limited (NSE). In order to facilitate the benefit of more liquidity and broad basing of small investors, the Board of Directors of the Company, in its meeting held on 26th June, 2017 has approved the sub-division of the present nominal value of Equity Shares of the Company of ₹10/- each into smaller denomination of ₹5/- each, subject to approval of members.

Accordingly, each Equity Share of the Company of the nominal value of ₹10/- each existing on the Record Date shall stand sub-divided into 2 Equity Shares of the nominal value of ₹5/- each. The Record Date for the aforesaid sub-division of Equity Shares will be fixed after the approval of the shareholders is obtained.

The Board recommends the Resolution as set out in Item No.6 of the accompanying Notice for the approval of Members of the Company as a Special Resolution. None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in the Resolution except to the extent of their shareholding in the Company, if any.

Item No.7

The proposed sub-division of the Equity Shares of the Company of ₹10/- each into smaller denomination of ₹5/- each requires amendment to the Memorandum of Association of the Company. Accordingly Clause V of the Memorandum of Association is proposed to be amended as set out in Item no.7 of the accompanying Notice reflecting the corresponding changes in the Authorised Share Capital of the Company consequent to the proposed sub-division i.e. from ₹10,00,00,000/- (Rupees Ten Crore only) divided into 1,00,00,000 (One

Crore) Equity Shares of ₹10/- (Ten) each to ₹10,00,00,000/- (Rupees Ten Crore only) divided into 2,00,00,000 (Two Crore) Equity Shares of ₹5/- (Five) each.

The Board of Directors of the Company has approved this item in its Meeting held on 26th June, 2017 and recommends the Resolution as set out in Item No.7 of the accompanying Notice for the approval of Members of the Company as a Special Resolution. None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in the Resolution except to the extent of their shareholding in the Company, if any.

Item No.8

The Company has to have its secretarial audit conducted for the fiscal 2018 and for the purpose the Company is required to appoint a Secretary in Whole-time Practice (CSP).

Shri Mukesh Chaturvedi (CP No.3390), a Secretary in Whole-time Practice (CSP) has consented to act as Secretarial Auditor of the Company in terms of Section 204 of the Act to hold office till the conclusion of the next Annual General Meeting on such remuneration as the Board of Directors may determine and agreed to by him.

The Board recommends the resolution for approval of Members as set out in Item No.8 of the Notice convening the Meeting.

Shri Mukesh Chaturvedi is concerned in the Resolution of the accompanying Notice relating to his own appointment. No other Director or Key Managerial Personnel (KMP) or their relatives are concerned or interested in the Resolution.

Item No.9

Section 181 of the Companies Act, 2013, *inter alia*, provides that any amount contributed to any *bona fide* charitable and other funds, the aggregate of which, in any financial year, exceeds five percent of the Company's average net profits for the three immediately preceding financial years needs prior approval of the members of the Company.

The resolution set out in the Notice is an enabling one and is meant to authorise the Board of Directors of the Company to contribute to *bona fide* Charitable and other funds such sums as may be decided by the Board of Directors from time to time commencing from the financial year 2017-18 so however that the sums so contributed in total shall not exceed Rupees Two Crores in any financial year.

None of the Directors or Key Managerial Personnel or their relatives are concerned or interested in the Resolution.

N.B.I. INDUSTRIAL FINANCE COMPANY LIMITED

CIN: L65923WB1936PLC065596

DIRECTORS' REPORT

TO THE SHAREHOLDERS

Your Directors have pleasure in presenting the 82nd Annual Report of your Company together with the Audited Accounts of the Company for the year ended 31st March, 2017.

FINANCIAL RESULTS

The summarised results of your Company are given in the table below:-

	Year ended 31.03.2017 (₹)	Year ended 31.03.2016 (₹)
Profit before Depreciation & Provisions	997,937,361	33,210,769
Less : Depreciation	22,099	21,673
Profit before Taxation	997,915,262	33,189,096
Less : Provision for Current Tax	191,402,000	77,000
Tax relating to earlier years	(76,926)	(890,139)
Provision for Deferred Tax	(177,776)	(125,519)
Profit after Tax	806,767,964	34,127,754
Add : Balance of Profit from Previous year	26,897,114	24,594,960
	<u>833,665,078</u>	<u>58,722,714</u>
APPROPRIATIONS :		
Transfer to Reserve Fund (as per RBI Guidelines)	161,353,600	6,825,600
Proposed Dividend on Equity Shares (₹1/- per share)	1,228,403	-
Dividend Distribution Tax on Proposed Dividend	250,074	-
Transfer to General Reserve	300,000,000	25,000,000
Balance Carried to Balance Sheet	370,833,001	26,897,114
	<u>833,665,078</u>	<u>58,722,714</u>

DIVIDEND

The Board has recommended a dividend of ₹1/- per equity share of ₹10/- each for the year ended 31st March, 2017 subject to approval of the members at the ensuing Annual General Meeting.

SHARE CAPITAL

The Company has only one class of shares – equity shares of par value ₹10/- each. Its authorised capital as on 31st March, 2017 was ₹10 crore divided into 1 crore equity shares of ₹10/- each. The paid-up equity capital of the Company stood at ₹122.84 Lac as at 31st March, 2017. During the year under review, the Company has not issued any shares. The Board has proposed subject to members approval to sub-divide each Equity Share of the nominal value of ₹10/- (Ten) each in the Capital of the Company fully paid-up, into 2 Equity Shares of ₹5/- (Five) each fully paid-up and all the Equity Shares of ₹10/- (Ten) each fully paid would then stand converted into equity shares of ₹5/- each on approval of the members at the ensuing Annual General Meeting by way of Special Resolution with consequential amendment to the Capital Clause of the Memorandum of Association of the Company as proposed.

TRANSFER TO RESERVES

The Board proposes to transfer ₹1613.54 Lac to Reserve Fund pursuant to RBI Guidelines, ₹3000 Lac to the General Reserve out of the amount available for appropriations and an amount of ₹3708.33 Lac is proposed to be retained in the Profit and Loss Account.

REVIEW OF OPERATIONS AND STATE OF COMPANY'S AFFAIRS

Total income during the year under review amounted to ₹10088.92 Lac as against ₹383.01 Lac in the preceding year. Profit after tax stood at ₹8067.68 Lac as against ₹341.28 Lac in the previous year.

The Company continues to remain registered as a Non-Banking Financial Company with the Reserve Bank of India.

No material changes and commitments have occurred after the close of the year till the date of this report, which affect the financial position of the Company.

ASSOCIATE COMPANIES

The Venkatesh Co. Ltd. and The Laxmi Salt Co. Ltd. have ceased to be the associates of this company. Therefore, preparation of Consolidated Financial Statements is not required.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the Rules), all unpaid or unclaimed dividends are required to be transferred to the IEPF established by the Central Government, after the completion of the seven years. However, no such amount of unpaid / unclaimed dividend is transferable by the Company.

PUBLIC DEPOSITS

The Company has not accepted any deposit from the public during the year.

PARTICULARS OF LOANS AND GUARANTEES

The Company being a Non-Banking Financial Company registered under Chapter IIIB of the Reserve Bank of India Act, 1934 (2 of 1934) provisions of Section 186 of the Companies Act, 2013 are not applicable to the Company.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

During the year, the Company had not entered into any contract / arrangement / transaction with related parties, attracting the requirement of disclosure in this report as per provisions of Section 188 of the Act except for remuneration to the key managerial personnel which is suitably disclosed in the Notes to Accounts.

INTERNAL FINANCIAL CONTROL

The Company has in place adequate internal control procedures commensurate with its size and nature of its business. The Company has appointed internal auditors who review the internal financial control system. The Audit Committee reviews the reports of the internal auditors and ensures implementation of their suggestion and improvement. During the year, no reportable material weakness in the design or operation was observed.

RISK MANAGEMENT

The main identified risks at the Company are Commercial Risks, Financial Risks, Operational Risks and Legal & Regulatory Risks. The Risk Management is overseen by the Audit Committee of the Company on a continuous basis. The Audit Committee ensures that risks to the Company's continued existence as a going concern and to its development are identified and addressed on timely basis. Constitution of Risk Management Committee is not mandatory for the Company as per Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Companies Act, 2013 and the Company's Articles of Association, Shri Ashok Bhandari (DIN:00012210) and Shri Jagdish Prasad Mundra (DIN:00630475), Directors of the Company retire by rotation and being eligible offer themselves for re-appointment.

The Board recommends their re-appointment and accordingly resolutions seeking approval of the members for their re-appointments have been included in the Notice of forthcoming Annual General Meeting of the Company along with their brief profile.

Shri Ram Narain Mundhra and Shri Babu Lal Surana are the Independent Directors of the Company. The Independent Directors have appropriate skill, knowledge and experience in the business carried on by the Company.

The Company has received declarations from both the Independent Directors confirming that they meet the criteria of Independence as prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has practice of conducting familiarisation program for the independent directors.

Shri S.P. Kumar is the Manager and Chief Financial Officer of the Company.

Priyanka Mishra is the Company Secretary of the Company. She has also been designated to act as the Compliance Officer of the Company.

The Independent Directors, Directors and Senior Management including the employees have complied with their obligations as mentioned under Regulations 25 and 26 of the Listing Regulations.

BOARD EVALUATION

The performance evaluation of the Board, its Committees and Individual Directors was conducted after seeking inputs from all directors on the basis of criteria such as the composition and structure, effectiveness of processes, functioning etc.

The Independent Directors held a separate meeting, which reviewed the performance of non-independent directors and the Board as a whole, took into account the views of non-executive directors and to assess the quality, quantity and timeliness of flow of information between the management and the Board. The Independent Directors were satisfied with the performance of the Board as a whole and timeliness of flow of information.

Some of the key criteria for performance evaluation are as follows:-

Performance evaluation of Directors:

- Attendance at Board or Committee meetings.
- Contribution at Board or Committee meetings.
- Guidance / support to management outside the Board / Committee meetings.

Performance evaluation of Board and Committees:

- Board structure and composition
- Degree of fulfilment of key responsibilities
- Establishment and delineation of responsibilities to Committees
- Effectiveness of Board processes, information and functioning
- Board culture and dynamics
- Quality of relationship between Board and Management
- Efficacy of communication with external shareholders.

AUDITORS AND AUDITORS' REPORT

M/s Lakhota & Co., Chartered Accountants having Firm Registration No.313149E, who are Statutory Auditors of the Company, hold office till the conclusion of the ensuing Annual General Meeting (AGM) and are liable to rotation. Pursuant to the provisions of section 139 of the Companies

Act, 2013 and the Rules framed thereunder, members are required to confirm the appointment of M/s D.K. Chhajer & Co. as Statutory Auditors of the Company who have appointed by the Board of Directors for a period of five consecutive years from the conclusion of the 82nd AGM till the conclusion of the 87th AGM. Members may refer to the explanation in Explanatory Statement to item no.5 in the Notice convening the Annual General Meeting.

The Company has received a certificate from M/s D.K. Chhajer & Co. to the effect that their appointment, if made/confirmed, would be in accordance with the provisions of section 141 of the Companies Act, 2013 and that they are not disqualified from being appointed as auditors.

The report of the Auditors is self-explanatory and does not call for any further comments.

SECRETARIAL AUDIT REPORT

The Secretarial Audit for the financial year 2016-17 has been conducted by Shri Mukesh Chaturvedi, Practising Company Secretary. The Secretarial Audit Report for the financial year ended 31st March, 2017 is annexed to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark requiring explanation or clarification from the Board.

MEETINGS OF THE BOARD

Five meetings of the Board and One meeting of Independent Directors were held during the year. The intervening gap between the meetings of the Board was within the period prescribed under the Companies Act, 2013.

AUDIT COMMITTEE

The Audit Committee was constituted by the Board of Directors and comprises two Independent Directors namely Shri Ram Narain Mundhra (Chairman) and Shri Babu Lal Surana and Shri Jagdish Prasad Mundra as the other member and is currently functioning as such.

VIGIL MECHANISM

Pursuant to the provisions of Section 177 of the Companies Act, 2013, the Company has established a 'VIGIL MECHANISM' for Directors and Employees to report concerns of unethical behavior, actual or suspected, or violation of Company's ethics policy and provide safeguard against victimization of employees.

NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration Committee was constituted by the Board of Directors consisting of two Independent Directors namely Shri Ram Narain Mundhra and Shri Babu Lal Surana and one Non-Executive Director namely Shri Ashok Bhandari and is currently functioning as such.

REMUNERATION POLICY

The Board in consultation with the Nomination & Remuneration Committee has framed a Policy for selection and appointment of Directors, Senior Management including criteria for determining qualifications, positive attributes and independence of a director which is annexed hereto and forms part of this Report. Policy relating to remuneration for the directors, key managerial personnel and other employees is also annexed hereto and forms part of this Report.

