

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

Registered Office: 21, Strand Road, Kolkata 700 001

CIN: L65923WB1936PLC065596

Website: www.nbi-india.co.in

Email: nbifin.nce@gmail.com

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

NOTICE

NOTICE is hereby given that the 83rd Annual General Meeting of N.B.I. Industrial Finance Co. Ltd. will be held on Saturday, the 15th September, 2018 at 10.30 A.M. at Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, 4th Floor, Kolkata – 700 017 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, 2018 together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Bankat Lal Gaggar (DIN: 00404123), who retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Smt. Riya Puja Jain (DIN: 01559454), who retires by rotation at this Annual General Meeting and, being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

4. To approve appointment of Shri Tapas Kumar Bhattacharya as an Independent Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted from time to time), consent of the members be and is hereby accorded to the appointment of Shri Tapas Kumar Bhattacharya (DIN:00711665), who has consented to act as an Independent Director and submitted a declaration that he meets the criteria of independence as provided in section 149(6) of the said Act and who is eligible for appointment, as an Independent Director to hold office for a term of 5(Five) consecutive years, not liable to retire by rotation.”

5. 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 modification(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.”

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

Date: 30th June, 2018

By order of the Board

Priyanka Mishra

(Priyanka Mishra)
Company Secretary
ICSI Membership No.:A24082

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. Members of the Company had approved the appointment of M's D.K. Chhajjer & Co., Chartered Accountants, as the Statutory Auditors of the Company at the 82nd Annual General Meeting (AGM) which is valid till 87th AGM of the Company. In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by Ministry of Corporate Affairs, appointment of Statutory Auditors is now not required to be ratified at every AGM.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 8th September, 2018 to 15th September, 2018 (both days inclusive).
4. Pursuant to provisions of Section 124 of the Companies Act, 2013 and rules framed thereunder the Company has transferred the total amount of dividend which remained unpaid or unclaimed for the year 2016-17 to the Unpaid Dividend Account of the Company. Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 16.09.2017 (date of last Annual General Meeting) on the website of the Company (www.nbi-india.co.in) as well as on the website of the Ministry of Corporate Affairs.

Pursuant to the provisions of Section 124 of the Companies Act, 2013 the Company is required to transfer the dividends which have remained unpaid or unclaimed for a period of seven consecutive years or more to the Investor Education and Protection Fund (the IEPF) established by the Central Government. The members who have not yet encashed the dividend warrant(s) for the year 2016-17 (Final Dividend) are requested to approach the Company with their warrants for re-validation.

The details of unpaid dividend and last date of transfer to IEPF are given hereunder:

Year	Type of Dividend	Dividend per share of ₹10 - (₹)	Date of declaration of Dividend	Dividend amount unpaid as on 31.03.2018 (₹)	Last date for transfer of unpaid dividend in Investor Education and Protection Fund
2016-17	Final	1	16.09.2017	165,258	21.10.2024

5. Members are requested to bring the attendance slip along with their copy of the Annual Report to the Meeting.
6. 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.
7. Maheshwari Datamatics Pvt. Ltd. is acting as a Registrar and Transfer Agent (RTA) for both physical and electronic form of shareholdings. All communications relating to shares should be addressed to the RTA at 23, R.N. Mukherjee Road, 5th Floor, Kolkata – 700 001.

8. 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 Registrar and Transfer Agent (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.
9. **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 post stock split is – INE365101020. Members may contact their Depository Participant for assistance in this regard.**
10. 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.
11. Notice of this Annual General Meeting and the Annual Report of the Company for the year 2017-18 will also be available on the website of the Company viz. www.nbi-india.co.in
12. Route Map to the venue of the Annual General Meeting is provided at the end of the Notice.
13. 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, 8th September, 2018, i.e. the date of commencement of book closure 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, 12th September, 2018 and will end at 5.00 P.M. on Friday, 14th September, 2018. The Company has appointed Mr. Mahesh Agrawal, Practising Chartered Accountant, to act as the Scrutiniser, for conducting the scrutiny of the votes cast. 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, 12th September, 2018 and will end at 5.00 P.M. on Friday, 14th September, 2018. 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, 8th September, 2018, 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. 8th September, 2018, 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.
14. Registers required under section 170 and 189 of the Companies Act, 2013 shall be made available at the commencement of the meeting and shall remain open and accessible to the members during the continuance of the meeting.
15. Additional information, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting (SS-2), in respect of the directors seeking re-appointment at the Annual General Meeting, is furnished as annexure to the Notice.
16. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the business under item nos.4 to 5 of the Notice is annexed hereto and forms part of the Notice.
17. Shareholders holding shares in physical form are again reminded to forward the following information / documents to the Company within 21 days as mandated by SEBI:
- a. Self attested copy of pan card as proof of identity (all holders)
 - b. Self attested copy of any one document such as Aadhaar voter id/passport as proof of address (first holder only)
 - c. Cancelled cheque leaf with your name printed on the cheque leaf. If your name is not printed thereon then, in addition, send us bank attested copy of passbook or bank statement (first holder only)

- d. Photocopy of share certificate + copy of any letter received by you from the Company showing your Folio No. /counterfoil of dividend warrant/ copy of bank passbook or statement showing encashment of dividend issued to you by the Company (first holder only)
- e. You are requested to send us your specimen signature duly attested by your banker (other than Co-operative bank) with the name of the attesting official, his designation, employee code no., under the rubber-stamp of the bank (all holders)

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 and Secretarial Standard on General Meeting (SS-2) are given below and forms part of the Notice

Item No.2

Shri Bankat Lal Gaggar

Shri Bankat Lal Gaggar is a law abiding citizen of India born on 06.02.1941 and is a Non-Executive Director of the Company.

Mr. Gaggar is a Commerce and a Law graduate. He joined the Company's Board on 30.01.2004 and has skill, knowledge and experience of more than 40 years in Corporate Management and also in the business carried on by the Company. Mr. Gaggar 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

No. of Board Meetings attended during FY 2017-18

Six

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

Directorship

Jabalpur Multiplexes Pvt. Ltd.
India Paint & Commercial Co. Ltd.
The Laxmi Salt Co. Ltd.
Khemka Properties Pvt. Ltd.
Ragini Properties Pvt. Ltd.
Rajesh Vanijya Pvt. Ltd.
Ramgopal Holdings Pvt. Ltd.
Ramgopal Industries Pvt. Ltd.
Karmayog Properties Pvt. Ltd.
Shree Capital Services Ltd.
Sparton Growth Fund Pvt. Ltd.
Shreeman Investments Pvt. Ltd.
SCL Energy Ltd.
Tullika Investments Pvt. Ltd.

Committee Membership

Shree Capital Services Ltd.	CSR Committee	Member
	Nomination and Remuneration Committee	Member
	Audit Committee	Member

Chairman / Member of Committee(s) of the Board of the Company

CSR Committee	Member
Stakeholders Relationship Committee	Member

Shareholding in the Company

NIL

Remuneration last drawn

N.A.

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

Item No.3

Smt. Riya Puja Jain

Smt. Riya Puja Jain is a law abiding citizen of India born on 02.06.1976 and is a Non-Executive Director of the Company.

Smt. Riya Puja Jain is a Commerce graduate and is an Associate Member of the Institute of Chartered Accountants of India. Smt. Jain joined the Company's Board on 14.11.2014 and has appropriate skill, knowledge and experience of 10 years in Corporate Management and also in the business carried on by the Company. Smt. Jain has given a declaration that she 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

No. of Board Meetings attended during FY 2017-18

Four

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

Directorship

SCL Energy Ltd.

Tullika Investments Pvt. Ltd.

Committee Membership

NIL

Chairman / Member of Committee(s) of the Board of the Company

NIL

Shareholding in the Company

NIL

Remuneration last drawn

N.A.

Smt. Riya Puja Jain is concerned in the Resolution of the accompanying Notice relating to her own appointment as a Director. No other Director or Key Managerial Personnel (KMP) or their relatives are concerned or interested in the Resolution.

EXPLANATORY STATEMENT

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.4 to 5 of the accompanying Notice.

Item No.4

Pursuant to the provisions of section 149 of the Act read with Rule 4 of Companies (Appointment & Qualification of Directors) Rules, 2014, which came in to effect from 1st April, 2014, every listed public company is required to have at least two directors as independent directors, who are not liable to retire by rotation. Casual Vacancy occurred in the office of an Independent Directors of the Company due to sudden demise of Shri Ram Narain Mundhra on 16.06.2018 is required to be filled up by inducting new Independent Director on the Board. On recommendation of the Nomination and Remuneration Committee and subsequent approval of the Board appointment of Shri Tapas Kumar Bhattacharya is proposed for shareholders' approval.

Shri Tapas Kumar Bhattacharya, has given a declaration to the Board that he meets the criteria of independence as provided under section 149(6) of the Companies Act, 2013 and is eligible for appointment as Independent Director. In the opinion of the Board, Shri Bhattacharya fulfils the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and that the director is independent of the management. The Board at its meeting held on 30th June, 2018 has appointed Shri T.K. Bhattacharya as an independent director for a consecutive term of 5(Five) years, subject to members' approval.

The Board recommends the resolution for approval by the Members as set out in the Notice convening the Meeting.

The terms and conditions of appointment of the above Director shall be open for inspection by the members at the Registered Office of the Company on all working days during usual working hours upto and including the date of the meeting.

A brief profile of the Independent Director is given below:

Mr. Tapas Kumar Bhattacharya son of Late Bhabesh Chandra Bhattacharya, aged about 67 years, is M.Com, a Law graduate and an Advocate by profession. He has about 40 years of experience of working in Government Departments, Corporate entities and tax practice and is presently practicing as an income tax professional. Shri T.K. Bhattacharya has appropriate skill, knowledge and experience in the business carried on by the Company.

He is currently not holding any Directorship in any Company.

Shri Bhattacharya is concerned in the Resolution of the accompanying Notice relating to his own appointment as an Independent Director. No other Director or Key Managerial Personnel (KMP) or their relatives are concerned or interested in the Resolution. He does not hold any shares in the Company.

