

# NCL Research & Financial Services Limited

## BOARD OF DIRECTORS

|                      |                              |
|----------------------|------------------------------|
| Goutam Bose          | Chairman & Managing Director |
| Laxmi Narayan Sharma | Independent Director         |
| Puspa Devi Saraswat  | Independent Director         |
| Amita Bose           | Independent Director         |

**Corporate Identification No.**  
L65921MH1985PLC284739

## COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Priya Mittal

## CHIEF FINANCIAL OFFICER

Mayank Singh

## AUDITORS

DBS & Associates  
Chartered Accountants, Mumbai

## BANKERS

Bandhan Bank

## REGISTERED OFFICE

Bhagyodaya Building, 3rd Floor  
79, N. M. Road, Fort, Mumbai-400 023

## REGISTRAR & SHARE TRANSFER AGENT

ABS Consultants Pvt. Ltd.  
99, Stephen House, 6<sup>th</sup> Floor  
4, B.B.D. Bag (East), Kolkata-700 001

## ANNUAL GENERAL MEETING

Date : 19<sup>th</sup> December, 2020  
Time : 10.00 A.M.  
Venue : Bhagyodaya Building, 3rd Floor  
79, N. M. Road, Fort, Mumbai-400 023

**35<sup>th</sup>**  
***Annual Report***  
**2019 – 2020**

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**Members are requested to bring their copy of Annual Report at the time of Meeting**

## Notice

Notice is hereby given that the 35<sup>th</sup> Annual General Meeting of the members of **NCL RESEARCH AND FINANCIAL SERVICES LIMITED** will be held on Saturday, the 19<sup>th</sup> day of December, 2020 at 10.00 A.M. at Bhagyodaya Building, 3rd Floor, 79, N. M. Road, Fort, Mumbai-400 023 to transact the following business as:

### **ORDINARY BUSINESS:**

1. To consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2020 along with the reports of the Board of Directors and the Auditors thereon.

### **SPECIAL BUSINESS:**

2. **Appointment of M/s DBS Associates, Chartered Accountants, as the statutory auditor of the Company for Second Term**

To consider and thought fit, to pass, with or without modification(s), the following Resolution, as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 read with The Companies (Audit and Auditor) Rules, 2014, 142 and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), and based on the recommendations of the Audit Committee, the Company hereby appoints M/s DBS Associates, Chartered Accountants (Firm Registration No. 018627N), as the statutory auditor of the Company for a second term of 5 (five) consecutive years to hold office from the conclusion of this meeting until the conclusion of the 40<sup>th</sup> Annual General Meeting of the company, (subject to ratification by the members at every subsequent AGM) at a remuneration as may be decided by the Board of Directors of the Company.”

3. **Appointment of Mrs. Puspa Devi Saraswat (DIN: 05165143) as an Independent Director**

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

“RESOLVED THAT Pursuant to the provisions of Section 149 (read with the Rule 3 of the Companies (Appointment & Qualification of Directors) Rules 2014, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mrs. Puspa Devi Saraswat (DIN: 05165143) an Independent Director and in respect of whom the Company has received notice under Section 160 of the Companies Act, 2013, from a member proposing her candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years commencing from 26<sup>th</sup> March 2020 to end of 39<sup>th</sup> Annual General Meeting.

“RESOLVED FURTHER THAT pursuant to the provisions of sections 149, 197 and other applicable provisions of the Act and the rules made thereunder, Mrs. Puspa Devi Saraswat be paid such fees and remuneration as the Board may approve from time to time and subject to such limits prescribed or as may be prescribed from time to time.”