STAKEHOLDERS RELATIONSHIP COMMITTEE

As per the provisions of Section 178 of the Companies Act, 2013 and the Listing Regulations, Stakeholders Relationship Committee is duly constituted by the Board consisting of Directors Shri Ashok Bhandari and Shri Bankat Lal Gaggar for the purpose of attending to investors' grievances including transfer / transmission of shares of the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Provisions relating to Corporate Social Responsibility (CSR) as prescribed under the Companies Act, 2013 and Rules made thereunder have since become applicable to the Company from the current financial year i.e. 2017-18. The Board has therefore constituted on 29th April, 2017 a CSR Committee for formulating and overseeing the execution of the Company's CSR Policy. The CSR Committee comprises of two independent directors and two non-executive directors. The members of the CSR Committee are:

Sr. No.	Name	Designation in Company	Status in the Committee
1	Shri Ram Narain Mundhra	Independent Director	Chairman
2	Shri Babu Lal Surana	Independent Director	Member
3	Shri Bankat Lal Gaggar	Director	Member
4	Shri Jagdish Prasad Mundra	Director	Member

EXTRACT OF ANNUAL RETURN

The extract of Annual Return as provided under Section 92(3) of the Companies Act, 2013 is annexed hereto in the prescribed form and forms part of this Report.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There are no significant & material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134(5) of the Companies Act, 2013, the Board of Directors of the Company hereby states and confirms that:

- i) in preparation of the Annual Accounts for the financial year 2016-17, the applicable accounting standards have been followed alongwith proper explanation relating to material departures, if any
- ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) they have prepared the Annual Accounts for the period ended 31st March, 2017 on a going concern basis;
- v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating properly;
- vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

None of the employees is drawing remuneration in excess of the limits set out in Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 appended to the Companies Act, 2013.

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 as amended is annexed hereto forming part of this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

Since the Company has no manufacturing activity, particulars relating to Conservation of Energy and Technology Absorption stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014, are not applicable. There were no foreign exchange earnings and outgo during the year.

LISTING AT NATIONAL STOCK EXCHANGE OF INDIA LIMITED (NSE)

The Company's securities namely equity shares were admitted for trading at the NSE on 21.11.2016. The trading started with effect from 7th December, 2016. The Shares of the Company bear the symbol NBIFIN for trading on NSE.

LISTING AGREEMENT & FEE

The Securities and Exchange Board of India (SEBI), on September 2, 2015, issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the aim to consolidate and streamline the provisions of the Listing Agreement for different segments of capital market to ensure better enforceability. The said regulations were effective December 1, 2015. Accordingly, all listed entities were required to enter into the Listing Agreement within six months from the effective date. The Company has entered into a Listing Agreement with National Stock Exchange of India Limited (NSE) where the shares of the Company are presently listed. The Company has paid the listing fee to the Stock Exchange upto the financial year 2017-18.

CORPORATE GOVERNANCE

In terms of the provisions of Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Corporate Governance Report for fiscal 2017 is annexed to and forms part of this annual report. There are no demat suspense / unclaimed suspense account as on the date of this Report as required under Schedule V Part F of the Listing Regulations.

MANAGEMENT DISCUSSION AND ANALYSIS

In terms of the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the management discussion and analysis is set out hereunder and forms part of this Annual Report.

BUSINESS RESPONSIBILITY REPORT

In terms of the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, inclusion of Business Responsibility Report as part of the Annual Report is not applicable to the Company.

CODE OF CONDUCT

The Company is compliant of requirement of Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is applicable to the Company by framing Code of Business Conduct and Ethics ("Code of Conduct"). The Code of Conduct is applicable to the employees including directors of the Company and is available on the Company's website. All employees including directors of the Company have affirmed compliance to the Code of Conduct as on March 31, 2017.

PREVENTION OF INSIDER TRADING

The Company has adopted an Insider Trading Policy to regulate, monitor and report trading by insiders under the SEBI (Prohibition of Insider Trading) Regulations, 2015. This Policy also includes

code of practices and procedures for fair disclosure of unpublished price sensitive information, initial and continual disclosure. The Board reviews the Policy / Code on a need-to-know basis. This Policy is available on our website.

FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS

All new independent directors inducted into the Board attend an orientation program. Further, at the time of appointment of an independent director, the Company issues a formal letter of appointment outlining his/her role, functions, duties and responsibilities. The familiarisation program is available on our website.

POLICIES

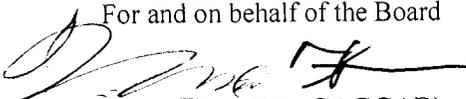
In addition to its Code of Business Conduct and Ethics, key policies that have been adopted by the Company and uploaded on its website are as under:

Name of the Policy	Web link
Policy for selection and appointment of Directors, Senior Management including criteria for determining qualifications, positive attributes and independence of the directors	http://www.nbi-india.co.in/policies/NBIAppointment_Policy.pdf
Archival Policy for Website content	http://www.nbi-india.co.in/policies/NBI Archival_Policy.pdf
Policy on Determination of Materiality	http://www.nbi-india.co.in/policies/NBI Determination_of_Materiality.pdf
Familiarisation Program for Independent Directors	http://www.nbi-india.co.in/policies/NBI Familiarisation_Program.pdf
Insider Trading Code	http://www.nbi-india.co.in/policies/NBI Insider_Trading_Code.pdf
Policy for Determining Material Subsidiary	http://www.nbi-india.co.in/policies/NBI Material_Subsiary.pdf
Related Party Transactions Policy	http://www.nbi-india.co.in/policies/NBI Related_Party_Transactions_Policy.pdf
Policy relating to remuneration for the directors, key managerial personnel and other employees	http://www.nbi-india.co.in/policies/NBI Remuneration_Policy.pdf
Vigil Mechanism and Whistle Blower Policy	http://www.nbi-india.co.in/policies/NBI Whistle_Blower_Policy.pdf
Prohibition of Insider Trading	http://www.nbi-india.co.in/policies/NBI Prohibition_of_Insider_Trading_Policy.pdf
Corporate Social Responsibility Policy	http://www.nbi-india.co.in/policies/NBI CSR_Policy.pdf

ACKNOWLEDGEMENTS

The Directors place on record their appreciation for the support the Company continues to receive from its Bankers and Shareholders and acknowledge the valuable contribution from the employees of the Company.

Place: Kolkata
Dated: 26th June, 2017

For and on behalf of the Board

(J.P. MUNDRA) **(B.L. GAGGAR)**
 DIN:00630475 DIN:00404123
 Directors

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2017

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

N.B.I. INDUSTRIAL FINANCE COMPANY LIMITED,
21, Strand Road, Kolkata – 700 001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by N.B.I. INDUSTRIAL FINANCE COMPANY LIMITED (hereinafter called the company). 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 N.B.I. INDUSTRIAL FINANCE COMPANY LIMITED, 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, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2017 generally 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 N.B.I. INDUSTRIAL FINANCE COMPANY LIMITED, ("the Company") for the financial year ended on 31.03.2017 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. **Not Applicable;**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. **Not Applicable;**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. **Not Applicable;**
 - (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;**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.**Not Applicable;**

(vi) The Other laws, as informed and certified by the management of the Company which are specifically applicable to the Company based on their sector/industry are

- a) Professional Tax Act
- b) West Bengal Shop and Establishment Act,1963
- c) The Employees Provident Funds and Miscellaneous Provisions Act,1952
- d) Reserve Bank of India Act, 1934

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) LODR as the Company is listed with National Stock Exchange of India Ltd. (NSE) vide its letter dated 21-11-2016.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

The Company has Company Secretary with effect from 1-6-2016.

I further report that

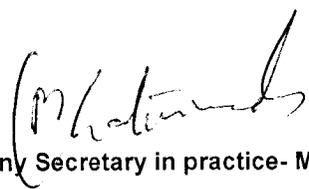
The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors & Independent Directors. Though the Company has no Executive Director but they have Manager, CFO and CS. There was no change in the composition of the Board of Directors.

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.

All decisions at the Board Meetings are carried out unanimously as recorded in the Minutes of the Meeting of the Board of Directors.

I further report that 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.

Place: Kolkata
Date : 30/05/2017

Signature: 
Name of Company Secretary in practice- Mukesh Chaturvedi
ACS No.:10213
C P No.:3390



Policy for selection and appointment of Directors, Senior Management including criteria for determining qualifications, positive attributes and independence of the director

Introduction

N.B.I. Industrial Finance Co. Ltd. (NBI) believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance.

NBI recognizes the importance of independent directors in achieving the effectiveness of the Board. NBI aims to have an optimum combination of Non-Executive and Independent Directors.

Scope and Exclusion

This Policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent directors of the Company.

Terms and References

In this Policy, the terms shall have the following meanings:

“**Director**” means a director appointed to the Board of the Company.

“**Nomination & Remuneration Committee**” means the committee constituted by NBI’s Board in accordance with the provisions of Section 178 of the Companies Act, 2013.

“**Independent Director**” means a director referred to in Section 149(6) of the Companies Act, 2013.

Policy

Qualifications and Criteria

The Nomination & Remuneration Committee, and the Board, shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company’s business operations.

In evaluating the suitability of individual Board members, the Committee may take into account factors such as:

- General understanding of the Company’s business dynamics and social perspective;
- Educational and professional background;
- Standing in the profession;
- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and zeal in carrying out their duties and responsibilities effectively.

The proposed appointee shall also fulfill the following requirements:

- Shall possess a Director Identification Number (DIN);
- Shall not be disqualified under the Companies Act, 2013;
- Shall give his written consent in prescribed form to act as a Director;
- Shall endeavour to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;
- Shall abide by the ethics policy established by the Company for Directors, employees and Senior Management Personnel;
- Shall disclose his concern or interest in any Company or Companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013 and other relevant laws.

The Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

Criteria of Independence

The Committee shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determination of independence when any new interests or relationships are disclosed by the Director.

To follow the criteria of independence as laid down in the Companies Act, 2013.

The Independent Directors shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013.

Other directorships / committee memberships

The Board members are expected to have adequate time, expertise and experience to contribute to effective Board performance. The Committee shall take into account the nature of, and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be Public Limited Companies.

A Director shall not serve as an Independent Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company.

A Director shall not be a member in more than 10 committees or act as Chairman of more than 5 committees across all companies in which he holds directorship.

Note: For the purpose of considering the limit of the Committees, Audit Committee and Stake holders' Relationship Committee of all Public Limited Companies, whether listed or not, shall be included and all other companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 shall be excluded.


Director.


Director.

Policy relating to remuneration for the directors, key managerial personnel and other employees

Introduction

N.B.I. Industrial Finance Co. Ltd. (NBI) recognizes the importance of aligning the business objectives with specific and measurable individual objectives. The Company has therefore formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:

- Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate talent to run the Company successfully.
- Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals. However, there is no incentive pay at present.

Scope and Exclusion

This Policy sets out the guiding principles for the Nomination & Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.

Terms and References

In this Policy, the terms shall have the following meanings:

“**Director**” means a director appointed to the Board of the Company.

“**Key Managerial Personnel**” means

- i) the Managing Director or Chief Executive Officer or Manager and in their absence a Whole-time Director;
- ii) the Company Secretary;
- iii) the Chief Financial Officer; and
- iv) such other officer as may be prescribed under the Companies Act, 2013

“**Nomination & Remuneration Committee**” means the committee constituted by NBI’s Board in accordance with the provisions of Section 178 of the Companies Act, 2013.

Policy

The Board, on the recommendation of the Nomination & Remuneration Committee, shall review and approve the remuneration payable to the Executive and Non-Executive Directors of the Company within the overall limits subject to approval by the shareholders of the Company. Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof. In addition to the sitting fees the Non-Executive Directors shall be entitled to be paid their reasonable travelling, hotel and other expenses incurred for attending Board and Committee meetings or otherwise incurred in the discharge of their duties as Directors.

The Board, on the recommendation of the Nomination & Remuneration Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel and other Employees of the Company. Employee individual remuneration shall be determined according to their qualifications, and work experience as well as their roles and responsibilities and shall be based on various factors such as job profile, skill sets, seniority and experience.

The remuneration structure of the Executive Directors, Key Managerial Personnel and other Employees shall mainly include the following:

- a) Basic Pay
- b) Perquisites and Allowances
- c) Retiral Benefits


Director.


Director.