Item No.5

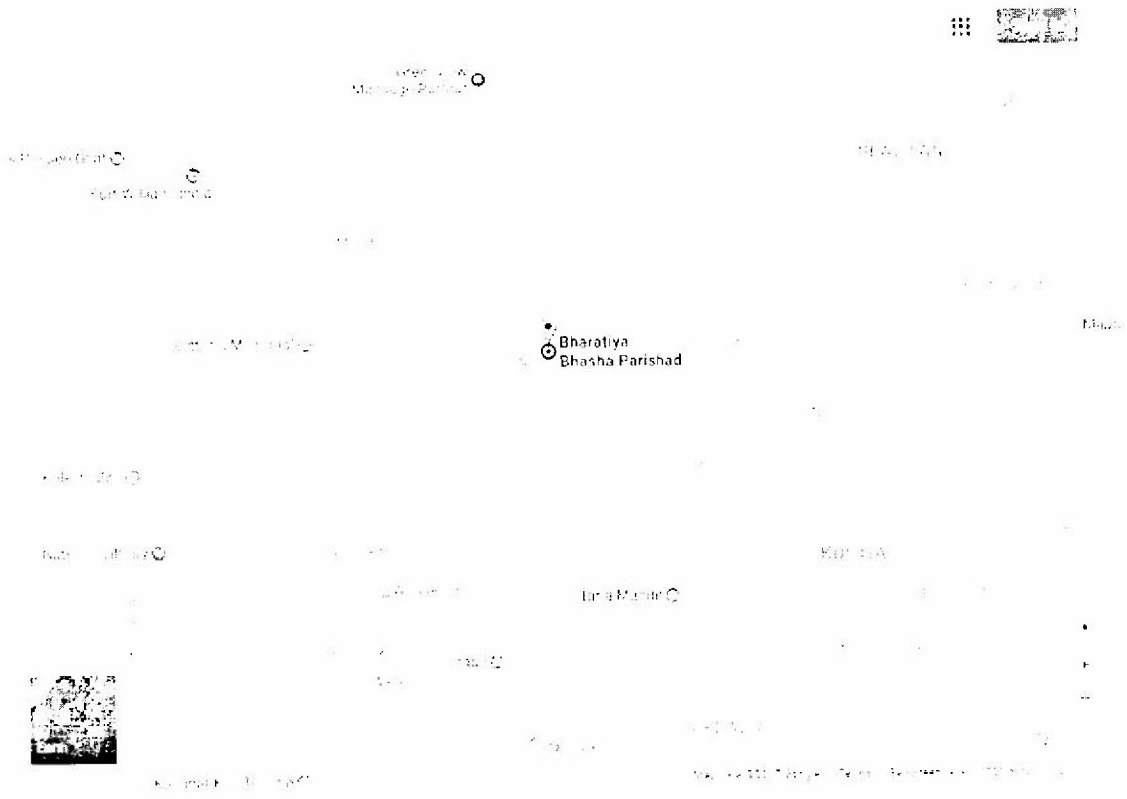
The Company has to have its secretarial audit conducted for the fiscal 2019 and for the purpose the Company is required to appoint a Secretary in Whole-time Practice (CSP).

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.5 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.

Route Map for venue of the EOGM:



N.B.I. INDUSTRIAL FINANCE COMPANY LIMITED

CIN: L65923WB1936PLC065596

DIRECTORS' REPORT

TO THE SHAREHOLDERS

Your Directors have pleasure in presenting the 83rd Annual Report of your Company together with the Audited Accounts of the Company for the year ended 31st March, 2018.

FINANCIAL RESULTS

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

	Year ended 31.03.2018 (₹)	Year ended 31.03.2017 (₹)
Profit before Depreciation & Provisions	38,397,528	997,937,361
Less : Depreciation	31,926	22,099
Profit before Taxation	38,365,602	997,915,262
Less : Provision for Current Tax	-	191,402,000
Tax relating to earlier years	5,830	(76,926)
Provision for Deferred Tax	10,141	(177,776)
Profit after Tax	38,349,631	806,767,964
Add : Balance of Profit from Previous year	370,833,001	26,897,114
	<u>409,182,632</u>	<u>833,665,078</u>

APPROPRIATIONS :

Transfer to Reserve Fund (as per RBI Guidelines)	7,670,000	161,353,600
Proposed Dividend on Equity Shares (Previous year ₹1 - per share)	-	1,228,403
Dividend Distribution Tax on Proposed Dividend	-	250,074
Transfer to General Reserve	-	300,000,000
Balance Carried to Balance Sheet	401,512,632	370,833,001
	<u>409,182,632</u>	<u>833,665,078</u>

DIVIDEND

The Board does not recommend any dividend for the year ended 31st March, 2018 with a view to further strengthen the resources. In the last financial year the Company had declared dividend @₹1 - per share of then face value of the equity share of ₹10 - each.

SHARE CAPITAL

During the year the equity share of face value ₹10/- each were sub-divided into equity share of face value ₹5 - each as approved by the members at the last annual general meeting. The authorised capital now stands at ₹10 crore divided into 2 crore equity shares of ₹5/- each. The paid-up equity capital of the Company stood at ₹122.84 Lac as at 31st March, 2018. During the year under review, the Company has not issued any new shares except upon stock split as mentioned hereinabove.

TRANSFER TO RESERVES

The Board proposes to transfer ₹76.70 Lac to Reserve Fund pursuant to RBI Guidelines and the balance of ₹4015.13 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 ₹572.56 Lac as against ₹10088.92 Lac in the preceding year. Profit after tax stood at ₹383.50 Lac as against ₹8067.68 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 Company does not have any associate.

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 was transferable by the Company during the year.

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 significantly material contract / arrangement / transactions 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, Market 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 Bankat Lal Gagar (DIN:00404123) and Smt. Riya Puja Jain (DIN:01559454), 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 continue to be 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 and 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 D.K. Chhajer & Co., Chartered Accountants having Firm Registration No.304138E, who are Statutory Auditors of the Company, were appointed by the Company at the Annual General Meeting (AGM) held on 16th September, 2017, for a term of five consecutive years. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors is required to be ratified by Members at every AGM. In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is now not required to be ratified at every AGM.

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 2017-18 has been conducted by Shri Mukesh Chaturvedi, Practising Company Secretary. The Secretarial Audit Report for the financial year ended 31st March,

2018 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

Six 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 Annual Report on CSR activities of FY 2017-18 with requisite details in the specified format as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed hereto and forms part of this report.

The CSR Policy of the Company is also annexed hereto and forms part of this Report. The same is also available on the website of the Company viz. http://www.nbi-india.co.in/policies/NBI_CSR_Policy.pdf

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 2017-18, the applicable accounting standards have been followed along with 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, 2018 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.

CORPORATE GOVERNANCE

In terms of the provisions of Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Corporate Governance Report for fiscal 2018 is annexed hereto 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 as 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, 2018.

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_Sub subsidiary.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.

For and on behalf of the Board

Place: Kolkata

Dated: 30th May, 2018


(Ashok Bhandari)
 Chairman
 DIN:00012210

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2018

[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's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, 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 31.03.2018 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 31.03.2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder 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;**

(M. K. Chatterjee)

- (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
- Reserve Bank of India Act 1934
 - Professional Tax Act
 - West Bengal Shops and Establishments Act 1963
 - The Employees Provident Funds and Miscellaneous Provisions Act 1952

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

- Secretarial Standards issued by The Institute of Company Secretaries of India .
- LODR as the company is listed with National Stock Exchange of India (NSE).

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.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and 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

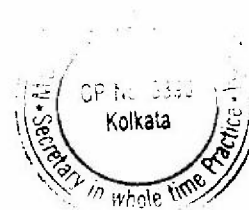
All decisions at the Board Meetings are carried out unanimously as recorded in the Minutes of the Meeting of the Board of Directors.

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 : 30/05/2018

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

Mukesh Chaturvedi



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.



A handwritten signature in black ink is written over a rectangular stamp. The stamp contains the word "Chairman" in a bold, sans-serif font. A diagonal line is drawn across the bottom right corner of the stamp.

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


Chairman

Annexure to CSR Report (Point 5(c) of the CSR Report)

CSR Project or activity identified	Sector in which the project is covered	Projects or programs 1. Local Area or other 2. Specify the State and district where projects or programs was undertaken	Amount outlay(budget) Project or program wise	Amount spent on the projects or programs sub-heads: 1. Direct expenditure on projects or programs 2.Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through Implementing Agency
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Initiatives to promote higher education amongst girls	Promote Education	Area: Didwana State: Rajasthan District: Nagaur	₹61.41 Lac	₹61.41 Lac	₹61.41 Lac	Through implementing Agency: Didwana Vikas Parishad Samity, Didwana

Annexure to the Directors' Report

Annual Report on Corporate Social Responsibility (CSR) Activities

1	A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken	The Company aims to focus on environment preservation and supporting needy people of the society for their overall upliftment. Though its social activities are to focus primarily on areas surrounding its operations, which may include people / programs which may not be so related strictly considering overall upliftment objectives. However, in its first year of implementation the Company has emphasised mainly on the promotion of higher education amongst the girls by supporting construction of a college building in the town Didwana under the name of "Shree Bangur Mahila Mahavidhyalaya" in collaboration with Didwana Vikas Parishad Samity for higher education of girls.
2	The Composition of the CSR Committee	CSR Committee comprises of two Independent Directors and two Non-Executive Directors as under: 1. Shri R.N. Mundhra - Chairman 2. Shri B.L. Surana - Member 3. Shri B.L. Gaggar - Member 4. Shri J.P. Mundra - Member
3	Average net profit of the company for the last three financial years	₹3065.73 Lac
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	The prescribed CSR Expenditure requirement for the FY 2017-18 is ₹61.32 Lac. The amount allocated i.e. ₹61.41 Lac is higher than 2% of the average net profit of the Company for the preceding three financial years.
5	Details of CSR spent during the financial year	
a	Total amount to be spent for the financial year	₹61.32 Lac
b	Amount unspent, if any	NIL
c	Manner in which the amount spent during the financial year	The manner in which the amount is spent is annexed
6	In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Directors' Report	Not Applicable
7	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company	The CSR Committee hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Place: Kolkata

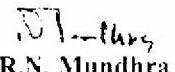
Date: 30th May, 2018

For N.B.I. Industrial Finance Co. Ltd.



J.P. Mundra
Director

DIN:00630475



R.N. Mundhra
Chairman of
CSR Committee

DIN: 00424392

Corporate Social Responsibility Policy (CSR Policy)

N.B.I. Industrial Finance Company Limited (NBI) believes that for its operation and growth to be sustainable, it has to be responsible. Its progress is thus underlined by strict adherence to environment preservation, social upliftment etc. NBI believes in making social development as an integral part of its business activities so as to bring about a meaningful change in the lives of people associated with it. NBI considers social responsibility as a voluntary act rather than an additional activity mandated by statute.

NBI has in line with / in conformity with the statutory requirement, prepared its CSR Policy. NBI will maintain that all the activities that will be undertaken by it will be in accordance with the policy and that the projects and activities that will be undertaken are in full compliance with Schedule VII of the Companies Act, 2013.

The contents of NBI's CSR Policy are given below:-

1. Vision, Objective and Scope of the Policy

NBI Programmes will focus supporting needy people of the society for their overall upliftment. Though its social activities will be focusing primarily on areas surrounding its operations, it may include people / programs which may not be so related strictly considering overall upliftment objectives.

2. Mandate of Corporate Social Responsibility

NBI is committed to spend 2% of its Average Net Profits of last three years as defined in the Rules towards its social initiatives.

3. Board Committee

The CSR Committee of the Board will oversee the social activities to be undertaken by the Company.

4. Identification of Projects and Modalities of Project Execution

The projects to be undertaken by the Company shall conform to the guidelines formulated or laid down by the Government from time to time under Schedule VII to the Companies Act, 2013.

5. Organisational Mechanism

NBI will seek assistance of outside agencies and/or collaborative partnerships may be formed with like-minded stakeholders in order to widen the Company's reach in implementing its CSR Policy.

6. Implementation

CSR Committee of the Board is entrusted with implementing the social activities / initiatives and establishing a monitoring mechanism in line with the policy of the company.

7. Budget – CSR Corpus

NBI will allocate necessary budget after the beginning of relevant accounting year for social initiatives. Fund allocation for various activities will be made on suitable and/or progressive basis.