Mumbai, November 24, 2020

By order of the Board  
For **NCL RESEARCH & FINANCIAL SERVICES LTD.**

**Registered Office :**  
Bhagyodaya Building, 3rd Floor  
79, N. M. Road, Fort, Mumbai-400023

S/d-  
**GOUTAM BOSE**  
Managing Director

**Notes:**

1. The Statement pursuant to Section 102 of the Companies Act, 2013, Secretarial Standard-2 on General Meetings and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to the Special Business set out in the Notice is annexed.
2. As per Regulation 40 of SEBI (LODR) Regulations, 2015, as amended, transfer of securities would be carried out in dematerialised form only with effect from April 1, 2019, except in case of transmission or transposition of securities. However Members can continue to hold shares in physical form. In view of this and to eliminate all risks associated with physical shares, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrar and Share Transfer Agent, M/s ABS Consultants Pvt. Ltd., for assistance in this regard.
3. The Securities and Exchange Board of India (SEBI) has mandated the submission of PAN and bank account details for all members holding share in physical form. Therefore, the Members are requested to submit their PAN and Bank Account details to the Secretarial Department of the Company through email at ncl.research@gmail.com or to Company's RTA, M/s ABS Consultants Pvt. Ltd. Ltd through email at absconsultant99@gmail.com. In this regard, the Members are requested to submit a duly signed letter along with self-attested copy of PAN Card(s) of all the registered Members (including joint holders). Members are also requested to submit original cancelled cheque bearing the name of the sole / first holder. In case of inability to provide the original cancelled cheque, a copy of Bank Passbook / Statement of the sole / first holder duly attested by the Bank, not being a date earlier than one month may be provided. Members holding shares in demat form are requested to submit the aforesaid documents to their respective Depository Participant (s).
4. As per Regulation 40(7) of the SEBI (LODR) Regulations, 2015, as amended, read with Schedule VII to the said Regulations, for registration of transfer of shares, the transferee(s) as well as transferor(s) shall mandatorily furnish copies of their Income Tax Permanent Account Number (PAN) Card. In case of transmission of shares held in physical mode, it is mandatory to furnish a self-attested copy of the PAN Card of the legal heir(s) / Nominee(s).
5. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
6. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument of Proxy, in order to be effective, must be received at the Company's Registered Office not less than forty-eight hours before the Meeting.

Pursuant to Section 105 of Companies Act, 2013, a person can act as a proxy on behalf of the 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 those carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any person or shareholder.

7. Corporate Member intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send a certified copy of the relevant Board Resolution together with specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the Meeting.
8. Members, Proxies and Authorised Representatives are requested to bring to the Meeting; the Attendance Slip enclosed herewith, duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No. Duplicate Attendance Slip or copies of the Report and Accounts will not be made available at the Annual General Meeting ("AGM") venue.
9. A brief resume of each of the Directors proposed to be re-appointed at this AGM, nature of their expertise in specific functional areas, names of companies in which they hold directorship and membership /

chairmanships of Board Committees, shareholding and relationship between directors inter se as stipulated under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other requisite information as per Clause 1.2.5 of Secretarial Standards-2 on General Meetings, are provided in Annexure 1.

10. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days (except Saturdays, Sundays and Public Holidays) between 11.00 A.M. to 1.00 P.M. up to the date of this Annual General Meeting.
11. The Register of Member and the Share Transfer Books of the Company will remain closed from 13<sup>th</sup> December 2020 to 19<sup>th</sup> December 2020 (both days inclusive).
12. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting.
13. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days (except Saturdays, Sundays and Public Holidays) between 11.00 A.M. to 1.00 P.M. up to the date of this Annual General Meeting.
14. Shareholders/Investors are advised to send their queries/complaints through the dedicated e-mail Id [ncl.research@gmail.com](mailto:ncl.research@gmail.com) for quick and prompt redressal of their grievances.
15. The Shares of the Company are mandated by the Securities & Exchange Board of India (SEBI) for trading in dematerialized form by all investors.
16. The identity/signature of Members holding shares in electronic/demat form is liable for verification with the specimen signatures furnished by NSDL/CDSL. Such Members are advised to bring the relevant identity card issued by the appropriate authorities; to the Annual General Meeting.
17. Members desirous of getting any information about the accounts of the Company, are requested to send their queries so as to reach at-least ten days before the meeting at the Registered Office of the Company, so that the information required can be made readily available at the meeting. Members are requested to intimate change in their address immediately to M/s ABS Consultants Pvt. Ltd., the Company's Registrar and Share Transfer Agents, at their office at 99, Stephen House, 6<sup>th</sup> Floor, 4, B.B.D. Bag (East), Kolkata-700 001.
18. Members are requested to intimate change in their address immediately to M/s ABS Consultants Pvt. Ltd., the Company's Registrar and Share Transfer Agents, at their office at 99, Stephen House, 6<sup>th</sup> Floor, 4, B.B.D. Bag (East), Kolkata-700 001.
19. Members holding shares in physical form in the same set of names under different folios are requested to apply for consolidation of such folios along with relevant Share Certificates to M/s ABS Consultants Pvt. Ltd., Registrar and Share Transfer Agents of the Company, at their address given above.
20. The Securities and Exchange Board of India (SEBI) vide Circular ref. No. MRD/DOP/CIR-05/2007 dated April 27, 2007 made PAN mandatory for all securities market transactions and off market/private transaction involving transfer of shares in physical form of listed Companies, it shall be mandatory for the transferee (s) to furnish copy of PAN Card to the Company/RTAs for the registration of such transfer of shares.