Form No.MGT-9

EXTRACT OF ANNUAL RETURNas on the financial year ended on 31st March, 2017

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I REGISTRATION AND OTHER DETAILS		
i)	CIN	L65923WB1936PLC065596
ii)	Registration Date	21 st December, 1936
iii)	Name of the Company	N.B.I. Industrial Finance Company Limited
iv)	Category / Sub-Category of the Company	Public Company / Limited by Shares
v)	Address of the Registered Office and contact details	21, Strand Road, Kolkata – 700 001 Tel: +9133 2230 9601 (3 Lines), +9133 2243 7725 Fax: +9133 2213 1650
vi)	Whether listed Company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Maheshwari Datamatics Pvt. Ltd. 23, R.N. Mukherjee Road, 5 th Floor, Kolkata – 700 001 Tel: +9133 2243 5029, 22482248 Email: mdpldc@yahoo.com
II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY		
All the business activities contributing 10% or more of the total turnover of the Company		
	Name and Description of main products / services	NIC Code of the products / services
		% of total turnover of the Company
	NBFC Activity	9971
		100%
III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES		
None		
IV SHARE HOLDING PATTERN (Equity Share Breakup as percentage of Total Equity)		
i)	Category-wise Shareholding	As per Attachment A
ii)	Shareholding of Promoters	As per Attachment B
iii)	Change in Promoters' Shareholding	As per Attachment C
iv)	Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	As per Attachment D
v)	Shareholding of Directors and Key Managerial Personnel	None of the Directors and Key Managerial Personnel holds any share in the Company.
V INDEBTEDNESS		
	Indebtedness of the Company including interest outstanding / accrued but not due for payment	As per Attachment E
VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL		
A	Remuneration to MD/WTD and/or Manager	As per Attachment F
B	Remuneration to other Directors	As per Attachment G
C	Remuneration to Key Managerial Personnel other than MD/WTD/Manager	Included in remuneration of Manager in Attachment F. However remuneration of Company Secretary is provided in Attachment H.
VII PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES		
None		



Director.



Director.

Attachment A

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

i) Category-wise Share Holding

Category of Shareholders	No of Shares held at the beginning of the year [As on 01-April-2016]				No of Shares held at the end of the year [As on 31-March-2017]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	104100	0	104100	8.47	166339	0	166339	13.54	5.07
b) Central Govt									
c) State Govt(s)									
d) Bodies Corporate	633002	0	633002	51.53	570758	0	570758	46.46	-5.07
e) Banks/FI									
f) Any other									
Sub-total (A)(1)	737102	0	737102	60.00	737097	0	737097	60.00	0.00
(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corporate									
d) Banks/FI									
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	737102	0	737102	60.00	737097	0	737097	60.00	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks/FI	0	792	792	0.06	0	792	792	0.06	0.00
c) Central Govt	0	7	7	0.00	0	7	7	0.00	0.00
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total(B)(1):-	0	799	799	0.07	0	799	799	0.07	0.00
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	111	164361	164472	13.39	152276	17539	169815	13.83	0.44
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	37490	243910	281400	22.91	62056	218140	280196	22.81	-0.10
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	44630	0	44630	3.63	40196	0	40196	3.27	-0.36
c) Others (Specify)									
Non Resident Indians									
Qualified Foreign Investor									
Custodian of Enemy Property									
Foreign Nationals					295	0	295	0.02	0.02
Clearing Members									
Trusts									
Foreign Bodies-D R									
Sub-total(B)(2):-	82231	408271	490502	39.93	254828	235679	490507	39.93	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)	82231	409070	491301	40.00	254828	236478	491306	40.00	0.00
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	819333	409070	1228403	100.00	991925	236478	1228403	100.00	0.00

N.B.: - approximation is due to decimal.




DIRECTOR.

Annexure B											
Shareholding of Promoters-											
Shareholder's Name	Shareholding at the beginning of the year [As on 01/04/2016]				Shareholding at the end of the year [As on 31/03/2017]				% 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	No. of Shares	% of total Shares of the Company		% of Shares Pledged / encumbered to total shares	
SHREE CAPITAL SERVICES LTD.	236000	19.21	0.0000	236000	19.21	0.0000	236000	19.21	0.0000	0.0000	AAGCS5082D
DIGVIJAY FINLEASE LTD.	235739	19.19	0.0000	235739	19.19	0.0000	235739	19.19	0.0000	0.0000	AAACD6998D
BENU GOPAL BANGUR *	104100	8.47	0.0000	104100	8.47	0.0000	104100	8.47	0.0000	0.0000	ADRPB5687N
THE DIDWANA INVESTMENT CO. LTD.	65394	5.32	0.0000	65394	5.32	0.0000	65394	5.32	0.0000	0.0000	AABCT1524C
THE LAXMI SALT CO. LTD.**	62244	5.07	0.0000	0	0.00	0.0000	0	0.00	0.0000	-5.0700	AAACT9721G
ASISH CREATIONS PVT. LTD.**	0	0.00	0.0000	62239	5.07	0.0000	62239	5.07	0.0000	5.0700	AADCA3805D
MANNAKRISHNA INVESTMENTS PVT. LTD.	25000	2.04	0.0000	25000	2.04	0.0000	25000	2.04	0.0000	0.0000	AACCM2323H
WESTERN INDIA COMMERCIAL CO. LTD.	8625	0.70	0.0000	8625	0.70	0.0000	8625	0.70	0.0000	0.0000	AAACW2354C
TOTAL	737102	60.00	0.0000	737097	60.00	0.0000	737097	60.00	0.0000	0.0000	
* Shri Benu Gopal Bangur disclaims the beneficial ownership of 104000 shares held on behalf of Shree Venkatesh Ayurvedic Aushdhalaya.											
** Consequent upon demerger of the Investment Division of The Laxmi Salt Co. Ltd. to Asish Creations Pvt. Ltd., the later holds the shares held by the former earlier.											



Director.



Director.

Attachment C

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

Sl No	Name	Shareholding at the beginning [01/04/2016]/end of the year [31/03/2017]		Cumulative Shareholding during the year [01/04/2016 to 31/03/2017]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	DIGVIJAY FINLEASE LTD					AAACD6998D
	01/04/2016	235739	19.19			
	31/03/2017	235739	19.19	235739	19.19	
2	THE LAXMI SALT CO. LTD.**					AAACT9721G
	01/04/2016	62244	5.07			
	08/07/2016 - Transmission	-62244	5.07	0	0.00	
	31/03/2017	0	0.00	0	0.00	
3	WESTERN INDIA COMMERCIAL CO LTD					AAACW2354C
	01/04/2016	8625	0.70			
	31/03/2017	8625	0.70	8625	0.70	
4	THE DIDWANA INVESTMENT COMPANY LIMITED					AABCT1524C
	01/04/2016	65394	5.32			
	31/03/2017	65394	5.32	65394	5.32	
5	MANNAKRISHNA INVESTMENTS PVT LTD					AACCM2323H
	01/04/2016	25000	2.04			
	31/03/2017	25000	2.04	25000	2.04	
6	SHREE CAPITAL SERVICES LTD					AAGCS5082D
	01/04/2016	236000	19.21			
	31/03/2017	236000	19.21	236000	19.21	
7	BENU GOPAL BANGUR *					ADRPB5687N
	01/04/2016	104100	8.47			
	31/03/2017	104100	8.47	104100	8.47	
8	ASISH CREATIONS PVT. LTD.**					AADCA3805D
	01/04/2016	0	0.00			
	30/09/2016 - Transmission	62244	5.07	62244	5.07	
	31/12/2016 - Transfer	-5	0.00	62239	5.07	
	31/03/2017	62239	5.07	62239	5.07	

* Shri Benu Gopal Bangur disclaims the beneficial ownership of 104000 shares held on behalf of Shree Venktesh Ayurvedic Aushdhalaya.

** Consequent upon demerger of the Investment Division of The Laxmi Salt Co. Ltd. to Asish Creations Pvt. Ltd., the later holds the shares held by the former earlier.



Director.



Director.

Attachment D

iv) Shareholding Pattern of top ten Shareholders

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

Sl No	Name	Shareholding at the beginning [01/04/2016]/end of the year [31/03/2017]		Cumulative Shareholding during the year [01/04/2016 to 31/03/2017]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	DHANANJAY COMMUNICATIONS PVT. LTD.*					AAACD6166D
	01/04/2016	0	0.0000			
	31/03/2017 - Transfer	5000	0.4070	5000	0.4070	
2	KEEN INVESTMENT AND LEASING LTD					AAACK7707M
	01/04/2016	51688	4.2077			
	31/03/2017	51688	4.2077	51688	4.2077	
3	MAN MADE FIBRES PRIVATE LIMITED					AAACM3042R
	01/04/2016	60950	4.9617			
	31/12/2016 - Transfer	5000	0.4070	65950	5.3688	
	31/03/2017	65950	5.3688	65950	5.3688	
4	RESHAM RESHA PVT. LTD					AAACR5056L
	01/04/2016	15500	1.2618			
	31/03/2017 - Transfer	-11000	0.8955	4500	0.3663	
5	RAJKUMAR SATYANARAYAN NEVATIA *					AAAHR3254B
	01/04/2016	0	0.0000			
	31/12/2016 - Transfer	5000	0.4070	5000	0.4070	
	31/03/2017	5000	0.4070	5000	0.4070	
6	MAHENDRA GIRDHARILAL					AAAPW1327L
	01/04/2016	44630	3.6332			
	31/03/2017 - Transfer	-4434	0.3610	40196	3.2722	
7	PRIDE FINANCIAL SERVICES PVT LTD *					AACCP6539L
	01/04/2016	0	0.0000			
	31/03/2017 - Transfer	6000	0.4884	6000	0.4884	
8	SM SHETI SEVA PRIVATE LIMITED					AAECS3179F
	01/04/2016	7800	0.6350			
	31/12/2016 - Transfer	-1504	0.1224	6296	0.5125	
	31/03/2017 - Transfer	-2500	0.2035	3796	0.3090	
9	AJAY KUMAR #					AAJPK4138N
	01/04/2016	5182	0.4218			
	30/06/2016 - Transfer	-1717	0.1398	3465	0.2821	
	30/09/2016 - Transfer	664	0.0541	4129	0.3361	
	31/12/2016 - Transfer	-600	0.0488	3529	0.2873	
	31/03/2017 - Transfer	550	0.0448	4079	0.3321	
10	PAVANKUMAR SANWARMAL *					ABEPS2125B
	01/04/2016	0	0.0000			
	30/09/2016 - Transfer	7500	0.6105	7500	0.6105	
	31/03/2017 - Transfer	2500	0.2035	10000	0.8141	
11	SHRI VIRENDRAA BANGUR					AELPB5548M
	01/04/2016	3700	0.3012			
	31/03/2017	3700	0.3012	3700	0.3012	

iv) Shareholding Pattern of top ten Shareholders

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

Sl No	Name	Shareholding at the beginning [01/04/2016]/end of the year [31/03/2017]		Cumulative Shareholding during the year [01/04/2016 to 31/03/2017]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
12	MEENAKSHI BANGUR					AGNPB6137C
	01/04/2016	6000	0.4884			
	31/03/2017	6000	0.4884	6000	0.4884	
13	PLACID LIMITED					D00334
	01/04/2016	10600	0.8629			
	31/03/2017	10600	0.8629	10600	0.8629	
14	SAURABH BANGUR #					S01141
	01/04/2016	4000	0.3256			
	31/03/2017	4000	0.3256	4000	0.3256	
15	SMT. SURBHI BANGUR					S01166
	01/04/2016	6000	0.4884			
	31/03/2017	6000	0.4884	6000	0.4884	
*	Not in the list of Top 10 shareholders as on 01/04/2016 The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2017.					
#	Ceased to be in the list of Top 10 shareholders as on 31/03/2017. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2016.					


Director.

Director.

Attachment E**V. INDEBTEDNESS**

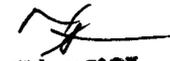
Indebtedness of the Company including interest outstanding / accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness as at the beginning of the financial year (01.04.2016)				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness as at the end of the financial year (31.03.2017)				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

Attachment F**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

A. Remuneration of MD/WTD and/or Manager (also CFO)

Sl. No.	Particulars of Remuneration	S.P. Kumar	Total Amount (₹)
1	Gross Salary		
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	783,966	783,966
	b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-
	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	-	-
5	Others	-	-
	TOTAL (A)	783,966	783,966
	Ceiling as per the Act	₹499.37 Lacs (being 5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)	


Director.

Director.