8. Performance Management

NBI will adopt a suitable approach for measuring the actual performance of the projects undertaken and Audit Committee of the Board of the Company shall review the performance.

9. Information Dissemination and Policy Communication

The Company's engagement in this domain shall be disseminated on its website and through its Annual Reports etc.

10. Management Commitment

Our Board of Directors, Management and all of employees subscribe to the philosophy of compassionate care. We believe and act on an ethos of generosity and compassion, characterised by a willingness to build a society that works for everyone. This is the cornerstone of our CSR Policy.

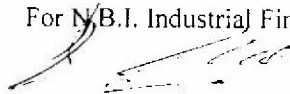
11. Review of Policy

CSR Committee of the Board of **N.B.I. Industrial Finance Company Limited** will review the policy from time to time based on the changing needs and aspirations of the target beneficiaries and make suitable modifications as may be necessary.

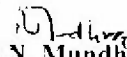
Place: Kolkata

Date: 30th May, 2018

For **N.B.I. Industrial Finance Co. Ltd.**


J.P. Mundra
Director

DIN:00630475

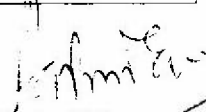

R.N. Mundhra
Chairman of
CSR Committee

DIN: 00424392

EXTRACT OF ANNUAL RETURNas on the financial year ended on 31st March, 2018

[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, 2248 2248 Email: mdplde@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



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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-2017]				No of Shares held at the end of the year [As on 31-March-2018]**				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	166339	0	166339	13.5411	208200	0	208200	8.4744	-5.0667
b) Central Govt									
c) State Govt(s)									
d) Bodies Corporate	570758	0	570758	46.4634	1266004	0	1266004	51.5305	5.0671
e) Banks/FI									
f) Any other									
Sub-total (A)(1)	737097	0	737097	60.0045	1474204	0	1474204	60.0049	0.0004
(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corporate									
d) Banks/FI									
e) Any other									
Sub-total (A)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	737097	0	737097	60.0045	1474204	0	1474204	60.0049	0.0004
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks/FI	0	792	792	0.0645	0	1584	1584	0.0645	0.0000
c) Central Govt	0	7	7	0.0006	0	14	14	0.0006	0.0000
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	0.0651	0	1598	1598	0.0651	0.0000
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	152276	17539	169815	13.8240	304492	13404	317896	12.9394	-0.8846
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	62056	218140	280196	22.8098	159010	372608	531618	21.6386	-1.1712
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	40196	0	40196	3.2722	107346	0	107346	4.3693	1.0971
c) Others (Specify)									
Non Resident Indians	5	0	5	0.0004	1212	0	1212	0.0493	0.0489
Qualified Foreign Investor									
Custodian of Enemy Property									
Foreign Nationals									
Clearing Members	295	0	295	0.0240	1732	0	1732	0.0705	0.0465
Trusts									
Foreign Bodies-D R									
Foreign Portfolio Investors									
NBFCs Registered with RBI	0	0	0	0.0000	21200	0	21200	0.8629	0.8629
Employee Trusts									
Domestic Corporate Unclaimed Shares Account									
Investor Education and Protection Fund Authority									
Sub-total(B)(2):-	254828	235679	490507	39.9304	594992	386012	981004	39.9300	-0.0004
Total Public Shareholding (B)=(B)(1)+ (B)(2)	254828	236478	491306	39.9955	594992	387610	982602	39.9951	-0.0004
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	991925	236478	1228403	100.0000	2069196	387610	2456806	100.0000	0.0000

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

** consequent upon change of Face Value of shares from ₹10/- each to ₹5/- each w.e f.09.12.2017


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Attachment B

ii) Shareholding of Promoters-

Sl No	Shareholder's Name	Shareholding at the beginning of the year [As on 01/04/2017]				Shareholding at the end of the year [As on 31/03/2018]**				% change in share holding during the Year	PAN
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	% of total Shares of the Company	No. of Shares	% of Shares Pledged / encumbered to total shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares		
1	SHREE CAPITAL SERVICES LTD.	236000	19.21	0.0000	472000	19.21	0.0000	0.0000	0.0000	AAGCS5082D	
2	DIGVIJAY FINLEASE LTD.	235739	19.19	0.0000	471478	19.19	0.0000	0.0000	0.0000	AAACD6998D	
3	BENU GOPAL BANGUR *	104100	8.47	0.0000	200	0.01	0.0000	0.0000	-8.4600	ADRPB5687N	
4	PRASHANT BANGUR *	0	0.00	0.0000	208000	8.46	0.0000	0.0000	8.4600	AHAPB4776F	
5	THE DIDWANA INVESTMENT CO. LTD.	65394	5.32	0.0000	130788	5.32	0.0000	0.0000	0.0000	AABCT1524C	
6	ASISH CREATIONS PVT. LTD.	62239	5.07	0.0000	124478	5.07	0.0000	0.0000	5.0700	AADCA3805D	
7	MANNAKRISHNA INVESTMENTS PVT. LTD.	25000	2.04	0.0000	50000	2.04	0.0000	0.0000	0.0000	AACCM23231I	
8	WESTERN INDIA COMMERCIAL CO. LTD.	8625	0.70	0.0000	17250	0.70	0.0000	0.0000	0.0000	AAACW2354C	
9	THE VENKTESH CO. LTD.	0	0.00	0.0000	2	0.00	0.0000	0.0000	0.0000	AAACT9722F	
10	NEWA INVESTMENTS PVT. LTD.	0	0.00	0.0000	2	0.00	0.0000	0.0000	0.0000	AAACN8961G	
11	RAJESH VANIYA PVT. LTD.	0	0.00	0.0000	2	0.00	0.0000	0.0000	0.0000	AABCR6316C	
12	DIDU INVESTMENTS PVT. LTD.	0	0.00	0.0000	2	0.00	0.0000	0.0000	0.0000	AABCD1810F	
13	RAGINI FINANCE LIMITED	0	0.00	0.0000	2	0.00	0.0000	0.0000	0.0000	AABCR2321R	
TOTAL		737097	60.00	0.0000	1474204	60.00	0.0000	0.0000	0.0000		

*208000 shares (post stock-split) were held by Shri Benu Gopal Bangur (Promoter) for which the Beneficial Interest was held by Shree Venkatesh Ayurvedic Aushdhalaya (Charitable Institution).
 Consequent upon transfer of registered ownership, the same are now held by Shri Prashant Bangur(Promoter) for which Beneficial Interest continues to be held by Shree Venkatesh Ayurvedic Aushdhalaya (Charitable Institution).


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Attachment C

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

Sl.No	Name	Shareholding at the beginning [01-04-2017] end of the year [31-03-2018]		Cumulative Shareholding during the year [01-04-2017 to 31-03-2018]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	DIGVIJAY FINLEASE LTD 01-04-2017 15-12-2017 - Increase on stock-split 31-03-2018	235739 235739 471478	19.1907 9.5953 19.1907	 471478 471478	 19.1907 19.1907	AAACD6998D
2	NLWA INVESTMENTS PVT LTD 01-04-2017 11-09-2017 - Transfer 15-12-2017 - Increase on stock-split 31-03-2018	0 1 2 2	0.0000 0.0000 0.0001 0.0001	 2 2	 0.0001 0.0001	AAACN8961G
3	THE VENKTESH CO LTD 01-04-2017 11-09-2017 - Transfer 15-12-2017 - Increase on stock-split 31-03-2018	0 1 2 2	0.0000 0.0000 0.0001 0.0001	 2 2	 0.0001 0.0001	AAACT9722F
4	WESTERN INDIA COMMERCIAL CO LTD 01-04-2017 15-12-2017 - Increase on stock-split 31-03-2018	8625 8625 17250	0.7021 0.3511 0.7021	 17250 17250	 0.7021 0.7021	AAACW2354C
5	DIDU INVESTMENTS PVT LTD 01-04-2017 11-09-2017 - Transfer 15-12-2017 - Increase on stock-split 31-03-2018	0 1 2 2	0.0000 0.0000 0.0001 0.0001	 2 2	 0.0001 0.0001	AABCD1810F
6	RAGINI FINANCE LIMITED 01-04-2017 11-09-2017 - Transfer 15-12-2017 - Increase on stock-split 31-03-2018	0 1 2 2	0.0000 0.0000 0.0001 0.0001	 2 2	 0.0001 0.0001	AABCR2321R
7	RAJESH VANUJA P LTD 01-04-2017 11-09-2017 - Transfer 15-12-2017 - Increase on stock-split 31-03-2018	0 1 2 2	0.0000 0.0000 0.0001 0.0001	 2 2	 0.0001 0.0001	AABCR6316C
8	THE DIDWANA INVESTMENT COMPANY LIMITED 01-04-2017 15-12-2017 - Increase on stock-split 31-03-2018	65394 65394 130788	5.3235 2.6617 5.3235	 130788 130788	 5.3235 5.3235	AABCT1524C
9	MANNAKRISHNA INVESTMENTS PVT LTD 01-04-2017 15-12-2017 - Increase on stock-split 31-03-2018	25000 25000 50000	2.0352 1.0176 2.0352	 50000 50000	 2.0352 2.0352	AAACM2323H

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

Sl No	Name	Shareholding at the beginning [01/04/2017]/end of the year [31/03/2018]		Cumulative Shareholding during the year [01/04/2017 to 31/03/2018]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
10	ASISH CREATIONS PRIVATE LIMITED					AADCA3805D
	01/04/2017	62239	5.0667			
	15/12/2017 - Increase on stock-split	62239	2.5333	124478	5.0667	
	31/03/2018	124478	5.0667	124478	5.0667	
11	SHREE CAPITAL SERVICES LTD					AAGCS5082D
	01/04/2017	236000	19.2119			
	15/12/2017 - Increase on stock-split	236000	9.6060	472000	19.2119	
	31/03/2018	472000	19.2119	472000	19.2119	
12	BENU GOPAL BANGUR					ADRPB5687N
	01/04/2017	104100	8.4744			
	15/12/2017 - Increase on stock-split	104100	4.2372	208200	8.4744	
	30/03/2018 - Transfer	-208000	8.4663	200	0.0081	
	31/03/2018	200	0.0081	200	0.0081	
13	PRASHANT BANGUR*					AHAPB4776F
	01/04/2017	0	0.0000			
	30/03/2018 - Transfer	208000	8.4663	208000	8.4663	
	31/03/2018	208000	8.4663	208000	8.4663	

* Beneficial ownership is held by Shree Venktesh Ayurvedic Aushadhalaya (Charitable Institution).