SEBI further clarified that it shall be mandatory to furnish a copy of PAN in the following cases:

- a. Deletion of name of the deceased shareholder (s), where the shares are held in the name of two / more shareholders.
- b. Transmission of shares to the legal heir(s), where deceased shareholder was the sole holder of shares.

- c. **Transposition of shares – when there is a change in the order of names in which physical shares are held jointly in the name of two or more shareholders.**
21. **SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.**
  22. **Your attention is invited on the Companies (Significant Beneficial Ownership) Amendment Rules, 2019 issued by the Ministry of Corporate Affairs on 8th February 2019. A person is considered as a Significant Beneficial Owner (SBO) if he/she, whether acting alone, together or through one or more individuals or trust holds a beneficial interest of at least 10%. The beneficial interest could be in the form of a company's shares or the right to exercise significant influence or control over the company. If any Shareholders holding shares in the Company on behalf of other or fulfilling the criteria, is required to give a declaration specifying the nature of his/her interest and other essential particulars in the prescribed manner and within the permitted time frame.**
  23. **Members holding shares in physical form and desirous of making a nomination in respect of their shareholdings in the Company, as permitted under Section 72 of the Companies Act, 2013 read with Rule 19 of Companies (Share Capital and Debentures) Rules, 2014, may fill SH-13 and send the same to the office of RTA of the Company. In case of shares held in dematerialized form, the nomination/change in nomination should be lodged with their DPs.**
  24. **The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request you to update your email address with your Depository Participants to enable us to send you the quarterly reports and other communication via email.**
  25. **The Members who have not registered their email address, physical copies of Annual Report 2020 are being sent by the permitted mode.**
  26. **Copies of Annual Report 2020 are being sent by electronic mode only to those members whose email address are registered with the Company's Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the Annual Report. The Members who have not registered their email address, physical copies of Annual Report 2020 are being sent by the permitted mode.**
  27. **The Notice for the 35<sup>th</sup> AGM and instructions for e-voting, along with Attendance Slip and Proxy Form, is being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s) unless a member has requested for a hard copy of the same. Members are requested to bring copies of Annual Report to the Annual General Meeting.**
  28. **Members may also note that the Notice of the 35<sup>th</sup> AGM and the Annual Report for 2019-20 will also be available on the Company's website [www.nclfin.com](http://www.nclfin.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during all working days (except Saturday, Sunday and public holidays) between 11.00 AM to 1.00 PM up to the date of this AGM. Even after registering for e-communication, members are entitled to receive such in physical form, upon making a request for the same by post or email. For any communication, the Shareholders may also send requests to the Company's email id : [ncl.research@gmail.com](mailto:ncl.research@gmail.com)**
  29. **A route map showing directions to reach the venue of the 35<sup>th</sup> Annual General Meeting is given at the end of the Report.**
  30. **Members can opt for one mode of voting i.e. either by physical ballot or through e-voting. If Members opt for e-voting then do not vote by Physical Ballot or vice-a-versa. However, in case Members cast their vote both by Physical Ballot and e-voting, then voting done through e-voting shall prevail and voting done by Physical Ballot will be treated as invalid.**