Attachment G

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

B. Remuneration to other Directors

Sl. No.	Particulars of Remuneration	Ashok Bhandari	Ram Narain Mundhra	Bankat Lal Gaggar	Jagdish Prasad Mundra	Babu Lal Surana	Riya Puja Jain	Total Amount
1	Independent Directors							
	• Fee for attending board / committee meetings	-	9,850	-	-	9,850	-	19,700
	• Commission	-	-	-	-	-	-	-
	• Others	-	-	-	-	-	-	-
	TOTAL (1)	-	9,850	-	-	9,850	-	19,700
2	Other Non-Executive Directors							
	• Fee for attending board / committee meetings	5,600	-	6,250	9,250	-	1,250	22,350
	• Commission	-	-	-	-	-	-	-
	• Others	-	-	-	-	-	-	-
	TOTAL (2)	5,600	-	6,250	9,250	-	1,250	22,350
	TOTAL (B)= (1)+(2)	5,600	9,850	6,250	9,250	9,850	1,250	42,050
	Total Managerial Remuneration							826,016*
	Overall ceiling as per the Act	₹1098.62 Lac (being 11% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)						

*Total remuneration to Managing Directors / Whole-time Directors / Manager and other Directors (being total of A and B)

Attachment H

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

C. Remuneration to Key Managerial Personnel other than MD/WTD/Manager i.e. Company Secretary

Sl. No.	Particulars of Remuneration	Priyanka Mishra	Total Amount (₹)
1	Gross Salary		
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	138,900	138,900
	b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-
	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	-	-
5	Others	-	-
	TOTAL	138,900	138,900

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

- i) **Ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year**
Not Applicable, as none of the directors draw remuneration except sitting fees for Board / Committee meetings.
- ii) **Percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year**
15.69%. Remuneration of Company Secretary has not been considered as she was appointed as a Company Secretary effective from 1st June, 2016.
- iii) **Percentage increase in the median remuneration of employees in the financial year**
18.19%. Remuneration of Company Secretary has not been considered as she was appointed as a Company Secretary effective from 1st June, 2016.
- iv) **Number of permanent employees on the rolls of Company**
6 (Six)
- v) **Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration**
The average increase in salaries of employees other than managerial personnel in 2016-17 was 17.54%. Percentage increase in the managerial remuneration for the year was 15.69%.
- vi) **It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for directors, key managerial personnel and other employees.**


Director.


Director.

CORPORATE GOVERNANCE REPORT

1. Company's Philosophy On Corporate Governance

The Company is fully committed to the principles of transparency, integrity and accountability in all spheres of its operations and has been practicing the principles of good corporate governance over the years. In keeping with this commitment, the Company has been upholding fair and ethical business and corporate practices and transparency in its dealings and continuously endeavors to review, strengthen and upgrade its systems and procedures so as to bring in transparency and efficiency in its various business segments.

A Report on compliance with the principles of Corporate Governance as prescribed by the Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") is given below.

2. Board of Directors

The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosure.

Composition

The Board comprises of Independent and Non- Independent Directors as required under the Companies Act, 2013 ('the Act') and Listing Regulations. The strength of the Board as on 31st March, 2017 was 6 members all of whom are Non- Executive Directors. Out of them 2 are Independent Directors and 4 are Non- Independent Directors of which 1 is a Woman Director.

The Independent Directors on the Board are competent and respected professionals from their respective fields and have vast experience in general corporate management, finance, investment and other allied fields which enable them to contribute effectively to the Company. The day to day management of the Company is conducted by the Manager subject to supervision, direction and control of the Board of Directors. The Independent Directors have made disclosures to the Board confirming that there are no material, financial and/or commercial transactions between them and the company which could have potential conflict of interest with the company at large.

None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees across all the Companies in which he/she is a Director. Further, none of the Directors of the Company serves as an Independent Director in more than 7(Seven) listed companies. Also necessary disclosures regarding Committee positions in other public Companies have been made to the Company by the Directors at regular intervals.

Five Board Meetings were held during the financial year 2016-17 on the following dates:

- ✓ 30th April, 2016
- ✓ 30th May, 2016
- ✓ 12th August, 2016
- ✓ 21st October, 2016
- ✓ 6th February, 2017

Details of the Board of Directors and External Directorships

Particulars of the Board's Composition, Directors' Attendance at Board Meetings and at the previous Annual General Meeting, number of other Directorships and Board-Committee memberships held as on 31st March, 2017, are given below:

Sr. No.	Name of the Director	Attendance of Board Meetings	Attendance at previous AGM	No. of other Directorships (*)	Number of other Board Committee positions (@)	
					As Chairman	As Member
1	Ashok Bhandari	4	Yes	3	-	4
2	Riya Puja Jain	1	No	1	-	-
3	B.L.Gaggar	5	Yes	4	-	-
4	R.N.Mundhra	5	Yes	5	4	1
5	B.L.Surana	5	Yes	8	-	7
6	J.P.Mundra	5	Yes	6	1	1

Notes:

(*) includes directorships held in public limited Companies only. (Directorships held in Private Companies, Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013 are excluded)

(@) includes only positions held in Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee of the Board of Directors.

Web link for Familiarisation Program for Independent Directors is [http://www.nbi-india.co.in/policies/NBI Familiarisation Program.pdf](http://www.nbi-india.co.in/policies/NBI_Familiarisation_Program.pdf)

None of the directors of the Company are related *inter-se*

Code of Conduct

The Company has complied with Regulation 26(3) of the Listing Regulations by framing Code of Business Conduct and Ethics ("Code of Conduct"). The Code of Conduct is applicable to the employees including directors of the Company and Senior Management Personnel. All the directors including Senior Management Personnel of the Company have affirmed compliance to the Code of Conduct as on March 31, 2017. A declaration to this effect, signed by the Manager and Chief Financial Officer (CFO), annexed hereto forms part of this report. The code is available on the official website of the company: www.nbi-india.co.in

Committees of the Board

The Board has constituted following Committees of Directors:

- Audit Committee,
- Nomination and Remuneration Committee,
- Stakeholders Relationship Committee, and
- Corporate Social Responsibility Committee (Constituted on 29th April, 2017)

3. Audit Committee

The Audit Committee consists of two Independent Directors and one Non-Independent director. All members of the Audit Committee are financially literate and they have accounting or related financial management expertise. The primary purpose of the Audit Committee is to assist the Board of Directors (the "Board") of N.B.I. Industrial Finance Company Limited, (the "Company") in fulfilling its oversight responsibilities with respect to;

- a) the accounting and financial reporting processes of the Company, including the integrity of the audited financial results and other financial information provided by the Company to its stakeholders, the public, stock exchange and others,
- b) the Company's compliances with legal and regulatory requirements,
- c) the Company's independent auditors' qualification and independence,
- d) the audit of the Company's financial statements, and the performance of the Company's internal audit function and its Independent Auditors.

Terms of Reference:

The role and terms of reference of Audit Committee covers areas mentioned under Part C of Schedule II [See Regulation 18(3)] of the Listing Agreement and section 177 of the Companies Act, 2013,

besides other terms as may be referred by the Board of Directors. All the Members of the Audit Committee are qualified and having insight to interpret and understand financial statements. The brief terms of reference of the Audit Committee are outlined here under:

- Overview of the company's financial reporting process and the disclosure of its financial information;
- Reviewing, with the management, the annual financial statements and auditor's report thereon;
- Matters required to be included in the Director's Responsibility Statement forming part of the Board's Report;
- Reviewing changes, if any, in accounting policies and practices and reasons for the same;
- Reviewing major accounting entries involving estimates based on the exercise of judgment by management;
- Reviewing significant adjustments made in the financial statements arising out of audit findings;
- Compliance with listing and other legal requirements relating to financial statements;
- Reviewing qualifications in the audit report;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by them;
- Review and monitor the auditor's independence and performance and effectiveness of audit process;
- Discussion with statutory auditors before the audit commences about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- Reviewing the adequacy of internal audit function, if any, including frequency of internal audit reports;
- Reviewing the findings of any observations by the internal auditors into matters where there is irregularity or a failure of internal control system of a material nature and reporting the matter to the board;
- Evaluation of internal financial control and risk management system;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control system;
- Management discussion and analysis of financial condition and results of operations;
- Discussion with internal auditors on any significant findings and follow up thereon;
- To review the functioning of vigil mechanism;
- Approval of the related party transactions as per policy of the company;
- Scrutiny of inter-corporate loans and investments;
- To ensure that chairman is present at the Annual General Meeting to answer shareholder queries and clarification on matters relating to financial statements and audit;
- Valuation of undertakings or assets of the company, wherever it is necessary.
- Statement of deviations:
 - (a) Quarterly statement of deviations(s) including report of monitoring agency, wherever applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - (b) Annual Statement of funds utilised for purpose other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, wherever applicable.

Constitution of the Audit Committee:

The Composition of the Committee, together with the details of the attendance of each member as at 31st March, 2017 is given below:

Sr. No.	Name of the Director	Designation	Meetings Attended	Category
1.	R.N. Mundhra	Chairman	5	Non- Executive Independent Director
2.	B.L. Surana	Member	5	Non- Executive Independent Director
3.	J.P. Mudra	Member	5	Non-Executive Non-Independent Director

Meetings of the Audit Committee:

Five Audit Committee Meetings were held during the financial year 2016-17 on the following dates:

- ✓ 29th April, 2016
- ✓ 28th May, 2016
- ✓ 11th August, 2016
- ✓ 20th October, 2016
- ✓ 4th February, 2017

4. Nomination and Remuneration Committee

The Nomination and Remuneration Committee acts in accordance with the prescribed provisions of Section 178 of the Companies Act, 2013 and the Listing Regulations.

The brief terms of reference of the Committee are as follows:

- (a) To formulate and review the criteria that must be followed for determining qualifications, positive attributes/experience for appointment and independence of a director;
- (b) To recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees and to ensure compliance with the remuneration policy set forth by the Company;
- (c) To propose to the Board the members that should form part of a Committee;
- (d) To report on the systems and on the amount of the annual remuneration of directors and key managerial/senior management personnel to the Board.

Constitution and Attendance of members of the Nomination and Remuneration Committee:

The Composition of the Committee together with the details of the attendance of each member during the financial year 2016-17 is given below:

Sr. No.	Name of the Director	Category	Designation
1.	R.N. Mundhra	Non- Executive Independent Director	Chairman
2.	B.L. Surana	Non- Executive Independent Director	Member
3.	Ashok Bhandari	Non- Executive Non-Independent Director	Member

Meeting together with the details of attendance of each member of the Committee

Sr. No.	Name of the Director	Date of the Meeting	Meeting Attended (Yes / No)
1	R.N. Mundhra	28.04.2016	Yes
2	B.L. Surana		Yes
3	Ashok Bhandari		Yes

Some of the key criteria for performance evaluation of Independent Directors are as follows:-

- Attendance at Board or Committee meetings.
- Contribution at Board or Committee meetings.
- Guidance / support to management outside the Board / Committee meetings.

Remuneration Policy

The committee formulates the criteria for determining qualifications, positive attributes and independence of a director and recommends to the Board a policy relating to the remuneration for the Directors and Key Managerial Personnel. The Committee reviews and recommends payment of annual salaries, commission and other employment conditions of the Directors and Key Managerial Personnel. The remuneration policy is directed towards rewarding performance based on review of achievements on a periodical basis. No Stock option has been granted to any of the Directors during the financial year 2016-17. The policy forms part of the Directors' Report.

None of the Directors have been given any remuneration during the financial year under review except Meeting Fees as per details given below.

The details of fees paid to Directors for the year ended 31st March, 2017 are given here under:

Director	Category	Sitting Fees (₹)
Ashok Bhandari	Non- Executive Non-Independent Director	5,600
R.N. Mundhra	Non- Executive Independent Director	9,850
B.L. Gaggar	Non- Executive Non-Independent Director	6,250
J.P. Mundra	Non- Executive Non-Independent Director	9,250
B.L. Surana	Non- Executive Independent Director	9,850
Riya Puja Jain	Non- Executive Non-Independent Director	1,250
	Total	42,050

5. Stakeholders Relationship Committee

Stakeholders Relationship Committee shall act in accordance with the prescribed provisions of Section 178 of the Companies Act, 2013 and the Listing Regulations and *inter alia* approves transfer & transmission of shares, issue of duplicate/re-materialised shares and consolidation & splitting of certificates, redressal of complaints from investors including non-receipt of annual report and non-receipt of declared dividends etc.

Constitution of the Stakeholders Relationship Committee:

The Composition of the Committee during the year 2016-17 is given below:

Sr. No.	Name of the Director	Designation	Category
1	B.L. Gaggar	Chairman	Non- Executive Non-Independent Director
2	Ashok Bhandari	Member	Non- Executive Non- Independent Director

Further the details of the Compliance Officer designated for handling of the Investor grievances is provided here under:

Name	Priyanka Mishra (Compliance Officer)
Address	21, Strand Road, Kolkata- 700 001 (West Bengal).
Telephone No	033- 2230 7905
E-mail	nbifinance@ymail.com

Details of Pending Investor Grievances and Compliance Officer:

There were no investor grievances received and pending for Redressal as at the end of the financial year and all the queries from the stakeholders were attended promptly except in cases of deficiency in documents. Further there were no pending transfers for the year under review.