Amit
Chairman

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 [01/04/2017]/end of the year [31/03/2018]		Cumulative Shareholding during the year [01/04/2017 to 31/03/2018]		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
	01/04/2017	5000	0.4070			
	26/05/2017 - Transfer	97	0.0079	5097	0.4149	
	02/06/2017 - Transfer	78	0.0063	5175	0.4213	
	09/06/2017 - Transfer	-9	0.0007	5166	0.4205	
	16/06/2017 - Transfer	-102	0.0083	5064	0.4122	
	23/06/2017 - Transfer	-14	0.0011	5050	0.4111	
	21/07/2017 - Transfer	-1	0.0001	5049	0.4110	
	04/08/2017 - Transfer	7	0.0006	5056	0.4116	
	11/08/2017 - Transfer	1	0.0001	5057	0.4117	
	18/08/2017 - Transfer	-18	0.0015	5039	0.4102	
	01/12/2017 - Transfer	162	0.0132	5201	0.4234	
	08/12/2017 - Transfer	-5000	0.4070	201	0.0164	
	15/12/2017 - Transfer	199	0.0081	400	0.0163	
	22/12/2017 - Transfer	-34	0.0014	366	0.0149	
	29/12/2017 - Transfer	-108	0.0044	258	0.0105	
	05/01/2018 - Transfer	-10	0.0004	248	0.0101	
	30/03/2018 - Transfer	73	0.0030	321	0.0131	
	31/03/2018	321	0.0131	321	0.0131	
2	KELN INVESTMENT AND LEASING LIMITED					AAACK7707M
	01/04/2017	51688	4.2077			
	26/05/2017 - Transfer	-16000	1.3025	35688	2.9052	
	02/06/2017 - Transfer	-2000	0.1628	33688	2.7424	
	15/12/2017 - Transfer	33688	1.3712	67376	2.7424	
	22/12/2017 - Transfer	8000	0.3256	75376	3.0680	
	26/01/2018 - Transfer	21346	0.8689	96722	3.9372	
	16/02/2018 - Transfer	-1700	0.2185	95022	12.2121	
	09/03/2018 - Transfer	1700	0.0692	96722	3.9369	
	31/03/2018	96722	3.9369	96722	3.9369	
3	MAN MADE FIBRES PRIVATE LIMITED					AAACM3042R
	01/04/2017	65950	5.3688			
	03/11/2017 - Transfer	-10000	0.8141	55950	4.5547	
	15/12/2017 - Transfer	67950	2.7658	123900	5.0431	
	26/01/2018 - Transfer	8000	0.3257	131900	5.3692	
	31/03/2018	131900	5.3688	131900	5.3688	
4	RESHAM RESHA PVT LTD *					AAACR5056L
	01/04/2017	4500	0.3663			
	26/05/2017 - Transfer	5500	0.4477	10000	0.8141	
	08/12/2017 - Transfer	5000	0.4070	15000	1.2211	
	15/12/2017 - Transfer	19000	0.7734	34000	1.3839	
	22/12/2017 - Transfer	12000	0.4884	46000	1.8723	
	26/01/2018 - Transfer	-19646	0.7997	26354	1.0728	
	16/02/2018 - Transfer	-1300	0.1671	25054	3.2199	
	09/03/2018 - Transfer	1300	0.0529	26354	1.0727	
	31/03/2018	26354	1.0727	26354	1.0727	
5	EXPLICIT FINANCE LIMITED					AAACS5604B
	01/04/2017	0	0.0000			

iv) Shareholding Pattern of top ten Shareholders

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

Sl No	Name	Shareholding at the beginning [01/04/2017]/end of the year [31/03/2018]		Cumulative Shareholding during the year [01/04/2017 to 31/03/2018]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
	03/11/2017 - Transfer	10000	0.8141	10000	0.8141	
	15/12/2017 - Transfer	-10000	0.4070	0	0.0000	
	31/03/2018	0	0.0000	0	0.0000	
6	RAJKUMAR SATYANARAYAN NEVATIA #					AAAHR3254B
	01/04/2017	5000	0.4070			
	15/12/2017 - Transfer	5000	0.2035	10000	0.4070	
	16/02/2018 - Transfer	-10000	1.2852	0	0.0000	
	31/03/2018	0	0.0000	0	0.0000	
7	MAHENDRA GIRDHARILAL					AAAPW1327L
	01/04/2017	40196	3.2722			
	14/04/2017 - Transfer	-200	0.0163	39996	3.2559	
	21/04/2017 - Transfer	-579	0.0471	39417	3.2088	
	28/04/2017 - Transfer	-80	0.0065	39337	3.2023	
	05/05/2017 - Transfer	-23	0.0019	39314	3.2004	
	16/06/2017 - Transfer	1896	0.1543	41210	3.3548	
	15/12/2017 - Transfer	41210	1.6774	82420	3.3548	
	16/02/2018 - Transfer	-82420	10.5925	0	0.0000	
	09/03/2018 - Transfer	82346	3.3518	82346	3.3518	
	31/03/2018	82346	3.3518	82346	3.3518	
8	HANIA TRADE INVEST PRIVATE LIMITED					AABCH8371F
	01/04/2017	2925	0.2381			
	15/12/2017 - Transfer	2925	0.1191	5850	0.2381	
	31/03/2018	5850	0.2381	5850	0.2381	
9	PLACID LIMITED *					AABCP5447J
	01/04/2017	0	0.0000			
	02/06/2017 - Transfer	10600	0.8629	10600	0.8629	
	15/12/2017 - Transfer	10600	0.4315	21200	0.8629	
	31/03/2018	21200	0.8629	21200	0.8629	
10	PRIDE FINANCIAL SERVICES PVT. LTD. #					AACCP6539L
	01/04/2017	6000	0.4884			
	15/12/2017 - Transfer	6000	0.2442	12000	0.4884	
	22/12/2017 - Transfer	-12000	0.4884	0	0.0000	
	31/03/2018	0	0.0000	0	0.0000	
11	SM SHETI SEVA PRIVATE LIMITED *					AAECS3179F
	01/04/2017	3796	0.3090			
	26/05/2017 - Transfer	6500	0.5291	10296	0.8382	
	15/12/2017 - Transfer	14296	0.5819	24592	1.0010	
	26/01/2018 - Transfer	-700	0.0285	23892	0.9726	
	16/02/2018 - Transfer	-1300	0.1671	22592	2.9035	
	09/03/2018 - Transfer	1300	0.0529	23892	0.9725	
	31/03/2018	23892	0.9725	23892	0.9725	
12	AJAY KUMAR *					AAJPK4138N
	01/04/2017	4079	0.3321			
	14/04/2017 - Transfer	300	0.0244	4379	0.3565	
	28/04/2017 - Transfer	100	0.0081	4479	0.3646	

iv) Shareholding Pattern of top ten Shareholders

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

Sl No	Name	Shareholding at the beginning [01/04/2017]/end of the year [31/03/2018]		Cumulative Shareholding during the year [01/04/2017 to 31/03/2018]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
	23/06/2017 - Transfer	200	0.0163	4679	0.3809	
	30/06/2017 - Transfer	100	0.0081	4779	0.3890	
	21/07/2017 - Transfer	64	0.0052	4843	0.3943	
	04/08/2017 - Transfer	78	0.0063	4921	0.4006	
	15/12/2017 - Transfer	4921	0.2003	9842	0.4006	
	16/02/2018 - Transfer	-9250	1.1888	592	0.0761	
	09/03/2018 - Transfer	9250	0.3765	9842	0.4006	
	30/03/2018 - Transfer	294	0.0120	10136	0.4126	
	31/03/2018	10136	0.4126	10136	0.4126	
13	RITA PAVANKUMAR *					AAJPR64241
	01/04/2017	0	0.0000			
	22/12/2017 - Transfer	18000	0.7327	18000	0.7327	
	19/01/2018 - Transfer	6000	0.2442	24000	0.9770	
	26/01/2018 - Transfer	-9000	0.3664	15000	0.6106	
	23/02/2018 - Transfer	10000	1.2693	25000	3.1731	
	31/03/2018	25000	1.0176	25000	1.0176	
14	PAVANKUMAR SANWARMAL #					ABEPS2125B
	01/04/2017	10000	0.8141			
	02/06/2017 - Transfer	2000	0.1628	12000	0.9769	
	15/12/2017 - Transfer	12000	0.4884	24000	0.9769	
	22/12/2017 - Transfer	-18000	0.7327	6000	0.2442	
	19/01/2018 - Transfer	-6000	0.2442	0	0.0000	
	31/03/2018	0	0.0000	0	0.0000	
15	SHRI VIRENDRAA BANGUR					AELPB5548M
	01/04/2017	3700	0.3012			
	15/12/2017 - Transfer	3700	0.1506	7400	0.3012	
	31/03/2018	7400	0.3012	7400	0.3012	
16	MEENAKSHI BANGUR					AGNPB6137C
	01/04/2017	6000	0.4884			
	23/06/2017 - Transfer	-20	0.0016	5980	0.4868	
	15/12/2017 - Transfer	5980	0.2434	11960	0.4868	
	16/02/2018 - Transfer	-11960	1.5371	0	0.0000	
	09/03/2018 - Transfer	11960	0.4868	11960	0.4868	
	31/03/2018	11960	0.4868	11960	0.4868	
17	SURBHI SHREEYASH BANGUR . *					AHVPD9703F
	01/04/2017	0	0.0000			
	23/06/2017 - Transfer	6000	0.4884	6000	0.4884	
	15/12/2017 - Transfer	6000	0.2442	12000	0.4884	
	29/12/2017 - Transfer	-811	0.0330	11189	0.4554	
	19/01/2018 - Transfer	-169	0.0069	11020	0.4486	
	31/03/2018	11020	0.4485	11020	0.4485	
18	PLACID LIMITED #					D00334
	01/04/2017	10600	0.8629			
	02/06/2017 - Transfer	-10600	0.8629	0	0.0000	
	31/03/2018	0	0.0000	0	0.0000	


iv) Shareholding Pattern of top ten Shareholders

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

Sl No	Name	Shareholding at the beginning [01/04/2017]/end of the year [31/03/2018]		Cumulative Shareholding during the year [01-04-2017 to 31/03/2018]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
19	SAURABH BANGUR					S01141
	01/04/2017	4000	0.3256			
	15/12/2017 - Transfer	4000	0.1628	8000	0.3256	
	31/03/2018	8000	0.3256	8000	0.3256	
20	SMT. SURBHI BANGUR #					S01166
	01/04/2017	6000	0.4884			
	23/06/2017 - Transfer	-6000	0.4884	0	0.0000	
	31/03/2018	0	0.0000	0	0.0000	

* Not in the list of Top 10 shareholders as on 01/04/2017. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2018.

Ceased to be in the list of Top 10 shareholders as on 31/03/2018. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2017.


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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 (01.04.2017)				
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 (31.03.2018)				
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	896,442	896,442
	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)	896,442	896,442
	Ceiling as per the Act	₹19.66 Lacs (being 5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)	


Chairman

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	-	14,100	-	-	14,100	-	28,200
	• Commission	-	-	-	-	-	-	-
	• Others	-	-	-	-	-	-	-
	TOTAL (1)	-	14,100	-	-	14,100	-	28,200
2	Other Non-Executive Directors							
	• Fee for attending board / committee meetings	9,900	-	10,500	13,500	-	5,000	38,900
	• Commission	-	-	-	-	-	-	-
	• Others	-	-	-	-	-	-	-
	TOTAL (2)	9,900	-	10,500	13,500	-	5,000	38,900
	TOTAL (B)= (1)+(2)	9,900	14,100	10,500	13,500	14,100	5,000	67,100
	Total Managerial Remuneration							963,542*
	Overall ceiling as per the Act	₹43.26 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	153,600	153,600
	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	153,600	153,600

[Signature]
Chairman

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**

13.56%.

- iii) **Percentage increase in the median remuneration of employees in the financial year**

15.39%.