31. In terms of the provisions of Section 107 of the Companies Act, 2013, since the resolutions as set out in this Notice are being conducted through e-voting or physical Ballot, the said resolutions will not be decided on a show of hands at the AGM. The voting right of all shareholders shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date i.e. December 12, 2020.
32. In order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, a Proxy cum Ballot Form is attached. Members desiring to exercise vote by Ballot are requested to carefully read the instructions printed in the form, to complete the Ballot Form with assent (for) or dissent (against) and send it to **CA Alok Kumar Das, Scrutinizer, C/o ABS Consultants Private Limited, Unit: NCL Research & Financial Services Limited, 99, Stephen House, 6<sup>th</sup> Floor, 4, B. B. D. Bag (East), Kolkata-700 001, Tel. No: +91 33-2230 1043, Fax No: +91 33- 2243 0153, E-mail: [absconsultant99@gmail.com](mailto:absconsultant99@gmail.com)** so as to reach him on or before December 16, 2020 by 5.00 p.m. Any Ballot Form received after the said date and time, shall be treated as invalid.
33. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of SEBI LODR Regulations, 2015, the Company is pleased to provide to the members facility of “remote e-voting” (e-voting from place other than venue of the AGM) to exercise their votes at the 35<sup>th</sup> AGM by electronic means and the business may be transacted through e-voting services rendered by National Securities Depository Limited (NSDL).
34. The facility of voting through ballot/polling paper shall also be made available at the venue of the 35<sup>th</sup> AGM. The Members attending the AGM, who have not casted their vote till the time, through remote e-voting shall be able to exercise their voting rights at the AGM. The Members who have already casted their vote through remote e-voting may attend the AGM but shall not be entitled to cast their vote again at the AGM.
35. The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website [www.nclfin.com](http://www.nclfin.com) within two days of the passing of the Resolutions at the Annual General Meeting of the Company and will also be communicated to BSE Limited, where the shares of the Company are listed.
36. Members/Proxies should bring the attendance slip duly filed in and signed for attending the meeting.
37. The details for voting electronically are as under –
- Date and time of commencement of voting through electronic means: **Wednesday, December 16, 2020 at 9.00 a. m.**
  - Date and time of end of voting through electronic means beyond which voting will not be allowed: **Friday, December 18, 2020 at 5.00 p. m.**
  - During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **December 12, 2020**, may cast their vote electronically irrespective of mode of receipt of notice by the shareholder. The e-voting module shall be disabled by NSDL for voting thereafter.
  - Details of Website: [www.evotingindia.com](http://www.evotingindia.com)
  - Details of Scrutinizer: **CA Alok Kumar Das, Practicing Company Secretary (Membership No. 055737), 3B, Lal Bazar, 5<sup>th</sup> Floor, Kolkata – 700 001. E-mail: [alokdas631@gmail.com](mailto:alokdas631@gmail.com)**
  - Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change/modify the vote subsequently.
38. **Voting through Electronic means -**
- Pursuant to provisions of Section 108 of the Companies Act, 2013 and 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 members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic

voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).

- b. The Company has approached NSDL for providing e-voting services through our e-voting platform. In this regard, your Demat Account/Folio Number has been enrolled by the Company for your participation in e-voting on resolution placed by the Company on e-Voting system.
- c. The Notice of the Annual General Meeting (AGM) of the Company inter alia indicating the process and manner of e-Voting process along with printed Attendance Slip and Proxy Form can be downloaded from the link <https://www.evoting.nsdl.com> or [www.nclfin.com](http://www.nclfin.com)
- d. The e-voting period commences on Wednesday, December 16, 2020 (9:00 am) and ends on Friday, December 18, 2020 (5:00 pm). During this period shareholders’ of the Company, may cast their vote electronically. The e-voting module shall also be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- e. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of December 12, 2020. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. December 12, 2020, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [absconsultant@vsnl.net](mailto:absconsultant@vsnl.net).
- f. The facility for voting through ballot paper / Poling Paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

**39. The process and manner for remote e-voting are as under:**

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

**Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2: Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 is mentioned below:**

**How to Log-in to NSDL e-Voting website?**

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

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical  | Your User ID is:  |
|---|---|
| <ul style="list-style-type: none"> <li>• For Members who hold shares in demat account with NSDL.</li> </ul> | 8 Character DP ID followed by 8 Digit Client ID<br>For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| <ul style="list-style-type: none"> <li>• For Members who hold shares in demat account with CDSL.</li> </ul> | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****  |

- For Members holding shares in Physical Form.