6. Corporate Social Responsibility (CSR) Committee

Provisions relating to Corporate Social Responsibility (CSR) as prescribed under the Companies Act, 2013 and Rules made thereunder have since become applicable to the Company. The Board has therefore constituted on 29th April, 2017 a CSR Committee for formulating and overseeing the execution of the Company's CSR Policy. The CSR Committee comprises of two independent directors and two non-executive directors. The members of the CSR Committee are:

Sr. No.	Name	Designation in Company	Status in the Committee
1	Shri Ram Narain Mundhra	Independent Director	Chairman
2	Shri Babu Lal Surana	Independent Director	Member
3	Shri Bankat Lal Gaggar	Director	Member
4	Shri Jagdish Prasad Mundra	Director	Member

7. Details of General Body Meetings:

Annual General Meetings:

The details of last 3 Annual General Meetings together with the details of the special resolution, if any, passed thereat is provided hereunder:

Year Ended	Day, Date and Time	Venue	Special Resolutions Passed
31 st March, 2016	Saturday, 24 th September, 2016 at 10:30 A.M.	21, Strand Road, Kolkata – 700 001	None
31 st March, 2015	Saturday, 26 th September, 2015 at 10:30 A.M.	21, Strand Road, Kolkata – 700 001	None

Year Ended	Day, Date and Time	Venue	Special Resolutions Passed
31 st March, 2014	Tuesday, 9 th September, 2014 at 10.30 A.M.	21, Strand Road, Kolkata – 700 001	None

There were no resolutions passed through postal ballot during the year 2016-17.

8. Means of Communication:

The Quarterly, Half-Yearly and Annual Financial Results of the Company are forwarded to Stock Exchange immediately upon approval by the Board of Directors and are simultaneously published in newspapers in English and Bengali(regional language) namely Business Standard and Dainik Lipi. In accordance with the Listing Agreement requirements, data pertaining to Shareholding Pattern, Quarterly Financial Results and Other Details are forwarded to the Stock Exchange and are also disseminated on the website of the Company.

During the year under review, no presentation was made to the institutional investors or analysts.

9. General Shareholders' Information:

Annual General Meeting	Saturday, the 16 th September, 2017 at 10.30 A.M. at 21, Strand Road, Kolkata – 700 001 Book Closure Dates: 09.09.2017 to 16.09.2017 (both days inclusive) Evoting Dates: 13.09.2017 to 15.09.2017
Financial Year	2016-17
Dividend payment date	Subject to the provisions of the Act, dividend as recommended by the Board, if declared at the meeting, will be paid within a period of 30 days from the date of declaration, to those members whose names appear on the Register of Members as on 8 th September, 2017. The dividend is ₹1/- per equity share.
Listing on Stock Exchange	The Equity Shares of the Company are listed on: National Stock Exchange of India Limited (NSE). The Listing approval was granted by the NSE vide its letter no.NSE/LIST/94283 dated November 21, 2016. The Company has paid all the relevant fees pursuant to listing and also annual listing fee of the exchange for the financial year 2017-18.
Stock Code	Scrip Code:014019 NSE Symbol:NBIFIN
ISIN	INE365I01012

10. Market Share Price Data: high, low during each month in last financial year i.e. 2016-17.

The Shares of the Company were admitted for trading on National Stock Exchange Limited (NSE) on 21.11.2016. The trading started on 07.12.2016.

Month	High	Low
December, 2016	398.70	270.00
January, 2017	958.80	418.60
February, 2017	2422.00	1006.70
March, 2017	4840.00	2543.10

Performance in comparison to broad-based indices i.e. NSE

Indices	NSE (Nifty 50)	NBI Quote at NSE
07.12.2016 (Open)	8168.40	270.00
31.03.2017 (Close)	9173.75	3695.20
Increase / (Decrease)	1005.35	3425.20

11. Registrar and Share Transfer Agent

Maheshwari Datamatics Pvt. Ltd. acts as Registrar and Share Transfer Agent (RTA) of the Company having its registered office at 23, R.N. Mukherjee Road, 5th Floor, Kolkata – 700 001. Contact No.033-22482248, 22435809, Fax: 033-22484787. Email Id: mdpldc@yahoo.com.
RTA also maintains a website: www.mdpl.in

12. Share Transfer System:

The Share transfers are processed by the Registrar & Share Transfer Agent and approved by Stakeholders Relationship Committee, if the documents are complete in all respects, within 15 days from the date of lodgment. The same is examined by a Practicing Company Secretary on half yearly basis and a Certificate as required under Regulation 40(9) of the Listing Regulations is obtained and forwarded to NSE where the Company's shares are listed.

13. SEBI Complaints Redress System (SCORES):

SEBI vide circular dated 3rd June, 2011 introduced SCORES, i.e., SEBI Complaints Redress System the system of processing of investors complaints in a centralized web based complaints redressal portal known as 'SCORES'. The salient features of this system are: centralized database of all Complaints, online upload of Action Taken Reports (ATRs) by concerned Companies and online viewing by investors of action taken on the complaints and its current status.

The Company is registered with SEBI under the SCORES system.

Distribution of shareholding as on 31/03/2017				
Share Holding	No of Holders	% age	No of Shares	% age
Upto 500	5009	98.4280	192884	15.7020
501 to 1000	30	0.5895	21678	1.7647
1001 to 2000	15	0.2948	21950	1.7869
2001 to 3000	11	0.2162	27235	2.2171
3001 to 4000	4	0.0786	15091	1.2285
4001 to 5000	4	0.0786	19034	1.5495
5001 to 10000	5	0.0983	33625	2.7373
Above 10000	11	0.2162	896906	73.0140
Grand Total	5089	100.0000	1228403	100.0000

14. Dematerialization of Shares and Liquidity:

The Company's equity shares are available for trading in the depository systems of National Securities Depository Limited and Central Depository Services (India) Limited.

As on 31st March, 2017, 991925 equity shares, constituting 80.75% of the paid-up equity capital of the Company, stood dematerialized and the rest in physical form.

Total Number of shares dematerialized as on 31st March 2017:

Depository	No. of Shares	% of Paid up Capital
NSDL	8,32,837	67.80
CDSL	1,59,088	12.95
Physical	2,36,478	19.25
Total	12,28,403	100.00

Outstanding GDRs/ ADRs:

The Company has not issued any GDRs/ADRs.

15. Financial Calendar (Tentative):

Financial Year	1 st April, 2017 - 31 st March, 2018
First quarter results	14 th August, 2017
Half-yearly results	14 th November, 2017
Third quarter results	14 th February, 2018
Annual results	End of May, 2018

16. Secretarial Audit

Pursuant to Section 204 of the Companies Act, 2013 and Rules framed thereunder, Mr. Mukesh Chaturvedi, Practicing Company Secretary was appointed by the Company to conduct Secretarial Audit of records and documents of the Company. The Secretarial Audit Report confirms that the Company has complied with all the applicable provisions of the Companies Act, 2013, Depositories Act, 1996, Listing Agreement with the Stock Exchange, and all the Regulations and Guidelines of the SEBI, as applicable to the Company. The audit also covers the reconciliation of share capital audit, on

quarterly basis to reconcile the total admitted capital with NSDL & CDSL and total issued and listed capital. The audit confirms that the total paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL & CDSL.

17. Risk Management

The main identified risks at the Company are Commercial Risks, Financial Risks, Operational Risks and Legal & Regulatory Risks. The Risk Management is overseen by the Audit Committee of the Company on a continuous basis. The Audit Committee ensures that risks to the Company's continued existence as a going concern and to its development are identified and addressed on timely basis. However, constitution of Risk Management Committee is not applicable to the Company in terms of Regulation 21 of the Listing Regulations.

Address for Correspondence

Chief Financial Officer	Company Secretary
S.P. Kumar	Priyanka Mishra
21, Strand Road, Kolkata – 700 001	21, Strand Road, Kolkata – 700 001
Tel: 033 -22309601 Fax: 033-22131650	Tel: 033-22307905, 22314756 Fax: 033-22131650
Email ID: nbifinance@ymail.com Website: www.nbi-india.co.in	

18. Disclosures:

- a) During the financial year 2016-17 there was no materially significant Related Party Transaction, with the Directors, or the Management, their relatives etc. having potential conflict with the interests of the Company at large. There was no related party transaction during the year, i.e. transactions of the Company of material nature, with its promoters, Directors or the management that may have potential conflict with the interests of Company at large.
- b) There was no non-compliance by the entity, penalty, strictures imposed by stock exchange or the board or any statutory authority, on any matter related to capital markets, during the last three years.
- c) The Company has adopted the Code of Ethics and Business principles for the members of Board and senior management personnel.
- d) The Company has adopted a 'Code of Conduct for Prevention of Insider Trading ("the Code")' in accordance with the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and its subsequent amendment. The code expressly lays down the guidelines and the procedure to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them on the consequences of non-compliance thereof. The Company has also formed Whistle Blower Policy. Further, we affirm that no personnel have been denied access to the Audit Committee. Employees can report to the Management concern regarding unethical behavior, act or suspected fraud or violation of the Company's Code of Conduct Policy.
- e) The Company is in compliance with all mandatory requirements of the Listing Agreement. The Company has not adopted any non-mandatory requirements.
- f) Web links for the following:

Policy for Determining Material Subsidiary	http://www.nbi-india.co.in/policies/NBI_Material_Subsubsidiary.pdf
Related Party Transactions Policy	http://www.nbi-india.co.in/policies/NBI_Related_Party_Transactions_Policy.pdf

Discretionary Requirements

The Company has also ensured the implementation of non-mandatory requirements as under:

- i) Unmodified audit opinions / reporting
- ii) The Internal Auditor reporting directly to the Audit Committee.

19. There are no shares lying in the demat suspense / unclaimed suspense account as on the date of this Report.

20. Prevention of Insider Trading

The Company has adopted an Insider Trading Policy to regulate, monitor and report trading by insiders under the SEBI (Prohibition of Insider Trading) Regulations, 2015. This Policy also includes code of practices and procedures for fair disclosure of unpublished price sensitive information, initial and continual disclosure. The Board reviews the Policy / Code on a need-to-know basis. This Policy is available on our website.

21. Auditor's Certificate on Corporate Governance

As required by Schedule V of the Listing Regulations, the *Auditor's Certificate on Corporate Governance* is annexed to the Board's Report and forms part of this Annual Report.

22. CEO and CFO Certification

The CFO acts as Manager of the Company as well. The *Manager and CFO Certification* is provided in this Annual Report as required by the Listing Regulations.



Auditors' Certificate regarding compliance of conditions of Corporate Governance

To the Members of **N.B.I. Industrial Finance Co. Ltd.**

We have examined the compliance of conditions of Corporate Governance by N.B.I. Industrial Finance Co. Ltd., for the year ended March 31, 2017 as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015).

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

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

For Lakhotia & Co.
Chartered Accountants
Firm's Registration Number: 313149E

Naresh Lakhotia
Partner
Membership Number: 51249
Kolkata
Dated: 30th May, 2017



Manager and CFO CERTIFICATION

To,
The Board of Directors,
N.B.I. INDUSTRIAL FINANCE CO. LTD.
Kolkata

Dear members of the Board,

I, S.P. Kumar, Manager and Chief Financial Officer of the Company, to the best of my knowledge and belief, certify that:

1. I have reviewed the financial statements and the cash flow statements of **N.B.I. INDUSTRIAL FINANCE CO. LTD** and a summary of the significant accounting policies and other explanatory information of the Company and the Board's Report for the financial year 2016-17. I state that:
 - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. these statements together present a true and fair view of the Company's affairs for the period presented in this report and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct.
3. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and confirm that there have been no material weakness in internal controls over financial reporting including any corrective actions with regard to deficiencies.
4. I have indicated to the Auditors and the Audit Committee:
 - a. Any significant changes in internal control over financing reporting during the year;
 - b. All significant changes in accounting policies made during the year, if any, and that the same have been disclosed suitably in the notes to the financial statements; and
 - c. that there were no instances of significant fraud that involve management or other employees who have a significant role in the Company's internal control system over financial reporting.
5. I further declare that all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this Report.

Place: Kolkata

Date: 26th June, 2017

S.P. Kumar
S.P. Kumar
Manager and
Chief Financial Officer

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The outlook presented herein is based on management's own assessment and it may vary due to future economic and other developments in the country and abroad.

INDUSTRY & ECONOMY OVERVIEW

Global Economy

According to World Bank, global GDP is projected to accelerate to 2.7 percent in 2017, up from a post-crisis low of 2.4 percent in 2016 before strengthening further to 2.9 percent in 2018-19. During 2016-17, global economic growth was firm as compared to 2015-16 growth which was at a slow pace. Some of the factors for this outturn / growth include pickup in manufacturing and trade contributing to an improvement in confidence; favorable global financing conditions; stabilising commodity prices; firming of oil prices etc. Growth in advanced economies is expected to accelerate to 1.9 percent in 2017, a benefit to their trading partners. Growth in Emerging Markets and Developing Economies (EMDE) is expected to recover to 4.1 percent this year and to 4.6 percent in 2018, as obstacles to activity diminish in commodity-exporting countries.

Indian Economy

India is presently the fastest growing major economy in the world. But India's growth in the Fiscal 2017 unexpectedly slowed down to 7.1 percent as compared to 7.6 percent in 2015-16 and 7.2 percent in 2014-15. For 2017-18, the GDP growth is expected to be around 7.5-7.7 percent. The factors contributing to this positive outlook are controlled inflation, improvement in exports, rise in domestic demand, decline in oil prices, boost to reforms, infrastructure spending and the supportive macro-economic policies among others. The economy was under pressure during the second half of the fiscal 2017 due to the November withdrawal and replacement of large-denomination currency notes.