- 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 2017-18 was 14.97%. Percentage increase in the managerial remuneration for the year was 13.56%.

- vi) **It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for directors, key managerial personnel and other employees.**


Chairman

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, direction 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 disclosures.

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, 2018 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 the 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 their relatives 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.

Six Board Meetings were held during the financial year 2017-18 on the following dates:

- ✓ 29th April, 2017
- ✓ 30th May, 2017
- ✓ 26th June, 2017
- ✓ 12th August, 2017
- ✓ 14th November, 2017
- ✓ 14th February, 2018

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, 2018, are given below:

Sr. No.	Name of the Director	Attendance at Board Meetings	Attendance at previous AGM	No. of other Directorships (*)	Number of other Board Committee positions (a)	
					As Chairman	As Member
1	Ashok Bhandari	6	No	9	1	4
2	Riya Puja Jain	4	No	1	-	-
3	B.L.Gaggar	6	Yes	4	-	-
4	R.N.Mundhra	6	Yes	5	4	1
5	B.L.Surana	6	Yes	8	-	6
6	J.P.Mundra	6	Yes	7	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)

(a) 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

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, 2018. 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

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 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 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 necessary.
- Statement of deviations:
 - (a) Quarterly statement of deviation(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, 2018 is given below:

Sr. No.	Name of the Director	Designation	Meetings Attended	Category
1.	R.N. Mundhra	Chairman	8	Non- Executive Independent Director
2.	B.L. Surana	Member	8	Non- Executive Independent Director
3.	J.P. Mundra	Member	8	Non-Executive Non-Independent Director

Meetings of the Audit Committee:

Eight Audit Committee Meetings were held during the financial year 2017-18 on the following dates:

- ✓ 28th April, 2017
- ✓ 29th May, 2017
- ✓ 24th June, 2017
- ✓ 12th August, 2017
- ✓ 25th October, 2017
- ✓ 14th November, 2017
- ✓ 12th February, 2018
- ✓ 28th March, 2018

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 at the meetings 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 2017-18 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	28.04.2017	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 performance achievements on a periodical basis. No Stock option has been granted to any of the Directors during the financial year 2017-18. 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 meeting fees paid to the Directors for the year ended 31st March, 2018:

Director	Category	Sitting Fees (₹)
Ashok Bhandari	Non- Executive Non-Independent Director	9,900
R.N. Mundhra	Non- Executive Independent Director	14,100
B.L. Gaggar	Non- Executive Non-Independent Director	10,500
J.P. Mundra	Non- Executive Non-Independent Director	13,500
B.L. Surana	Non- Executive Independent Director	14,100
Riya Puja Jain	Non- Executive Non-Independent Director	5,000
	Total	67,100

5. Stakeholders Relationship Committee:

Stakeholders Relationship Committee acts 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 *inter-alia* non-receipt of annual reports and non-receipt of declared dividends etc.

Constitution of the Stakeholders Relationship Committee:

The Composition of the Committee during the year 2017-18 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

Meetings of the Stakeholders Relationship Committee:

Three Stakeholders Relationship Committee Meetings were held during the financial year 2017-18 on the following dates:

- ✓ 25th October, 2017
- ✓ 11th November, 2017
- ✓ 30th January, 2018

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:

Corporate Social Responsibility (CSR) Committee has been constituted by the Board for formulating and overseeing the execution of the Company's CSR Policy as prescribed under the Companies Act, 2013 and Rules made thereunder. 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

Meetings of the Corporate Social Responsibility (CSR) Committee:

Two CSR Committee Meetings were held during the financial year 2017-18 on the following dates:

- ✓ 15th May, 2017
- ✓ 30th January, 2018

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, 2017	Saturday, 16 th September, 2017 at 10:30 A.M.	21, Strand Road, Kolkata - 700001	Yes
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

There were no resolutions passed through postal ballot during the year 2017-18.

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-Sukhabar.

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 15 th September, 2018 at 10.30 A.M. at Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, 4 th Floor, Kolkata - 700 017 Book Closure Dates: 08.09.2018 to 15.09.2018 (both days inclusive) Evoting Dates: 12.09.2018 to 14.09.2018
Financial Year	2017-18
Dividend payment date	No dividend has been recommended by the Board this year with a view to conserve resources.
Listing on Stock Exchange	The Equity Shares of the Company are listed on: National Stock Exchange of India Limited (NSE). The Company has paid the annual listing fee of the exchange for the financial year 2018-19.
Stock Code	Scrip Code:014019 NSE Symbol:NBIFIN
ISIN	Old: INE365101012 New: INE365101020

10. Market Share Price Data: high, low during each month in last financial year i.e. 2017-18.

Month	High	Low
April, 2017	5040	3670
May, 2017	4800	3502
June, 2017	4510	3362
July, 2017	4200	3450

August, 2017	3899	3145
September, 2017	3850	3135
October, 2017	3664	2981
November, 2017	3200	2525
December, 2017*	2625	1167
January, 2018	1950	1566
February, 2018	1835	1311
March, 2018	1723.90	1225.50

*Equity shares of ₹10 - each sub-divided into two shares of ₹5 - each w.e.f. 9th December, 2017.

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

Indices	NSE (Nifty 50)	NBI Quote at NSE
01.04.2017 (Open)	9173.75	3695.20
31.03.2018 (Close)	10113.70	1365.85
Increase (Decrease)	939.95	(2329.35)

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 lodgement. 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 the concerned Company and online viewing by investors of action taken on the complaints and their current status.

The Company is registered with SEBI under the SCORES system.

Distribution of shareholding as on 31/03/2018:

Share Holding	No of Holders	% age	No of Shares	% age
Upto 500	5540	96.4149	291354	11.8591
501 to 1000	124	2.1580	94247	3.8362
1001 to 2000	37	0.6439	51141	2.0816
2001 to 3000	11	0.1914	25636	1.0435
3001 to 4000	5	0.0870	17839	0.7261
4001 to 5000	6	0.1044	27610	1.1238
5001 to 10000	7	0.1218	46291	1.8842
Above 10000	16	0.2786	1902688	77.4457
Grand Total	5746	100.0000	2456806	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, 2018, 2069196 equity shares, constituting 84.22% of the paid-up equity capital of the Company, stood dematerialized and the rest is in physical form.

Status of total number of shares dematerialized and in physical form as on 31st March 2018:

Depository	No. of Shares	% of Paid up Capital
NSDL	16,72,131	68.06
CDSL	3,97,065	16.16
Physical	3,87,610	15.78
Total	24,56,806	100.00

Outstanding GDRs/ ADRs:

The Company has not issued any GDRs/ADRs.

15. Financial Calendar (Tentative):

Financial Year	1 st April, 2018 - 31 st March, 2019
First quarter results	14 th August, 2018
Half-yearly results	14 th November, 2018
Third quarter results	14 th February, 2019
Fourth quarter & Annual results	End of May, 2019

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 relevant 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, Market 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,	21, Strand Road,
Kolkata - 700 001	Kolkata - 700 001
Tel: 033 -22309601	Tel: 033-22307905, 22314756
Fax: 033-22131650	Fax: 033-22131650
Email ID: nbi@finance@ymail.com	
Website: www.nbi-india.co.in	

18. Disclosures:

- During the financial year 2017-18 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.
- 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.
- 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 as amended upto date. The code expressly lays down the guidelines and the procedure to be followed and disclosures to be made, by the directors and the senior management personnel while dealing with the shares of the Company on the bourse 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 concerns 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_Subsiary.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 disclosures. 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.

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.


Chairman

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, 2018 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 **D K Chhajer & Co.**

Chartered Accountants

Firm Registration No. 304138E


(Tapan Kumar Mukhopadhyay)

Partner

Membership No. 017483

Kolkata

Dated: 30th May, 2018



Manager and CFO CERTIFICATION

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

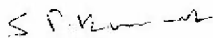
Dear members of the Board,

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 2017-18. 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 financial 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: 30th May, 2018


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 International Monetary Fund:

Global economic activity continues to firm up. Global output is estimated to have grown by 3.7 percent, which is 0.1 percent point faster than projected in the fall and 0.5 percent point higher than 2016. The pickup in growth has been broad based, with notable upside surprises in Europe and Asia. Global growth forecasts for 2018 and 2019 have been revised upward by 0.2 percent point to 3.9 percent. The revision reflects increased global growth momentum and the expected impact of the recently approved U.S. tax policy changes.

Risks to the global growth forecast appear broadly balanced in the near term, but remain skewed to the downside over the medium term. On the upside, the cyclical rebound could prove stronger in the near term as the pickup in activity and easier financial conditions reinforce each other. On the downside, rich asset valuations and very compressed term premiums raise the possibility of a financial market correction, which would dampen growth and confidence. A possible trigger is a faster-than-expected increase in advanced economy core inflation and interest rate as demand accelerates. If global sentiment remains strong and inflation muted, then financial conditions could remain loose into the medium term, leading to a buildup of financial vulnerabilities in advanced and emerging market economies alike. Inward-looking policies, geopolitical tensions, and political uncertainty in some countries also pose downside risks.

The current cyclical upswing provides an ideal opportunity for reforms. Shared priorities across all economies include implementing structural reforms to boost potential output and making growth more inclusive. In an environment of financial market optimism, ensuring financial resilience is imperative. Weak inflation suggests that slack remains in many advanced economies and monetary policy should continue to remain accommodative. However, the improved growth momentum means that fiscal policy should increasingly be designed with an eye on medium-term goals—ensuring fiscal sustainability and bolstering potential output. Multilateral cooperation remains vital for securing the global recovery.

Indian Economy

India is still considered as the fastest growing major economy in the world. But India's growth in the Fiscal 2018 unexpectedly slowed down to about 6.75 percent as against initial expectation of 7.2 to 7.5 percent and as compared to 7.1 percent in 2016-17 and 7.6 percent in 2015-16. For 2018-19, the GDP growth is expected to be around 7-7.5 percent. The factors contributing to this positive outlook are series of major reforms undertaken over the past year and that the reform measures undertaken in 2017-18 can be strengthened further in 2018-19.

The past year has been marked by some major reforms. The transformational Goods and Services Tax (GST) was launched at a stroke of mid-night on July 1, 2017, resolution of the long-festering Twin Balance Sheet (TBS) problem was decisively addressed by sending the major stressed companies for resolution under the new Insolvency and Bankruptcy Code and continued with the implementation of major recapitalization package to strengthen the public sector banks and announcement of Ayushman Bharat. As a result of these measures, the dissipating effects of earlier policy actions, liberalization of FDI and the export uplift from the global recovery, the economy began to accelerate in the later second half of the year.

Insolvency and Bankruptcy Regime: This market-determined and time-bound mechanism to handle insolvencies has been recognised in the World Bank Group's "Doing Business 2018: Reforming to Create Jobs" report issued in October, 2017. India's ranking on ease of doing business has jumped from 130 to 100. The ranking under the Insolvency head, taken alone, also improved sharply from 136 to 103.

Though concerns have been expressed about growing protectionist tendencies in some countries but it remains to be seen as to how the situation unfolds. Some of the factors could have dampening effect on GDP growth in the coming year viz. the increasing crude oil prices in the international market. However, with world growth likely to witness moderate improvement in 2018, expectation of greater stability in GST, likely recovery in investment levels, and ongoing structural reforms, among others, should be supporting higher growth. On balance, country's economic performance should witness an improvement in 2018-19.