**EVEN Number followed by Folio Number registered with the company For example if folio number is 001\*\*\* and EVEN is 101456 then user ID is 101456001\*\*\***

**e) Your password details are given below:**

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?

- If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you by NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
- If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

**f) If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:**

- Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- Click on "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
- Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

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

**h) Now, you will have to click on "Login" button.**

**i) After you click on the "Login" button, Home page of e-Voting will open.**

**Details on Step 2 is given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

- After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
- Select "EVEN" of company for which you wish to cast your vote.
- Now you are ready for e-Voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- Upon confirmation, the message "Vote cast successfully" will be displayed.



- g) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- h) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### 40. General Guidelines for shareholders

- a. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [cs.guptarahul@gmail.com](mailto:cs.guptarahul@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- b. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
- c. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### **EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, SECRETARIAL STANDARD-2 ON GENERAL MEETINGS AND REGULATION 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

#### **ITEM NO. 3**

#### **Appointment of Mrs. Puspa Devi Saraswat (DIN: 05165143) as Independent Director for the term of 5 years effective from March 26, 2020**

The Board has re-appointed Mrs. Puspa Devi Saraswat (DIN: 05165143) as Independent Director of the Company pursuant to Clause 49 of the Listing Agreement.

Pursuant to Section 161 of the Companies Act, 2013, Mrs. Puspa Devi Saraswat will hold the office up to the date of ensuring AGM. The Company has received Notice in writing under the provisions of Section 160 of the Companies Act, 2013 from the Member along with a necessary deposit proposing the candidature of Mrs. Puspa Devi Saraswat for the office of the Director.

Accordingly, it is proposed to re-appoint Mrs. Puspa Devi Saraswat for the second term as Independent Director of the Company in accordance with Section 149 of the Companies Act, 2013, not liable to retire by rotation and to hold office for the term of 5 years starts form March 26, 2020 till the end of 39th Annual General Meeting.

These Appointments may be terminated by either party by giving one month notice in writing of such termination or as may be mutually agreed between the parties.

The Company has received from Mrs. Puspa Devi Saraswat –

- Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 and;
- Intimation in Form DIR-8 in terms of Companies Appointment & Qualification of Directors) Rules, 2014, to effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

In the opinion of the Board, Mrs. Puspa Devi Saraswat fulfills the conditions for their appointment as Independent Directors as specified in the Companies Act, 2013 and the Listing Agreement and is independent of the management. Mrs. Puspa Devi Saraswat are interested in the resolutions set out respectively at Item No. 3 of the Notice with regard to their respective appointments as well as appointments of each other.

The relatives of Mrs. Puspa Devi Saraswat may be deemed to be interested in the resolutions set out respectively at Item No. 3 of the Notice, to the extent of their shareholding interest, if any, in the company.

Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the resolutions set forth in the Item No. 3 of the Notice for approval of the members.

Brief Profile of Mrs. Puspa Devi Saraswat together with other Directors, has been provided in Annexure – 1.