With the global economy under uncertainties, the Indian Government is sticking to its fiscal deficit target while pursuing the growth agenda. The Fiscal deficit continued within the targeted 3.5% of the Country's GDP in 2016-17. The Union Budget 2017 has proposed to further bring down the fiscal deficit for 2017-18 to 3.2% of the GDP and to 3% in the following year. (India's GDP is about \$2 Trillion)

Rigorous endeavour was made by the Government of India in building consensus for the Goods and Services Tax (GST) and now GST is likely to be implemented from 1st July, 2017. Further, enactment of The Insolvency and Bankruptcy Code, 2016 by the Parliament in the Sixty-Seventh Year of the Republic of India was another major achievement. These steps will certainly contribute towards improving the ease of doing business in India and to promote entrepreneurship amongst reorganisation and insolvency resolution of corporate persons, partnership firms and individuals in a time bound manner for maximisation of value of assets of such persons, availability of credit and balancing the interests of the stakeholders including alteration in the order of priority of payment of Government dues etc.

The domestic challenges are not invincible. Our competitive advantages remained unaffected by demonetisation due to deep domain knowledge of sector we operate in and clear established "Right to Win" in our chosen business. It is expected that with the right reforms India will continue to surge ahead of its peers.

NBFC Sector

NBFCs are emerging as an alternative to mainstream banking. They are also emerging as an integral part of Indian Financial System and are contributing towards Government's agenda of financial inclusion.

The success of NBFCs has been driven by factors like their ability to control risks, to adapt to changes and create demand in markets that are likely to remain unexplored by banks and other bigger players. NBFCs, in India, are today operating in a dynamic scenario especially after the revised regulatory framework by the RBI launched with the objective of harmonising working of NBFCs with banks and financial institutions and address regulatory gaps.

Over the years their activities have kept on expanding so much that the difference between the banks and NBFCs is getting minimised. The biggest contribution of NBFCs is their ability to cater to the needs of the Micro, Small & Medium Enterprises (MSMEs) which account for nearly 40 percent of India's total employment and form the backbone of the India Growth Story.

According to Financial Stability Report (FSR) released by RBI:-

- NBFC loans expanded 16.6 percent in 2015-16, twice as fast as 8.8 percent credit growth across the banking sector on an aggregate level,
- The aggregate balance sheet of the NBFC sector expanded 15.5 percent in fiscal 2016 as compared with 15.7 percent the previous year,
- Net profit as a percentage of total income remained at 15.3 percent between March, 2015 and March, 2016 and Return on Assets (RoA) stood at 22 percent during the same period,
- Despite the lenient bad loan norms, NBFCs also performed better in terms of asset quality. Bad loan norms are stringent for full-fledged commercial banks as compared to that of NBFCs, and
- The gross non-performing assets (GNPA) ratio for the NBFC sector declined to 4.6 percent of total advances in March, 2016 from 5.1 percent in September, 2015.

Government Initiatives

Several measures have been outlined in the last three successive Union Budgets that aim at reviving and accelerating investment cycle and putting the economy back on high trajectory of growth. Implementation of GST, as a measure of major reforms, is expected to herald a new era of indirect taxation in the economy.

The onus of several welfare schemes has shifted to the States from the Centre. Also, there has been a higher disbursement of salaries due to the implementation of the 7th Pay Commission recommendations. The States now also have to incur hefty interest liabilities under the Ujwal Discom Assurance Yojana (UDAY). Moreover, in the current fiscal, the fiscal plans will also be subject to the unknown impact of the GST. Any adverse impact, even if in the short run, could be detrimental to the fiscal math.

COMPANY'S POSITION

The Company is registered with the RBI as a Non-Banking Financial Institution and is categorized as Non-Deposit taking NBFC" (NBFC-ND). The operation of the company during the year was centered in dividend income; interest income and Share Trading. The company was investing in shares, securities etc. The main income of the Company is dividend income on long-term investments & interest on fixed deposit and profit from sale of investments. The results of the Company's operations for the financial year ended 31st March, 2017 have been dealt with in the Director's Report.

The Company, being into finance and investment activity, the impact of movement of stock markets affects its profitability.

OPPORTUNITIES AND THREAT

The year FY 2016-17 started on a note of optimism. However, slow pace of reforms, sluggish investment cycle, sluggishness in some of the major economies abroad, Euro zone crisis, Brexit and demonetisation soon led to the sliding of Indian GDP growth. It is however believed that Indian economy will sustain its growth momentum and hence the growth of financial services sector presents exciting opportunities like India's long-term growth story remains intact notwithstanding declining growth in the past year or two. This presents good opportunities for us to grow our business in the medium to long term. We further believe the policy liberalization, Government emphasis on infrastructure spending and forward-looking regulatory changes will help markets grow in size.

At the same time, there could be some threats for growth of financial services sector like high inflation, high interest rates, liquidity issues, global commodities prices, current account deficit and Euro zone crisis which can play spoilsport with the India growth story. While positive Government policies and regulatory changes do enlarge the scope of opportunities for financial sector companies, lack of or delay in reforms or certain regulatory changes can significantly impact the performance of NBFCs business. As regards our Company a thorough due diligence is conducted at our end through market enquiries before making investments. The execution of investment transactions is monitored on regular basis with reference to target price.

It is a fact that India has been at a low investment grade level for almost a decade. Therefore, for the last decade, the global perception of risk in Indian Bond markets has remained the same, inspite of the high growth rates and major economic reforms. One of the main reasons for this stickiness is the high level of consolidated debt of the government. This is a cause for concern as sovereign ratings are critical in determining the flow of global capital. The surging NPA's in the banking sector presents another major cause of concern.

OUTLOOK

A significant portion of the Company's income arises from investment and trading operation, which are largely dependent on the condition of the stock market. The stock market activity depends largely upon the economic growth momentum and a combination of other factors like inflation, domestic savings, surging portfolio investments into India etc. The unusual developments in the global economy may pose uncertainties and challenges for the emerging market economies like India.

The growth in the sector is good. The Company is trying various options to improve its margins, by having tight control over expenses & exploring other opportunities. The Company has investment policy wherein it invests in those securities which have easy liquidity, better yield and price appreciation in the medium to long run.

RISK & CONCERNS

Many developing countries including India have reaped handsome rewards from surging capital inflows in recent years. This is regarded as a welcome phenomenon. But surging capital inflows can sometimes have destabilizing side effects, undermine competitiveness of export industries, and potentially giving rise to inflation among reforms setbacks, geopolitical tension and policy uncertainty.

INTERNAL CONTROL SYSTEM

The Company has implemented a comprehensive system of internal controls and risk management for achieving operational efficiency, optimal utilization of resources, credible financial reporting and compliance with local laws. These controls are regularly reviewed internally for effectiveness.

The Company's internal control system is aimed at covering all areas of operations. The transactions entered into by the Company are duly authorized and recorded correctly. It has implemented suitable controls to ensure that financial transactions are reported with accuracy and that there is strict compliance with applicable laws and regulations.

CAUTIONARY STATEMENT

Certain statements under "Management Discussion & Analysis" describing the Company's objectives, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. Although the expectations are based on reasonable assumptions, the actual results could materially differ from those expressed or implied, since the Company's operations are influenced by many external factors beyond the control of the Company. Investors are cautioned that the Company assumes no responsibility to publicly amend, modify, revise or update any forward looking statement or opinion, on the basis of any subsequent developments, events or information.


Director.


Director.



Independent Auditors' Report

To the Members of NBI Industrial Finance Company Limited

Report on the Financial Statements

We have audited the accompanying financial statements of NBI Industrial Finance Company Limited ("the Company") which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss and the 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 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 preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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 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 the disclosures in the financial statements. The procedures selected depend on the auditors' 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 the 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.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2017, and its profit and its cash flows for the year ended on that date.

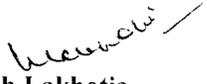
Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"
 - (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 does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 28.

For **Lakhotia & Co.**

Chartered Accountants

Firm's Registration Number: 313149E


Naresh Lakhotia

Partner

Membership Number: 51249

Kolkata

Dated: 30th May, 2017



“Annexure A” to Independent Auditors’ Report

Statement referred to in our Independent Auditors’ report to the members of the Company on the financial statements for the year ended 31st March 2017.

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
(b) The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
(c) The Company does not have any immovable property and as such Clause 3(i)(c) of the Order is not applicable to the Company.
- ii. The Company does not have any inventory and as such clause 3(ii) of the Order is not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under Section 189 of the Act and as such clauses 3(iii)(a),3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- iv. According to the information and explanations given to us, the company has not given any loan or guarantee or provided any security covered by the provisions of Section 185 and in respect of loans, investments, guarantees and security, the company has complied with provisions of Section 186 of the Act to the extent applicable.
- v. The Company has not accepted deposits from the public.
- vi. The Central Government has not prescribed for the maintenance of cost records under Section 148(1) of the Act.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has generally been regular in depositing undisputed statutory dues including provident fund, employees state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues, as applicable, with the appropriate authorities.
(b) As at 31st March, 2017, according to the records of the Company and the information and explanations given to us, there were no dues of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax that have not been deposited on account of any dispute.
- viii. Based on the information and explanations given to us by the management, the Company has not defaulted in repayment of loan or borrowing from banks. There were no loans or borrowings from any financial institution, Government or dues to debenture holders.
- ix. The company did not raise any money by way of initial public offer or further public offer (including debt instruments) and any term loans during the year and as such clause 3(ix) of the Order is not applicable to the Company.



- x. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud by the Company or on the Company by the officers or employees, either noticed or reported during the year, nor have we been informed of such case by the management.
- xi. Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. The company is not a Nidhi company and as such clause 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and records of the Company, transactions with related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv. According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with them.
- xvi. The company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the registration has been obtained.

For **Lakhotia & Co.**

Chartered Accountants

Firm's Registration Number: 313149E

Naresh Lakhotia

Naresh Lakhotia

Partner

Membership Number: 51249

Kolkata

Dated: 30th May, 2017



"ANNEXURE B" TO THE INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS OF NBI INDUSTRIAL FINANCE COMPANY LIMITED
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 **NBI Industrial Finance Company Limited** ("the Company") as of March 31, 2017 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 auditors' judgement, 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.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For **Lakhota & Co.**

Chartered Accountants

Firm's Registration Number: 313149E

Naresh Lakhota

Naresh Lakhota

Partner

Membership Number: 51249

Kolkata

Dated: 30th May, 2017



N.B.I.INDUSTRIAL FINANCE COMPANY LIMITED
Balance Sheet as at 31st March, 2017

Particulars	Note	As at 31st March,2017 ₹	As at 31st March,2016 ₹
EQUITY AND LIABILITIES			
Shareholders' Fund			
Share Capital	2	12,284,030	12,284,030
Reserves and Surplus	3	1,057,739,127	252,449,640
		1,070,023,157	264,733,670
Non-Current Liabilities			
Long- Term Provisions	4	3,221,232	2,645,417
		3,221,232	2,645,417
Current Liabilities			
Other Current Liabilities	5	378,642	293,774
Short- Term Provisions	6	2,493,703	66,311
		2,872,345	360,085
TOTAL		1,076,116,734	267,739,172
ASSETS			
Non-Current Assets			
Fixed Assets	7	89,100	58,417
Tangible Assets			
Non-Current Investments	8	589,658,449	196,508,179
Deferred Tax Assets	9	1,029,831	852,055
Long-Term Loans and Advances	10	30,800	30,800
Other Current Assets	11	15,977,696	-
		606,785,876	197,449,451
Current Assets			
Current Investments	12	327,939,071	24,536,822
Cash and Bank Balances	13	6,286,768	16,750,282
Short-Term Loans and Advances	14	133,596,906	27,789,273
Other Current Assets	15	1,508,113	1,213,344
		469,330,858	70,289,721
TOTAL		1,076,116,734	267,739,172

Significant Accounting Policies 1
Notes forming part of the Financial Statements 2-30

In terms of our report attached.
For LAKHOTIA & CO.
Chartered Accountants
Firm Registration No. 313149E

Lakhotia
NARESH LAKHOTIA
Partner
Membership No. 51249
Kolkata, Dated the 30th May, 2017

Priyanka Mishra
Company Secretary

S.P. Vennart
Manager & CFO

[Signature]
[Signature]
[Signature]
Directors



N.B.I.INDUSTRIAL FINANCE COMPANY LIMITED
Statement of Profit and Loss for the year ended 31st March, 2017

Particulars	Note	For the year ended 31 March 2017 ₹	For the year ended 31 March 2016 ₹
INCOME			
Revenue from Operations	16	1,008,875,428	38,300,761
Other Income		16,441	-
Total Revenue		1,008,891,869	38,300,761
Expenses			
Employee Benefits Expense	17	5,085,096	3,960,353
Finance Costs	18	-	2,063
Depreciation and Amortisation Expense	19	22,099	21,673
Other Expenses	20	2,907,194	1,122,130
Donation		2,500,000	-
Securities Transaction Tax		462,218	5,446
Total Expenses		10,976,607	5,111,665
Profit before tax		997,915,262	33,189,096
Tax Expense:			
Current Tax		191,402,000	77,000
Tax relating to earlier years		(76,926)	(890,139)
Deferred Tax		(177,776)	(125,519)
		191,147,298	(938,658)
Profit After Tax for the year		806,767,964	34,127,754
Basic & Diluted Earnings per share (of Rs.10/- each):	21	656.76	27.78

Significant Accounting Policies 1
Notes forming part of the financial statements 2-30
In terms of our report attached.