The average growth during last three years is around 4 percentage points higher than global growth and nearly 3 percentage points higher than that of Emerging Market and Developing Economies. Further, the GDP growth has averaged 7.3 per cent for the period from 2014-15 to 2017-18, which is the highest among the major economies of the world. That this growth has been achieved in a milieu of lower inflation, improved current account balance and notable reduction in the fiscal deficit to GDP ratio makes it all the more creditable. (India's GDP is about \$2.8 Trillion)

The domestic challenges are not invincible. Our competitive advantages remained unaffected by the changed reforms 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:-

- Among the borrowers, NBFCs were the largest net borrowers of funds from the financial system.
- The aggregate balance sheet of the NBFC sector expanded 14.5 percent in fiscal 2017 as compared with 15.5 percent the previous year and their net profit was down by 2.9 percent.
- Capital to risk-weighted asset ratio (CRAR) of NBFCs decreased from 22.8 percent in March, 2017 to 22.5 percent in September, 2017.
- Under asset quality pressures, credit intermediation by banks has retrenched and that by NBFCs and mutual funds has increased significantly, and
- The gross non-performing assets (GNPAs) ratio for the NBFC sector as a percentage of total advances increased from 4.4 percent in March, 2017 to 4.9 percent in September, 2017. The net non-performing assets (NNPAs) as a percentage of net advances also increased from 2.2 percent to 2.4 percent between March, 2017 and September, 2017.

Regulatory Initiatives and their rationale

Several regulatory initiatives including prudential and consumer protection measures were undertaken. Some of the initiatives and the rationale thereof for NBFCs are given below:

Date	Measure	Rationale
October 10, 2017	The Reserve Bank issued directions for NBFC – peer to peer lending (P2P) platforms which <i>inter-alia</i> cover directions related to their registration and operations.	Directions were issued with a view to regulating the provision of loan facilitation by P2P platforms.

November 9, 2017	Guidelins on 'Managing Risks and Code of Conduct in outsourcing of Financial Services by NBFCs' were issued so that an NBFC outsourcing its activities ensures sound and responsive risk management practices for effective oversight, due diligence and management of risks arising from such outsourced activities	NBFCs have been outsourcing various activities and are hence exposed to various risks such as strategic risks, reputation risks, compliance risks, counterparty risks, country risks, contractual risks, access risks and concentration and systemic risks.
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Moreover, in the current fiscal, the fiscal plans will also be subject to the unknown impact of the major reforms undertaken in the past year. 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, 2018 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 2017-18 started on a note of optimism. However, slow pace of reforms, initial hiccups in GST implementation, sluggish investment cycle, sluggishness in some of the major economies abroad 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 two three years. 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, escalating NPAs leading to liquidity issues, global commodities prices and current account deficit 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 potential for 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, economic slowdown and policy uncertainty.

Other risks & concerns are as follows:

- Unsuccessful strategic engagements and investments
- Unpredictable expenses
- Declining interest rates
- Negative media coverage and public scrutiny
- New and changing corporate governance and public disclosure requirements
- Changes in tax policies in an adverse manner
- Attempts to fully address concerns of activist shareholders
- Reputation risk
- Litigation
- Natural and manmade disasters

Our actual results could differ materially from those anticipated above as a result of certain factors.

INTERNAL CONTROL SYSTEM

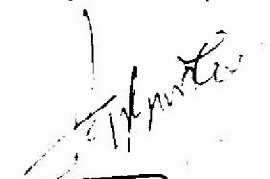
The Company has implemented a comprehensive system of internal controls and risk management for achieving operational efficiency, optimal utilization of resources, credible financial reporting and compliance with local laws. These controls are regularly reviewed internally for effectiveness.

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.

The Manager and CFO Certification provided in the *Manager and CFO Certification* section of the Annual Report discusses the adequacy of our internal control systems and procedures.

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.


Chairman

INDEPENDENT AUDITORS' REPORT

To the Members of N.B.I Industrial Finance Company Limited

Report on the Financial Statements

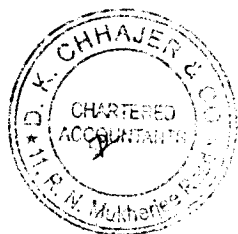
1. We have audited the accompanying financial statements of **N.B.I Industrial Finance Company Limited** (the "Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of 'the Companies Act, 2013' of India (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 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

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.
5. 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.
6. 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the



INDEPENDENT AUDITORS' REPORT

To the Members of N.B.I Industrial Finance Company Limited
Report on the Financial Statements
Page 2 of 3

reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

7. 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

8. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

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

Other Matter

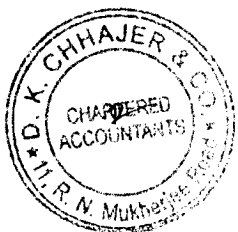
9. The comparative financial information of the Company for the year ended March 31, 2017 included in these financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor, Lakhotia & Co. whose report for the year ended March 31, 2017 dated May 30, expressed an unmodified opinion on those financial statements.

Report on Other Legal and Regulatory Requirements

10. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order.

11. As required by section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account
- (d) In our opinion, the accompanying financial statements dealt with by this report comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;



INDEPENDENT AUDITORS' REPORT

To the Members of N.B.I Industrial Finance Company Limited

Report on the Financial Statements

Page 3 of 3

- (e) On the basis of written representations received from the directors as on 31 March 2018 , and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018, 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 has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note XX to the financial statements;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **D. K. Chhajer & Co**

Chartered Accountants

Firm Registration No. 304138E

Tapan K. Mukhopadhyay
Tapan K. Mukhopadhyay

Partner

Membership No. 017483

Place: Kolkata

Date: 30.05.2018



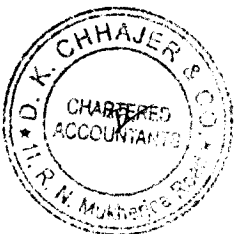
Annexure A to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of N.B.I Industrial Finance Company Limited on the financial statements for the year ended 31 March 2018

Page 1 of 2

- i.
 - a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The fixed assets of the Company have been physically verified by the Management at reasonable intervals and no material discrepancies have been noticed on such verification.
 - c) The Company does not hold any fixed assets during the year ended 31 March 2018. Therefore, the provisions of Clause 3(i) of the Order are 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. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, limited liability partnership firm, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii)[(a), (b) and (c)] of the said Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company being a Non-Banking Finance Company, providing loans in the ordinary course of business/ engaged in the business of financing of companies, provisions of Section 185 and Section 186 of the Companies Act 2013 are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed there under. Therefore , the provision of clause 3(v) of the order is not applicable on the company.
- vi. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- 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 is generally regular in depositing the 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 other material statutory dues, as applicable, with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31 March 2018 for a period of more than six months from the date of becoming payable.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, wealth-tax, service-tax, duty of customs, duty of excise, value added tax, cess which have not been deposited on account of any dispute.
- viii. As the Company does not have any borrowings from any financial institution or bank or Government nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.




Annexure A to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of N.B.I Industrial Finance Company Limited on the financial statements for the year ended 31 March 2018

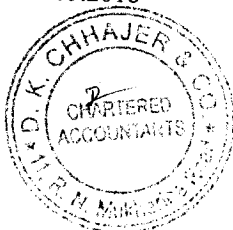
Page 2 of 2

- ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and any term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of sec 197 read with Schedule V of the Companies Act, 2013.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and the records of the Company examined by us, all the transactions with related parties are in compliance with section 177 and 188 of the Companies Act, 2013 and has been properly disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. According the information & explanation given to us and the records of the Company examined by us, no money was raised through preferential allotment/private placements of shares/fully/partly convertible debentures during the year under review, hence, the provisions of Clause 3(xiv) of the said order is not applicable to the Company.
- xv. According the information & explanation given to us and the records of the Company examined by us, company has not entered into any non-cash transactions with directors or person connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable
- 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 duly obtained.

For **D. K. Chhajer & Co**
Chartered Accountants
Firm Registration No. 304138E


Tapan K. Mukhopadhyay
Partner
Membership No. 017483

Place: Kolkata
Date: 30.05.2018



ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF N.B.I 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 **N.B.I Industrial Finance Company Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone 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. 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 our 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 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, 2018.

For **D. K. Chhajer & Co**
Chartered Accountants
Firm Registration No. 304138E


Tapan K. Mukhopadhyay
Partner
Membership No. 017483

Place: Kolkata
Date: 30.05.2018



N.B.I. INDUSTRIAL FINANCE COMPANY LIMITED
Balance Sheet as at 31st March, 2018

Particulars	Note	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
EQUITY AND LIABILITIES			
Shareholders' Fund			
Share Capital	2	12,284,030	12,284,030
Reserves and Surplus	3	1,096,088,758	1,057,739,127
		1,108,372,788	1,070,023,157
Non-Current Liabilities			
Long- Term Provisions	4	3,844,158	3,221,232
Current Liabilities			
Other Current Liabilities	5	498,695	378,642
Short- Term Provisions	6	66,311	2,493,703
		565,006	2,872,345
TOTAL		1,112,781,952	1,076,116,734
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets			
Non-Current Investments	7	94,674	89,100
Deferred Tax Assets	8	1,080,221,674	589,658,449
Long-Term Loans and Advances	9	1,019,690	1,029,831
Other Non-Current Assets	10	30,800	30,800
	11	-	15,977,696
		1,081,366,838	606,785,876
Current Assets			
Current Investments	12	10,333,537	327,939,071
Cash and Bank Balances	13	16,674,645	6,286,768
Short-Term Loans and Advances	14	2,292,495	133,596,906
Other Current Assets	15	2,114,437	1,508,113
		31,415,114	469,330,858
TOTAL		1,112,781,952	1,076,116,734

Significant Accounting Policies
Notes forming part of the Financial Statements

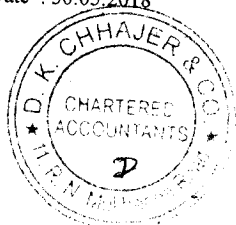
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In terms of our report attached.
For **D. K. Chhajjer & Co.**
Chartered Accountants
Firm Registration No. 304138E

Tapan Kumar Mukhopadhyay
Tapan Kumar Mukhopadhyay
Partner

Membership No. 017483

Place : Kolkata
Date : 30.05.2018



Priyanka Mishra
Priyanka Mishra
Company Secretary

S. P. Kumar
S.P. Kumar
Manager & CFO

Ashok Bhandari
Ashok Bhandari
Chairman
DIN - 00012210

R. N. Mundhra
R. N. Mundhra
Director
DIN - 00424392

B. L. Gaggar
B. L. Gaggar
Director
DIN - 00404123

N.B.I. INDUSTRIAL FINANCE COMPANY LIMITED
Statement of Profit and Loss for the year ended 31st March, 2018

Particulars	Note	For the year ended 31st March, 2018 ₹	For the year ended 31 March 2017 ₹
INCOME			
Revenue from Operations			
Other Income	16	57,255,875	1,008,875,428
Total Revenue		-	16,441
		57,255,875	1,008,891,869
Expenses			
Employee Benefits Expense	17	5,282,021	5,085,096
CSR Expenditure		6,141,000	-
Depreciation and Amortisation Expense	7	31,926	22,099
Other Expenses	18	6,913,869	2,907,194
Donation		-	2,500,000
Securities Transaction Tax		-	462,218
Total Expenses		521,457	462,218
		18,890,273	10,976,607
Profit before tax		38,365,602	997,915,262
Tax Expense:			
Current Tax		-	191,402,000
Tax relating to earlier years		5,830	(76,926)
Deferred Tax		10,141	(177,776)
		15,971	191,147,298
Profit After Tax for the year		38,349,631	806,767,964
Basic & Diluted Earnings per share (of Rs.5/- each, previous year Rs.10/- each)	19	15.61	656.76

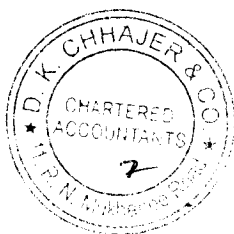
Significant Accounting Policies
Notes forming part of the financial statements
In terms of our report attached.