|   |   |
|---|---|
| <b>Name of Director</b>   | <b>Mrs. Puspa Devi Saraswat</b>   |
| <b>Directors' Identification No. (DIN)</b>  | <b>05165143</b>   |
| <b>Date of Birth</b>  | <b>04<sup>th</sup> November 1955</b>  |
| <b>Date of Appointment on Board</b>   | <b>27<sup>th</sup> March 2015</b>   |
| <b>Date of Appointment for present term</b>   | <b>26<sup>th</sup> March 2020</b>   |
| <b>Qualification</b>  | <b>HSC</b>  |
| <b>Experience</b>   | <b>Having more than 5 Years' experience in Company Management &amp; Administration.</b>                                   |
| <b>Terms &amp; Conditions of Appointment / Re-appointment</b>   | <b>Appointed as Non-Executive, Independent Director for the term of 5 years and is not eligible to retire by Rotation</b> |
| <b>Remuneration details</b>   | <b>Maximum of Rs. 5000/- per meeting plus out of pocket expenses at actuals.</b>  |
| <b>Shareholding in Company</b>  | <b>Nil</b>  |
| <b>Relationship with the Company &amp; Other Directors</b>  | <b>Not Any</b>  |
| <b>List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)</b>     | <b>1. Khoobsurat Limited<br/>2. Capable Commosales Pvt. Ltd.</b>  |
| <b>Memberships / Chairmanships of Audit and Stakeholders' relationship Committees across Public Companies</b> | <b>Committee Membership – 2</b>   |

**Mumbai, November 24, 2020**

**By order of the Board  
For NCL RESEARCH & FINANCIAL SERVICES LTD.**

**Registered Office :**  
**Bhagyodaya Building, 3rd Floor**  
**79, N. M. Road, Fort, Mumbai-400 023**

**S/d-**  
**GOUTAM BOSE**  
**Managing Director**

## Directors' Report

To

The Members,

Your Directors have pleasure in presenting the 35<sup>th</sup> Annual Report of your Company together with the Audited Statements of Accounts for the year ended March 31, 2020.

| <b>FINANCIAL HIGHLIGHTS</b>   | <b>Year Ended<br/>31.03.2020</b> | <b>Year Ended<br/>31.03.2019</b> |
|---|----------------------------------|----------------------------------|
| Income  | <b>244.47</b>                    | <b>339.71</b>                    |
| Profit/(Loss) before Tax & extraordinary item                           | <b>2.12</b>                      | <b>15.92</b>                     |
| Less : Provision for Taxation including Deferred Tax                    | <b>0.57</b>                      | <b>4.72</b>                      |
| Profit/(Loss) after Tax   | <b>1.55</b>                      | <b>11.21</b>                     |
| Less : Transfer to Statutory Reserves                                   | <b>0.31</b>                      | <b>2.24</b>                      |
| Less / (Add) : Transfer to Contingent Provision against Standard Assets | <b>(0.42)</b>                    | <b>(0.17)</b>                    |
| Add: Profit brought forward from Previous Year                          | <b>166.38</b>                    | <b>157.24</b>                    |
| Balance carried forward   | <b>168.04</b>                    | <b>166.38</b>                    |

### OVERVIEW OF ECONOMY

The economy of India is a developing mixed economy. It is the world's seventh-largest economy by nominal GDP and the third-largest by purchasing power parity (PPP). The country ranks 139<sup>th</sup> in per capita GDP (nominal) and 119<sup>th</sup> in per capita GDP (PPP) as of 2018. After the 1991 economic liberalization, India achieved 6-7% average GDP growth annually. Since 2014, India's economy has been the world's fastest growing major economy, surpassing China.

The long-term growth perspective of the Indian economy is positive due to its young population, English proficiency, corresponding low dependency ratio, healthy savings and investment rates, and increasing integration into the global economy. India topped the World Bank's growth outlook for the first time in fiscal year 2015–16, during which the economy grew 7.6%. Despite previous reforms, economic growth is still significantly slowed by bureaucracy, poor infrastructure, and inflexible labor laws (especially the inability to lay off workers in a business slowdown).

India has one of the fastest growing service sectors in the world with an annual growth rate above 9% since 2001, which contributed to 57% of GDP in 2012–13. India has become a major exporter of IT services, Business Process Outsourcing (BPO) services, and software services with \$177 billion revenue in FY 2019. The IT industry continues to be the largest private-sector employer in India. India is the second-largest start-up hub in the world with over 3,100 technology start-ups in 2018–19. The Indian automobile industry is one of the largest in the world with an annual production of 21.48 million vehicles (mostly two and three-wheelers) in 2013–14. India had \$600 billion worth of retail market in 2015 and one of world's fastest growing e-commerce markets.