For LAKHOTIA & CO.
Chartered Accountants
Firm Registration No. 313149E

Naresh Lakhotia
NARESH LAKHOTIA
Partner
Membership No. 51249
Kolkata, Dated the 30th May, 2017

Priyanka Mishra
Priyanka Mishra
Company Secretary

S.P. Vignesh
S.P. Vignesh
Manager & CFO

[Signature]
[Signature]
Directors



N.B.L INDUSTRIAL FINANCE COMPANY LIMITED
Cash Flow Statement for the year ended 31st March, 2017

Particulars	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
	₹	₹	₹	₹
A. Cash flow from operating activities				
Net Profit / (Loss) before tax		997,915,262		33,189,096
<u>Adjustments for:</u>				
Depreciation and Amortisation Expenses	22,099		21,673	
Finance costs	-		2,063	
Interest income	(3,621,957)		(2,509,109)	
Dividend income	(101,099,119)		(33,755,899)	
Net (gain) / loss on sale of investments	(904,154,352)	(1,008,853,329)	(2,035,753)	(38,277,025)
Operating profit / (loss) before working capital changes		(10,938,067)		(5,087,929)
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Short-term loans and advances	(107,421,524)		(25,764,221)	
Other current assets	(15,000,000)		-	
<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
Other Current Liabilities	84,868		(1,454)	
Long Term Provisions	575,815	(121,760,841)	404,205	(25,361,470)
Cash generated from operations		(132,698,908)		(30,449,399)
Net income tax (paid) / refunds		(188,762,268)		53,697
Net cash flow from / (used in) operating activities (A)		(321,461,176)		(30,395,702)
B. Cash flow from investing activities				
Purchase of Fixed Assets		(52,782)		-
Sale of Current Investments		829,990,000		52,700,000
Purchase of Current Investments		(1,127,400,000)		(76,400,000)
Purchase of long-term investments		(461,007,673)		(5,363,722)
Sale of long-term investments		966,019,506		24,044,424
Interest received		2,349,492		2,313,543
Dividend received on Current & Long Term Investments		101,099,119		33,844,769
Net cash flow from / (used in) investing activities (B)		310,997,662		31,139,014
C. Cash flow from financing activities				
Increase / (Decrease) in Short Term Borrowings		-		(303,452)
Finance Costs		-		(2,063)
Net cash flow from / (used in) financing activities (C)		-		(305,515)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(10,463,514)		437,797
Cash and cash equivalents at the beginning of the year (Note -13)		16,750,282		16,312,485
Cash and cash equivalents at the end of the year (Note -13)		6,286,768		16,750,282

In terms of our report attached.
For LAKHOTIA & CO.
Chartered Accountants
Firm Regn. No. 313149E

Lakhotia
NARESH LAKHOTIA
Partner
Membership No. 51249
Kolkata, Dated the 30th May, 2017



Priyanka Mishra
Company Secretary

S.P. Kumar
Manager & CFO

[Signature]
Directors

N.B.I.INDUSTRIAL FINANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

NOTE-1

SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

- i These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards specified under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the other relevant provisions of the Act (to the extent notified) and the guidelines issued by the Reserve Bank of India ('RBI') as applicable to a Non-Banking Finance Company ('NBFC').
- ii The Company has classified all its assets / liabilities into current / non-current based on the time frame of 12 months from the date of financial statements. Accordingly, assets/liabilities expected to be realized /settled within 12 months from the date of financial statements are classified as current and other assets/ liabilities are classified as non- current.

b) Fixed Assets and Depreciation :

- i Tangible Assets are stated at cost of acquisition and subsequent improvements thereto including taxes, duties and other incidental expenses related to acquisition net of accumulated depreciation.
- ii DEPRECIATION on Tangible Assets is provided on written down value basis over estimated useful life of the assets in accordance with Schedule II to the Act.

c) Investments

Investments intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and market/fair value category- wise basis. Long-term investments are carried at cost. Provision for diminution in value of long term investments, other than temporary, shall be made.



d) **Recognition of Income and Expenditure**

Revenues/Incomes and Costs/Expenditure are generally accounted on accrual basis, as they are earned or incurred. Dividend income is recognized when the right to receive is established. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

e) **Accounting for Taxes on Income:**

Provision for current tax is made in accordance with the Income tax laws prevailing for the relevant assessment year.

Deferred Tax for timing difference between tax profits and book profits is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the Balance Sheet Date. Deferred tax assets are recognized to the extent there is reasonable certainty that these assets can be realized in future. Deferred tax assets are reviewed as at each Balance Sheet date to re- assess realization.



**N.B.I.INDUSTRIAL FINANCE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 2 SHARE CAPITAL

	As at 31st March,2017 ₹	As at 31st March,2016 ₹
Authorised : 1,00,00,000 (1,00,00,000) Equity Shares of Rs. 10/- each	100,000,000 100,000,000	100,000,000 100,000,000
Issued 1,229,529 (1,229,529) Equity Shares of Rs. 10/- each	12,295,290 12,295,290	12,295,290 12,295,290
Subscribed & Fully Paid : 1,228,403 (1,228,403) Equity Shares of Rs. 10/- each fully paid up	12,284,030 12,284,030	12,284,030 12,284,030

a) Reconciliation of the number of Equity shares outstanding

Equity shares	Nos.	Rs.	Nos.	Rs.
Balance as at the beginning of the year	1,228,403	12,284,030	1,228,403	12,284,030
Balance as at the end of the year	1,228,403	12,284,030	1,228,403	12,284,030

b) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity share is entitled to one vote per share. Dividend, if any, proposed by the Board of Directors is subject to approval of the shareholders in the ensuing AGM. In the event of liquidation of the company, the holders of equity shares will be entitled to any of the remaining assets of the company after distribution of all preferential amounts in proportion to the no. of equity shares held by them

c) Details of shareholders holding more than 5% Equity shares in the company

S.No.	Name	No. of Shares held	No. of Shares held
1	Shree Capital Services Ltd.	236000	236000
2	Digvijay Finlease Ltd.	235739	235739
3	Shri Benu Gopal Bangur *	104100	104100
4	The Didwana Investment Co. Ltd.	65394	65394
5	The Laxmi Salt Co. Ltd.	-	62244
6	Asish Creations Pvt Ltd	62239	-

d) No shares have been allotted during the period of five years immediately preceding March 31, 2017 pursuant to contracts without payment received in cash or by way of bonus shares and there has been no buy back during the said period.

* Beneficial interest in 1,04,000 Equity Shares is held by Shree Venkatesh Ayurvedic Aushdhalaya.



**N.B.I.INDUSTRIAL FINANCE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS**

Particulars	As at 31st March,2017 ₹	As at 31st March,2016 ₹
Note 3 Reserves and Surplus		
(a) Capital Reserve		
As per last account	55,255	55,255
(b) Securities premium account		
As per last account	1,650,726	1,650,726
(c) General Reserve		
As per last account	191,305,545	166,305,545
Add : Transfer from Surplus in Statement of Profit & Loss Account	300,000,000	25,000,000
	491,305,545	191,305,545
(d) Reserve Fund		
(As per Section 45-IC of RBI Act)		
Opening balance	32,541,000	25,715,400
Add: Transferred from Surplus in Statement of Profit & Loss	161,353,600	6,825,600
Closing balance	193,894,600	32,541,000
(e) Surplus in the Statement of Profit and Loss		
Opening balance	26,897,114	24,594,960
Add: Profit for the year	806,767,964	34,127,754
Less: Appropriations		
Transferred to Reserve Fund	161,353,600	6,825,600
Proposed Dividend on Equity Shares (Rs. 1/- per Share)	1,228,403	
Dividend Distribution Tax on Proposed Dividend	250,074	
Less : Transfer to General Reserve	300,000,000	25,000,000
Closing balance	370,833,001	26,897,114
Total	1,057,739,127	252,449,640



N.B.I.INDUSTRIAL FINANCE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS

Note 4 - Long-Term Provisions

Particulars	As at 31st March, 2017	As at 31st March,
	₹	2016 ₹
Employee Benefits:		
Gratuity	2,511,826	2,062,642
Leave Salary	709,329	582,698
Contingent Provision against Standard Assets	77	77
Total	3,221,232	2,645,417

Note 5 Other Current Liabilities

Other Payables		
For Expenses	143,584	108,135
Capital Repayable Under Capital Reduction Scheme - Unclaimed	175,488	175,488
Statutory Dues	59,570	10,151
Total	378,642	293,774

Note 6 Short - Term Provisions

Income Tax Provisions (Net of Advances)	948,915	-
Proposed Dividend on Equity Shares	1,228,403	-
Dividend Distribution Tax on Proposed Dividend	250,074	-
Contingent Provision against Standard Assets	66,311	66,311
Total	2,493,703	66,311



**N.B.INDUSTRIAL FINANCE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS**

**Note - 7
FIXED ASSETS**

TANGIBLE ASSETS	GROSS BLOCK		DEPRECIATION		NET BLOCK					
	As at 01.04.2016	Addition	Deductions	As At 31.03.2017	For the Period (Refer Note 22 & 23)	Adjustments	Upto 31.03.2017	Upto 31.03.2017	As At 31.03.2017	As At 31.03.2016
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Furniture & Fixtures	143,325	52,782	-	196,107	21,987	-	110,615	85,492	54,697	
Office Equipments	81,087	-	-	81,087	112	-	77,479	3,608	3,720	
Total	224,412	52,782	-	277,194	22,099	-	188,094	89,100	58,417	
Previous year	224,412	-	-	224,412	21,673	-	165,995	58,417	80,090	



N.B.I.INDUSTRIAL FINANCE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS

Note 8 -Non-Current Investments

Long Term

Particulars	As at 31st March , 2017		As at 31st March, 2016		
	Face Value Rs.	Number	Value Rs.	Number	Value Rs.
Other Investments					
Investment in Equity Shares :					
Quoted (Fully Paid-Up)					
Agro Tech Foods Ltd.	10	1,500	657,962	1,500	657,962
Bata India Ltd	5	1,000	453,084	1,000	453,084
Blue Dart Express Ltd	10	6,350	27,497,230	-	-
Bosch Ltd	10	1,932	44,293,468	-	-
Clariant Chemicals (India) Ltd.	10	-	-	3,641	2,371,877
Colgate Palmolive (India) Ltd.	1	5,000	4,979,712	5,000	4,979,712
Eicher Motors Ltd	10	4	-	-	-
Fosco India Limited	10	8,887	2,854,455	8,887	2,854,455
Glaxo Smith Kline Consumer Health Care Ltd.	10	29,176	134,160,277	3,905	2,930,539
HDFC Bank Ltd	2	4,700	4,970,269	4,700	4,970,269
Huhtamaki PPL Limited (The Paper Products L	2	122,050	10,331,389	122,050	10,331,389
India Nippon Electricals Limited	10	-	-	50,372	5,585,230
J.K. Pharmachem Limited	10	2,500	8,631	2,500	8,631
Kansai Nerolac Paints Ltd	1	6,200	2,237,023	-	-
Lupin Ltd	2	10,000	14,580,869	-	-
Motherson sumi Systems Ltd	1	49,950	12,498,470	49,950	12,498,470
Nestle India Ltd	10	2,030	12,994,639	-	-
P & G Hygiene & Healthcare Ltd	10	19,970	142,012,188	-	-
Regency Properties Limited	10	1,000	10,000	1,000	10,000
Ricoh India Ltd.	10	124,131	24,013,142	-	-
Sanathana Dharma Gurukulam Ltd.	10	1,000	10,000	1,000	10,000
Shree Synthetics Limited	10	12,441	3,483	12,441	3,483
Shree Cement Limited	10	849,450	23,957,957	849,450	23,957,957
Unichem Laboratories Ltd	10	5,400	1,462,183	-	-
United Sprints Ltd	10	9,100	21,416,992	-	-
Western India Commercial Co. Ltd.	100	2,105	116,460	2,105	116,460
Whirlpool of India Ltd	10	30,000	37,564,262	-	-
			523,084,145		71,739,518
Unquoted (Fully Paid -Up)					
(A) In Associates					
The Laxmi Salt Co. Ltd.	10	-	-	150,000	1,804,500
The Venkatesh Co. Limited	10	-	-	116,550	7,693,054
					9,497,554
(B) In Others					
Alfa Buildhome Pvt. Ltd.	10	9,000	108,270	9,000	108,270
Aqua infra Projects Ltd.	10	740,000	24,555,001	740,000	24,555,001
Asish Creation Pvt. Ltd.	10	-	-	42,400	510,072
Didu Investments Pvt. Ltd.	10	-	-	81,333	896,905
Digvijay Finlease Limited	10	-	-	282,551	4,886,477
Karmayog Properties Private Limited	10	168,000	18,480,000	168,000	18,480,000
Mannakrishna Investments Pvt. Ltd.	10	-	-	266,666	3,643,876
Newa Investments Pvt. Limited	10	-	-	150,000	1,500,000
Ragini Finance Ltd.	10	-	-	221,000	20,872,055
Rajesh Vanijya Pvt. Ltd.	10	-	-	442,000	11,323,300
Ramgopal Holdings Pvt. Ltd.	10	60,625	5,470,408	60,625	5,470,408
Shree Cement Marketing Limited	10	9,000	90,450	9,000	90,450
Shreecap Holdings Pvt Ltd	10	7,000	70,175	7,000	70,175
Shree Capital Services Limited	10	-	-	247,860	5,064,118
Tanushree Logistics Private Limited	10	99,000	15,300,000	99,000	15,300,000
			64,074,304		112,771,107
Total (A+B)			64,074,304		122,268,661
Investment in Preference Shares					
Unquoted (Fully Paid -Up)					
Cem Logistics Pvt Ltd.-9 % NCNCRPS	100	25,000	2,500,000	25,000	2,500,000
			589,658,449		196,508,179
GRAND TOTAL			589,658,449		196,508,179
Aggregate amount of quoted investments			523,084,145		71,739,518
Aggregate amount of unquoted investments			66,574,304		124,768,661
			589,658,449		196,508,179
Aggregate market value of quoted investments			15,075,931,554		10,654,687,816