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2-26

For D. K. Chhajjer & Co.
Chartered Accountants
Firm Registration No. 304138E

Tapan Kumar Mukhopadhyay
Tapan Kumar Mukhopadhyay
Partner
Membership No. 017483

Place : Kolkata
Date : 30.05.2018



Ashok Bhandari
Ashok Bhandari
Chairman
DIN - 00012210

R. N. Mundhra
R. N. Mundhra
Director
DIN - 00424392

Priyanka Mishra
Priyanka Mishra
Company Secretary

S.P. Kumar
S.P. Kumar
Manager & CFO

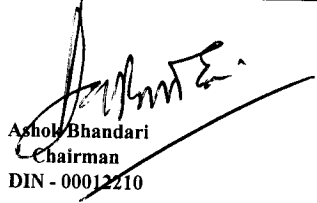
B. L. Gaggar
B. L. Gaggar
Director
DIN - 00404123

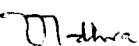
N.B.I.INDUSTRIAL FINANCE COMPANY LIMITED
Cash Flow Statement for the year ended 31st March, 2018


Particulars	For the year ended 31st March, 2018		For the year ended 31st March, 2017	
	₹	₹	₹	₹
A. Cash flow from operating activities				
Net Profit / (Loss) before tax		38,365,602		997,915,262
<u>Adjustments for:</u>				
Depreciation and Amortisation Expenses	31,926		22,099	
Finance costs	-		-	
Interest income	(1,429,565)		(3,621,957)	
Dividend income	(51,652,685)		(101,099,119)	
Net (gain) / loss on sale of investments	(4,173,625)	(57,223,949)	(904,154,352)	(1,008,853,329)
Operating profit / (loss) before working capital changes		(18,858,347)		(10,938,067)
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Short-term loans and advances	132,937,535		(107,421,524)	
Other current assets	15,000,000		(15,000,000)	
<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
Other Current Liabilities	120,053		84,868	
Long Term Provisions	622,926	148,680,514	575,815	(121,760,841)
Cash generated from operations		129,822,167		(132,698,908)
Net income tax (paid) / refunds		(2,587,870)		(188,762,268)
Net cash flow from / (used in) operating activities (A)		127,234,297		(321,461,176)
B. Cash flow from investing activities				
Purchase of Fixed Assets		(37,500)		(52,782)
Sale of Current Investments		562,786,788		829,990,000
Purchase of Current Investments		(240,300,000)		(1,127,400,000)
Purchase of long-term investments		(511,585,988)		(461,007,673)
Sale of long-term investments		20,315,133		966,019,506
Interest received		1,800,939		2,349,492
Dividend received on Current & Long Term Investments		51,652,685		101,099,119
Net cash flow from / (used in) investing activities (B)		(115,367,943)		310,997,662
C. Cash flow from financing activities				
Dividend Paid during the year		(1,228,403)		-
Dividend Distribution Tax on Dividend		(250,074)		-
Net cash flow from / (used in) financing activities (C)		(1,478,477)		-
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		10,387,877		(10,463,514)
Cash and cash equivalents at the beginning of the year (Note -13)		6,286,768		16,750,282
Cash and cash equivalents at the end of the year (Note -13)		16,674,645		6,286,768

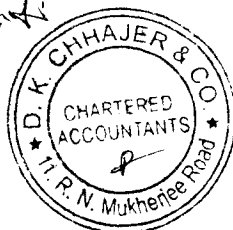
In terms of our report attached.

For D. K. Chhajer & Co.
Chartered Accountants
Firm Registration No. 304138E



Ashok Bhandari
Chairman
DIN - 00012210



R. N. Mundhra
Director
DIN - 00424392

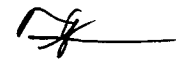

Tapán Kumar Mukhopadhyay
Partner
Membership No. 017483



Place : Kolkata
Date : 30.05.2018


Priyanka Mishra
Company Secretary


S.P. Kumar
Manager & CFO


B. L. Gaggar
Director
DIN - 00404123

N.B.I.INDUSTRIAL FINANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

NOTE-1

SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

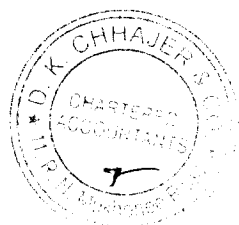
- i These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards specified under 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.



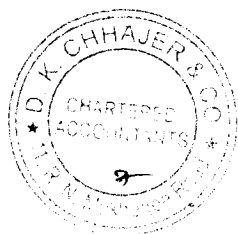
d) Recognition of Income and Expenditure

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 reasonably 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,2018 ₹	As at 31st March,2017 ₹
Authorised :		
2,00,00,000 (1,00,00,000) Equity Shares of Rs. 5/- each (Previous year Rs.10/- each)	<u>100,000,000</u>	<u>100,000,000</u>
Issued:		
2,459,058 (1,229,529) Equity Shares of Rs. 5/- each (Previous year year Rs.10/- each)	<u>12,295,290</u>	<u>12,295,290</u>
Subscribed & Fully Paid :		
2,456,806 (1,228,403) Equity Shares of Rs. 5/- each fully paid up (Previous year Rs. 10/- each)	<u>12,284,030</u>	<u>12,284,030</u>
	<u>12,284,030</u>	<u>12,284,030</u>

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	2456806*	12,284,030	1,228,403	12,284,030

*(consequent upon change of Face value from Rs.10/- to Rs.5/- per share)

b) **Rights, preferences and restrictions attached to shares**

The Company has only one class of equity shares having a par value of Rs. 5/- per share (previous year year Rs.10/- each) . 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.	472000	236000
2	Digvijay Finlease Ltd.	471478	235739
3	Shri Benu Gopal Bangur	200	104100
4	The Didwana Investment Co. Ltd.	130788	65394
5	Asish Creations Pvt Ltd	124478	62239
6	Shri Prashant Bangur*	208000	0
7	Man-Made Fibers Pvt. Ltd.	131900	65950

* Beneficial interest in 2,08,000 Equity Shares is held by Shree Venkatesh Ayurvedic Aushdhalaya.

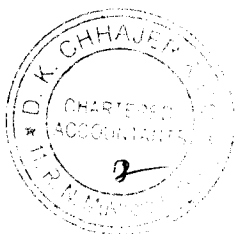
** (consequent upon change of Face value from Rs.10/- to Rs.5/- per share

d) **No shares have been allotted during the period of five years immediately preceding March 31, 2018 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.**



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

Particulars	As at 31st March,2018 ₹	As at 31st March,2017 ₹
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	491,305,545	191,305,545
Add : Transfer from Surplus in Statement of Profit & Loss Account	-	300,000,000
	<u>491,305,545</u>	<u>491,305,545</u>
(d) Reserve Fund		
(As per Section 45-IC of RBI Act)		
Opening balance	193,894,600	32,541,000
Add: Transferred from Surplus in Statement of Profit & Loss	7,670,000	161,353,600
Closing balance	<u>201,564,600</u>	<u>193,894,600</u>
(e) Surplus in the Statement of Profit and Loss		
Opening balance		
Add: Profit for the year	370,833,001	26,897,114
Less: Appropriations	38,349,631	806,767,964
Transferred to Reserve Fund	7,670,000	161,353,600
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
Closing balance	<u>401,512,632</u>	<u>370,833,001</u>
Total	<u>1,096,088,758</u>	<u>1,057,739,127</u>



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

Particulars	As at 31st March, 2018	As at 31st March, 2017
	₹	₹
Note 4 Long-Term Provisions		
Employee Benefits:		
Gratuity	2,992,535	2,511,826
Leave Salary	851,546	709,329
Contingent Provision against Standard Assets	77	77
Total	3,844,158	3,221,232

Note 5 Other Current Liabilities

Other Payables		
For Expenses	144,209	143,584
Capital Repayable Under Capital Reduction Scheme - Unclaimed	175,488	175,488
Statutory Dues	13,740	59,570
Unclaimed Dividend	165,258	-
Sundry Creditors	-	-
Total	498,695	378,642

Note 6 Short - Term Provisions

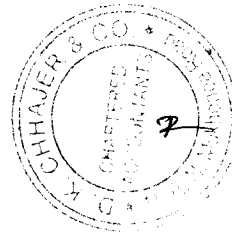
Income Tax Provisions (Net of Advances)	-	948,915
Proposed Dividend on Equity Shares	-	1,228,403
Dividend Distribution Tax on Proposed Dividend	-	250,074
Contingent Provision against Standard Assets	66,311	66,311
Total	66,311	2,493,703



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

Note - 7 FIXED ASSETS

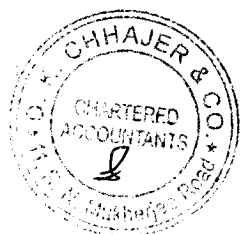
TANGIBLE ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at 01.04.2017 ₹	Addition ₹	Deductions ₹	As At 31.03.2018 ₹	Upto 31.03.2017 ₹	For the Period ₹	Adjustments ₹	Upto 31.03.2018 ₹	As At 31.03.2018 ₹	As At 31.03.2017 ₹
Furniture & Fixtures	196,107	-	-	196,107	110,615	22,582	-	133,197	62,910	85,492
Office Equipments	81,087	37,500	-	118,587	77,479	9,344	-	86,823	31,764	3,608
Total	277,194	37,500	-	314,694	188,094	31,926	-	220,020	94,674	89,100
Previous year	224,412	52,782	-	277,194	165,995	22,099	-	188,094	89,100	58,417



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

Note 8 Non-Current Investments

Particulars	As at 31st March , 2018			As at 31st March, 2017	
	Face Value ₹	Number	Value ₹	Number	Value ₹
Long Term					
Other Investments					
Investment in Equity Shares :					
Quoted (Fully Paid-Up)					
3M India Ltd	10	100	1,886,068	-	-
Agro Tech Foods Ltd.	10	1,500	657,962	1,500	657,962
Bajaj Auto Ltd.	10	12,900	37,933,398	-	-
Bata India Ltd	5	1,000	453,084	1,000	453,084
Blue Dart Express Ltd	10	29,350	144,112,078	6,350	27,497,230
Bosch Ltd	10	9,932	227,603,759	1,932	44,293,468
Colgate Palmolive (India) Ltd.	1	-	-	5,000	4,979,712
Cummins India Ltd	2	21,500	20,556,196	0	-
Eicher Motors Ltd	10	4	-	4	-
Foseco India Limited	10	8,887	2,854,455	8,887	2,854,455
Gillette India Ltd	10	8	33,465	-	-
Glaxo Smith Kline Consumer Health Care Ltd.	10	31,326	145,179,757	29,176	134,160,277
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
J.K. Pharmachem Limited	10	2,500	8,631	2,500	8,631
Kansai Nerolac Paints Ltd	1	6,200	2,237,023	6,200	2,237,023
Kokuyo Camlin Ltd	1	180,000	16,924,420	-	-
Lupin Ltd	2	-	-	10,000	14,580,869
Motherson sumi Systems Ltd	1	84,925	15,856,027	49,950	12,498,470
MRF Ltd	10	1,100	74,622,551	-	-
Nestle India Ltd	10	2,030	12,994,639	2,030	12,994,639
P & G Hygine & Healthcare Ltd	10	19,970	142,012,188	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	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	0	-	5,400	1,462,183
United Sprits Ltd	10	9,100	21,416,992	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	30,000	37,564,262
Zee Entertainment Enterprises Ltd		67,000	35,517,715		
Unquoted (Fully Paid-Up)			1,003,837,370		523,084,145
(A) 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
Karmayog Properties Private Limited	10	258,000	28,290,000	168,000	18,480,000
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
Tanushree Logistics Private Liimited	10	99,000	15,300,000	99,000	15,300,000
Total (A)			73,884,304		64,074,304
Investment in Preference Shares			73,884,304		64,074,304
Unquoted (Fully Paid -Up)					
Cem Logistics Pvt Ltd.-9 % NCNCRPS	100	25,000	2,500,000	25,000	2,500,000
GRAND TOTAL			1,080,221,674		589,658,449
Aggregate amount of quoted investments			1,003,837,370		523,084,145
Aggregate amount of unquoted investments			76,384,304		66,574,304
			1,080,221,674		589,658,449
Aggregate market value of quoted investments			14,826,594,363		15,075,931,554



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

Particulars	As at 31st March, 2018	As at 31st March, 2017
	₹	₹
Note 9 Deferred Tax Assets		
Deferred Tax Asset		
On Provision for Gratuity	770,578	776,154
On Provision for Leave Salary	219,273	219,183
On Difference between Book and Tax Depreciation	29,839	34,494
Deferred Tax Asset	1,019,690	1,029,831

Note: Deferred tax asset has reduced due to change in rate of tax from 30% to 25%

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
Total	-	15,977,696

Note 13 Cash and Bank Balances
Cash and Cash Equivalents

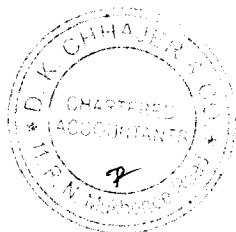
(a) Cash on hand	200,103	200,103
(b) Balances with Scheduled banks		
In current accounts	361,900	4,682,777
(c) In Fixed deposit accounts - maturity less than three months	16,112,642	1,403,888
Total	16,674,645	6,286,768

Note 14 Short-Term Loans and Advances
(Unsecured, considered good)

Advances to employees	5,000	67,000
Loan to Body Corporates	-	1,300,000
Income Tax Advances (Net of Provisions)	1,633,124	-
Advances for Expenses	225,494	229,906
Advance against Investments	428,877	132,000,000
Total	2,292,495	133,596,906

Note 15 Other Current Assets
(Unsecured, considered good)

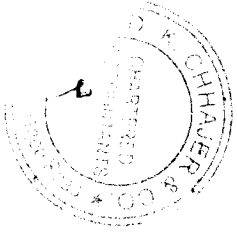
Interest accrued on Deposits	2,114,437	13,965
Interest accrued On Loans	-	1,494,148
Total	2,114,437	1,508,113



NOTES TO THE FINANCIAL STATEMENTS

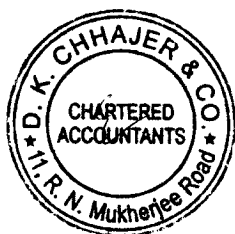
Note 12 Current Investments

Particulars	As at 31st March, 2018		As at 31st March, 2017		
	Face Value (Rs.)	Number	Value (Rs.)	Number	Value (Rs.)
<u>Investment in Equity Shares Quoted (Fully Paid-Up)</u>					
Unquoted					
Investment in Mutual Funds					
UTI Floating Rate Fund STP Regular Plan - Growth Plan	1,000	3,703,963	10,333,537	88,744,767	233,939,071
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			10,333,537		327,939,071
Total of Current Investments			10,333,537		327,939,071



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

Particulars	For the year ended 31st March, 2018 ₹	For the year ended 31st March, 2017 ₹
Note 16 Revenue From Operations		
INTEREST INCOME		
on Loan	78,254	2,360,884
on IncomeTax Refund	-	11,237
on Fixed Deposits with Bank	<u>1,351,311</u>	<u>1,249,836</u>
	<u>1,429,565</u>	<u>3,621,957</u>
Net gain on sale of Investments:		
Current investments	4,881,254	5,992,249
Long-term investments	<u>(707,629)</u>	<u>898,162,103</u>
	<u>4,173,625</u>	<u>904,154,352</u>
Dividend income:		
From current investments	1,850,673	1,234,754
From long-term investments	<u>49,802,012</u>	<u>99,864,365</u>
	<u>51,652,685</u>	<u>101,099,119</u>
Total	<u>57,255,875</u>	<u>1,008,875,428</u>
Note 17 Employee Benefits Expense		
Salaries and Allowances	4,218,497	4,010,681
Contribution to Provident Fund	314,952	274,357
Gratuity	480,710	449,184
Leave Salary	142,218	126,631
Staff Welfare expenses	<u>125,644</u>	<u>224,243</u>
Total	<u>5,282,021</u>	<u>5,085,096</u>
Note 18A Corporate Social Responsibility		
Gross Amount required to be spent	6,131,466	-
Amount spent during the year	<u>6,141,000</u>	<u>-</u>
Note 18B Other Expenses		
Rent	119,880	111,600
Repairs & Maintenance - Others	35,927	46,989
Rates and taxes	4,650	6,892
Service Tax	-	6,307
Goods & Services Tax	735,834	-
Communication Expenses	371,838	217,766
Travelling and Conveyance	31,811	40,363
Printing and stationery	446,080	366,050
Advertisement	52,898	39,280
Directors Sitting Fee	67,100	42,050
Legal and professional	4,521,868	938,938
Custodial Fees	27,215	26,360
Listing Fees	259,500	862,500
Payments to auditors	42,000	46,000
For - statutory audit	7,400	8,050
For - tax audit fees	21,980	33,700
For other services	<u>167,888</u>	<u>114,349</u>
Miscellaneous expenses	<u>6,913,869</u>	<u>2,907,194</u>
Total	<u>6,913,869</u>	<u>2,907,194</u>
Note 19 Earnings Per Share (EPS)		
Nominal value per Equity share	5/-	10/-
Net Profit after Tax	38,349,631	806,767,964
Weighted average number of Equity Shares	2,456,806	1,228,403
Basic and diluted Earning per share	<u>15.61</u>	<u>656.76</u>



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

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

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

<u>Name</u>	<u>Relationship</u>	
Key Management Personnel- Mr. S. P. Kumar	Manager and CFO	
Details of Transactions	<u>2017-18</u>	<u>2016-17</u>
Remuneration	Rs.12,22,788/-	Rs.12,54,086/-

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

22 Unabsorbed MAT for which future credit may be available amounts to Rs. 37,37,177/- (Previous Year Rs. 43,06,250/-)


23 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.


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

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

26 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.

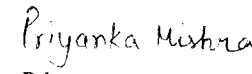
In terms of our report attached.
 For **D. K. Chhajjer & Co.**
 Chartered Accountants
 Firm Registration No. 304138E

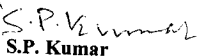

Tapan Kumar Mukhopadhyay
 Partner
 Membership No. 017483


Ashok Bhandari
 Chairman
 DIN - 00012210

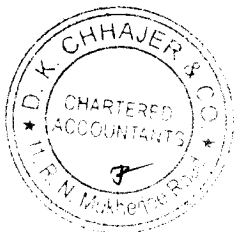

R. N. Mundhra
 Director
 DIN - 00424392

Place : Kolkata
 Date : 30.05.2018


Priyanka Mishra
 Company Secretary


S.P. Kumar
 Manager & CFO


B. L. Gaggar
 Directors
 DIN -00404123

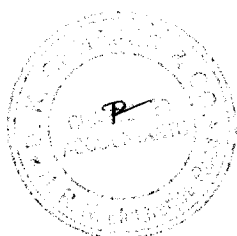


N.B.I. INDUSTRIAL FINANCE CO. LTD.
ANNEXURE

(Referred to in Note 26 of the Financial Statements)

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

PARTICULARS	(Rs in Lakhs) As on 31.03.2018	
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
(c) Term Loans	NIL	NIL
(d) Inter-corporate loans and borrowing	NIL	NIL
(e) Commercial Paper	NIL	NIL
(f) Other Loans-	NIL	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	6 90	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		
(b) Preference	NIL	
(ii) Debentures and Bonds	NIL	
(iii) Units of mutual funds	NIL	
(iv) Government Securities	NIL	
(v) Others (please specify)	NIL	
	NIL	
2. Unquoted:		
(i) Shares: (a) Equity		
(b) Preference	NIL	
(ii) Debentures and Bonds	NIL	
(iii) Units of mutual funds	NIL	
(iv) Government Securities	103 34	
(v) Others (Please specify)	NIL	
	NIL	



Long Term investments:

I. Quoted:

(i) Share: (a) Equity	10038.37
(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	738.84
(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
I. Related Parties			
(a) Subsidiaries	NIL	NIL	NIL
(b) Companies in the same group	NIL	NIL	NIL
(c) Other related parties	NIL	NIL	NIL
2. Other than related parties	NIL	6.90	6.90
Total	NIL	6.90	6.90

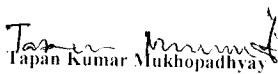
(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

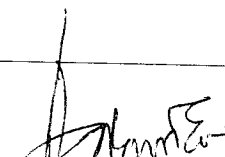
Category	Market Value	Book Value
	Break up or fair value or NAV	(Net of Provisions)
1. Related Parties		
(a) Subsidiaries	NIL	NIL
(b) Companies in the same group	NIL	NIL
(c) Other related parties	NIL	NIL
2. Other than related parties	149450.05	10905.55
Total	149450.05	10905.55

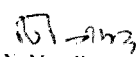
(7) Other information

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

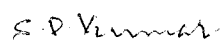
In terms of our report attached
For **D. K. Chhajer & Co.**
Chartered Accountants
Firm Registration

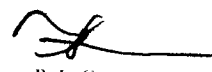

Tapan Kumar Mukhopadhyay
Partner
Membership No. 017483


Ashok Bhandari
Chairman
DIN - 00012210


R. N. Mundhra
Director
DIN - 00424392


Priyanka Mishra
Company Secretary


S. P. Kumar
(Manager & CFO)


B. L. Gaggar
Director
DIN -00404123

Place Kolkata
Date : 30.05.2018