N.B.I.INDUSTRIAL FINANCE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS

Particulars	As at 31st March, 2017	As at 31st March, 2016
	₹	₹
Note 9 Deferred Tax Assets		
Deferred Tax Asset		
On Provision for Gratuity	776,154	637,356
On Provision for Leave Salary	219,183	180,054
On Difference between Book and Tax	34,494	34,645
Deferred Tax Asset	1,029,831	852,055
Note 10 Long Term Loans and Advances (Unsecured, considered good)		
Security deposits	30,800	30,800
Total	30,800	30,800
Note 11- Other Non- Current Assets (Unsecured, considered good)		
Fixed Deposit accounts with maturity of more than 12 months	15,000,000	-
Interest Receivable on Deposits	977,696	-
	15,977,696	-
Note 13 Cash and Bank Balances Cash and Cash Equivalent		
(a) Cash on hand	200,103	201,073
(b) Balances with Scheduled banks		
In current accounts	4,682,777	28,214
(c) In Fixed deposit accounts - maturity less than three months	1,403,888	16,520,995
Total	6,286,768	16,750,282



NOTES TO THE FINANCIAL STATEMENTS

Note 12 Current Investments

Particulars	As at 31st March, 2017			As at 31st March, 2016	
	Face Value Rs.	Number	Value Rs.	Number	Value Rs.
Investment in Equity Shares					
Quoted (Fully Paid-Up)					
Unquoted					
Investment in Mutual Funds					
UTI Floating Rate Fund STP Regular Plan - Growth Plan	1,000	88,744.767	233,939,071	10,137.023	24,536,822
UTI Spread Fund - Dividend	10	5,694,378.132	90,000,000	-	-
UTI Treasury Advantage Fund	1,000	1,896.484	4,000,000	-	-
Total of Current Investments			327,939,071		24,536,822
Total of Current Investments			327,939,071		24,536,822



N.B.I.INDUSTRIAL FINANCE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Note 14 Short-Term Loans and Advances (Unsecured, considered good)		
Advances to employees	67,000	133,000
Loan to Body Corporates	1,300,000	25,500,000
Income Tax Advances(Net of Provisions)	-	1,613,891
Advances for Expenses	229,906	542,382
Advance against Investments	132,000,000	-
Total	133,596,906	27,789,273

Note 15 Other Current Assets (Unsecured, considered good)		
Interest accrued on Deposits	13,965	1,112,741
Interest accrued On Loans	1,494,148	100,603
Total	1,508,113	1,213,344



N.B.INDUSTRIAL FINANCE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS

Particulars	For the year ended 31st March, 2017 ₹	For the year ended 31st March, 2016 ₹
Note 16 Revenue From Operations		
INTEREST INCOME		
on Loan	2,360,884	1,139,014
on IncomeTax Refund	11,237	11,096
on Fixed Deposits with Bank	1,249,836	1,358,999
	<u>3,621,957</u>	<u>2,509,109</u>
Net gain on sale of Investments:		
current investments	5,992,249	836,822
long-term investments	898,162,103	1,198,931
	<u>904,154,352</u>	<u>2,035,753</u>
Dividend income:		
from current investments	1,234,754	885,390
from long-term investments	99,864,365	32,870,509
	<u>101,099,119</u>	<u>33,755,899</u>
Total	<u>1,008,875,428</u>	<u>38,300,761</u>
Note 17 Employee Benefits Expense		
Salaries and Allowances	4,010,681	3,089,027
Contribution to Provident Fund	274,357	224,242
Gratuity	449,184	348,550
Leave Salary	126,631	55,654
Staff Welfare expenses	224,243	242,880
Total	<u>5,085,096</u>	<u>3,960,353</u>
Note 18 Finance Costs		
Interest Expenses		
Borrowings from Bank	-	2,063
Others	-	-
Total	<u>-</u>	<u>2,063</u>



N.B.I.INDUSTRIAL FINANCE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS

Particulars	For the year ended 31st	For the year ended 31st
	March, 2017	March, 2016
	₹	₹
Note 19 Depreciation and Amortisation Expenses		
Depreciation on Tangible Assets	22,099	21,673
Total	22,099	21,673

Note 20 Other Expenses

Rent	111,600	111,480
Repairs & Maintenance - Others	46,989	11,890
Rates and taxes	6,892	4,350
Service Tax	6,307	8,186
Communication Expenses	217,766	213,028
Travelling and Conveyance	40,363	24,002
Printing and stationery	366,050	228,383
Advertisement	39,280	49,240
Directors Sitting Fee	42,050	56,450
Legal and professional	938,938	174,546
Custodial Fees	26,360	26,310
Listing Fees	862,500	-
Payments to auditors		
For - statutory audit	46,000	37,950
For - tax audit fees	8,050	7,475
For other services	33,700	39,968
Miscellaneous expenses	114,349	128,872
Total	2,907,194	1,122,130

Note 21 Earnings Per Share (EPS)

Nominal value per Equity share	10/-	10/-
Net Profit after Tax	806,767,964	34,127,754
Weighted average number of Equity Shares	1,228,403	1,228,403
Basic and diluted Earning per share	656.76	27.78



**N.B.I.INDUSTRIAL FINANCE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS**

22 There are no separate reportable segments as per Accounting Standard 17.

23 Related Party Disclosures (In accordance with AS-18)

Name Relationship

Key Management Personnel-

Mr. S. P. Kumar Manager and CFO

Details of Transactions	<u>2016-17</u>	<u>2015-16</u>
Remuneration	Rs.1254086/-	Rs. 9,30,527

24 Employee Benefit Expenses appearing in the Statement of Profit and Loss are net of service charges received from others Rs. 24000/- (Previous year- 24000/-)

25 Unabsorbed MAT for which future credit may be available amounts to Rs. 4277931/- (Previous Year Rs. 5067713/-)

26 Contingent Provision for Standard Assets was created in the earlier years at 0.25% of the standard assets in terms of the Notification No.DNBS.223/CGM (US) - 2011 dated 17th January 2011, issued by the Reserve Bank of India.

27 There is no amount due to Micro, Medium and Small enterprises nor there has been any delay in payment to such enterprises.

28 Disclosure of Specified Bank Notes (SBNs)

The details of Specified Bank Notes (SBNs)* held and transacted during the period from 8th November, 2016 to 30th December, 2016 are provided in the Table below:-

Particulars	SBNs	Other denomination notes & coins	Total
Closing cash in hand as on 08.11.2016	200000	103	200103
(+) Permitted receipts	Nil	Nil	Nil
(+) Withdrawals from Bank accounts	Nil	200000	200000
(-) Permitted payments	Nil	Nil	Nil
(-) Amount deposited in Banks	200000	Nil	200000
Closing cash in hand as on 30.12.2016	Nil	200103	200103

* The term 'Specified Bank Notes' has the same meaning as provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

29 Previous year's figures have been regrouped/ rearranged wherever necessary.

30 Particulars required under Paragraph 18 of the Master Direction Non-Banking Financial Company- Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 are given in the Annexure appended hereto.

In terms of our report of even date

For LAKHOTIA & CO.
Chartered Accountants
Firm Registration No. 313149E

Naresh Lakhotia
NARESH LAKHOTIA
Partner
Membership No. 51249
Kolkata, Dated the 30th May, 2017

Priyanka Mishra
Priyanka Mishra
Company Secretary

S.P. Kinnik
S.P. Kinnik
Manager & CFO

[Signature]
Directors



N.B.I. INDUSTRIAL FINANCE CO. LTD.

ANNEXURE

(Referred to in Note 30 of the Financial Statements)

SCHEDULE TO THE BALANCE SHEET OF A NON-DEPOSIT TAKING NON-BANKING FINANCIAL COMPANY

PARTICULARS

(Rs in Lakhs)
As on 31.03.2017

Liabilities side:

**(1) Loans and advances availed by the NBFCs
inclusive of interest accrued thereon but not paid:**

	Amount Outstanding	Amount Overdue
(a) Debentures : Secured	NIL	NIL
: Unsecured (other than falling within the meaning of public deposits)	NIL	NIL
(b) Deferred Credits	NIL	NIL
(c) Term Loans	NIL	NIL
(d) Inter-corporate loans and borrowing	NIL	NIL
(e) Commercial Paper	NIL	NIL
(f) Other Loans-	NIL	NIL

Assets side:

**(2) Break-up of Loans and Advances including bills receivables
[other than those included in (4) below]:**

(a) Secured	NIL	NIL
(b) Unsecured	1335.97	NIL

**(3) Break up of Leased Assets and stock
on hire and other assets
counting towards AFC activities**

(i) Lease assets including lease rentals under sundry debtors:		
(a) Financial lease	NIL	
(b) Operating lease	NIL	
(ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire	NIL	
(b) Repossessed Assets	NIL	
(iii) Other loans counting towards AFC activities		
(a) Loans where assets have been repossessed	NIL	
(b) Loans other than (a) above	NIL	

(4) Break-up of Investments:

Current Investments:

1. Quoted:

(i) Shares: (a) Equity	NIL
(b) Preference	NIL
(ii) Debentures and Bonds	NIL
(iii) Units of mutual funds	NIL
(iv) Government Securities	NIL
(v) Others (please specify)	NIL

2. Unquoted:

(i) Shares: (a) Equity	NIL
(b) Preference	NIL
(ii) Debentures and Bonds	NIL
(iii) Units of mutual funds	3279.39
(iv) Government Securities	NIL
(v) Others (Please specify)	NIL



Long Term investments:

1. Quoted:

(i) Share: (a) Equity	5230.84
(b) Preference	NIL
(ii) Debentures and Bonds	NIL
(iii) Units of mutual funds	NIL
(iv) Government Securities	NIL
(v) Others (Please specify)	NIL

2. Unquoted:

(i) Shares: (a) Equity	640.74
(b) Preference	25.00
(ii) Debentures and Bonds	NIL
(iii) Units of mutual funds	NIL
(iv) Government Securities	NIL
(v) Others (Please specify)	NIL

(5) Borrower group-wise classification of assets financed as in (2) and (3) above :

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			
Total	NIL	1335.97	1335.97
(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):			
Total	NIL	1335.97	1335.97

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	Market Value / Break up / or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties		
(a) Subsidiaries	NIL	NIL
(b) Companies in the same group	NIL	NIL
(c) Other related parties	NIL	NIL
2. Other than related parties		
Total	155026.94	9175.98
Total	155026.94	9175.98

(7) Other information

Particulars	Amount
(i) Gross Non-Performing Assets	
(a) Related parties	NIL
(b) Other than related parties	NIL
(ii) Net Non-Performing Assets	
(a) Related parties	NIL
(b) Other than related parties	NIL
(iii) Assets acquired in satisfaction of debt	NIL

As per our Report of even date attached herewith.

For LAKHOTIA & CO.

Chartered Accountants

Firm Regn. No. 313149E.

Naresh
NARESH LAKHOTIA

Partner

Membership No. 51249

Kolkata, Dated the 30th May, 2017

Priyanka Mishra

Company Secretary

S.P. Kumar
Manager & CFO

[Signature]
Directors