### INDUSTRY OVERVIEW

NBFCs continued to grow their share in the financial services industry. Data published by the RBI in its Financial Stability Report dated 31 December 2018 show that NBFCs have outperformed scheduled commercial banks (SCBs) on growth in advances, asset quality and profitability. This growth momentum of NBFCs should result in their share in the financial services sector increasing in the near future.

## **OVERALL PERFORMANCE & OUTLOOK**

The revenue for FY 2019-20 were below expectation due to reduction in interest rates and alarming situation in stock market wherein valuation of stocks moved down continuously followed by liquidity crunch as well as lack of interest by FIIs who were major contributor to the stock market success in recent past.

Gross revenue from operations during the year stood at Rs. 244.48 lakh in comparison to last years' figure of Rs. 339.71 lakh. The Net Profit after Tax for the year was of Rs. 1.55 lakh in comparison to last years' Net Profit of Rs. 11.20 lakh.

Your Company is one of the RBI registered NBFC and is engaged in the business of finance and investments. The Company is carrying trading/investment activities in both Equity and FNO Segment and also trading in Commodities market apart from its financing activities.

Management of company is continue to have positive outlook for current financial year however outcome depends entirely on the capital market environment as well as RBI/Govt. policies on NBFC activities. According to Ind AS, considering that the views of the management have precedence over the erstwhile risks and rewards model.

## **DIVIDEND & RESERVES**

In order to conserve resources and to meet financial requirements to implement its future plans, your Directors do not propose any dividend for the year under review.

During the year under review Rs. 0.31 lakh was transferred to General Reserve as per RBI guidelines.

## **SHARE CAPITAL**

The paid-up Equity Share Capital as on March 31, 2020 was 29.085 Crore. During the year under review, the Company has not issued any shares with differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2020, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

## **FINANCE AND ACCOUNTS**

Your Company prepares its financial statements in compliance with the requirements the Companies Act, 2013 and the Generally Accepted Accounting Principles (GAAP) in India. The financial statements have been prepared on historical cost basis. The estimates and judgments relating to the financial statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits/(loss) and cash flows for the year ended 31st March 2020.

The Company continues to focus on judicious management of its Working Capital. Receivables, Inventories and other working capital parameters were kept under strict check through continuous monitoring.

## **AUDITORS REMARK ON ACCOUNTS**

Information and explanations on items contained in the Auditors Report which might be considered to be "Reservations, Qualifications or adverse Remarks" is provided herein below:

## **MANAGEMENT'S PERCEPTION OF AUDITORS REMARK**

With regard to inadequacy of supporting for some of the expenditure of revenue nature, the Board of Directors of the Company is on opinion that the same is wholly and exclusively attributable to the business of the Company.

## **PARTICULARS OF LOANS, GURANTEES & INVESTMENTS**

Details of Loans, Guarantees and Investments, if any, covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

## **SUBSIDIARY COMPANY**

The Company does not have any material subsidiary whose net worth exceeds 20% of the consolidated net worth of the holding company in the immediately preceding accounting year or has generated 20% of the consolidated income of the Company during the previous financial year. Accordingly, a policy on material subsidiaries has not been formulated.

**RELATED PARTY TRANSACTIONS**

All transactions entered into with related parties as defined under the Companies Act, 2013 during the financial year, were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with the related parties during the financial year, which were in conflict with the interest of the Company and hence, enclosing of Form AOC-2 is not required. Suitable disclosure as required by the Accounting Standard (Ind-AS 24) has been made in the notes to the Financial Statements.

All Related Party Transactions are placed before the Audit Committee for approval. Omnibus approval was obtained on a yearly basis for transactions which are of repetitive nature. Transactions entered into pursuant to omnibus approval are verified by the Risk Assurance Department and a statement giving details of all Related Party Transactions are placed before the Audit Committee and the Board for review and approval on a quarterly basis.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company

The Company has put in place a mechanism for certifying the Related Party Transactions Statements placed before the Audit Committee and the Board of Directors from an Independent Chartered Accountant Firm.

The Policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company. None of the Directors has any pecuniary relationship or transactions vis-à-vis the Company except remuneration and sitting fees.

**MANAGEMENT DISCUSSION & ANALYSIS**

The Management Discussion and Analysis on the operations of the Company as prescribed under Part B of Schedule V read with regulation 34(3) of the Listing Regulations, 2015 is provided in a separate section and forms part of the Directors' Report.

**CHANGE IN NATURE OF BUSINESS, IF ANY**

There are no changes in the nature of business in the financial year 2019-20.

**BOARD EVALUATION**

The Board of Directors have laid down the manner for carrying out an annual evaluation of its own performance, its various Committees and individual directors pursuant to the provisions of the Act and relevant Rules and the Corporate Governance requirements are in compliance with Regulation 17 of Listing Regulations, 2015. The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of various criteria such as Board Composition, process, dynamics, quality of deliberations, strategic discussions, effective reviews, committee participation, governance reviews etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of criteria such as Committee composition, process, dynamics, deliberation, strategic discussions, effective reviews etc. The Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria such as transparency, analytical capabilities, performance, leadership, ethics and ability to take balanced decisions regarding stakeholders etc.

**NUMBER OF MEETINGS OF THE BOARD**

The details of the Board Meetings and other Committee Meetings held during the financial year 2019-20 are given in the separate section of Corporate Governance Report.

**BOARD COMMITTEES**

All Committees of the Board of Directors are constituted in line with the provisions of the Companies Act, 2013 and applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**MANAGEMENT**

During the year there was no any change in the management of the company.

**DIRECTORS**

During the year there was no change in the composition of the directors of the company.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, none of the Directors of the Company are disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

**INDEPENDENT DIRECTORS**

As per provisions of Section 149 of the 2013 Act, independent directors shall hold office for a term up to five consecutive years on the board of a company, but shall be eligible for re-appointment for another term up to five years on passing of a special resolution by the company and disclosure of such appointment in Board's Report. Further Section 152 of the Act provides that the independent directors shall not be liable to retire by rotation in the Annual General Meeting ('AGM') of the Company.

As per requirements of Regulation 25 of SEBI LODR Regulations, 2015, a person shall not serve as an independent director in more than seven listed entities: provided that any person who is serving as a whole time director in any listed entity shall serve as an independent director in not more than three listed entities. Further, independent directors of the listed entity shall hold at least one meeting in a year, without the presence of non-independent directors and members of the management and all the independent directors shall strive to be present at such meeting.

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations. In the opinion of the Board, the Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations. The Independent Directors have also confirmed that they have complied with the Company's Code of Business Conduct & Ethics.

**DETAILS OF DIRECTORS / KMP APPOINTED AND RESIGNED DURING THE YEAR**

| Sl. No. | Name          | Designation | Date of Appointment | Date of Resignation |
|---------|---------------|-------------|---------------------|---------------------|
| 1.      | Swati Agarwal | CS          | -                   | July 22, 2019       |
| 2.      | Priya Mittal  | CS          | January 17, 2020    | -                   |

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, TRIBUNALS OR COURTS**

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

**MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT**

There have been no material changes and commitments affecting the financial position of the Company between the end of financial year and date of the report.

**DIRECTORS RESPONSIBILITY STATEMENT**

To the best of knowledge and belief and according to the information and explanations obtained, your Directors make the following statement in terms of Section 134(3)(c) of the Companies Act, 2013:

1. that in the preparation of the Annual Accounts for the year ended March 31, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

2. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit of the Company for the year ended on that date;
3. that the Directors 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;
4. the annual accounts have been prepared on a going concern basis;
5. that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
6. that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **INFORMATION TECHNOLOGY**

Innovation and Technology are synonymous with the Company. The investment in technology acts as a catalyst and enables the Company to be innovative.

### **BUSINESS RISK MANAGEMENT**

As an NBFC, the Company is exposed to credit, liquidity and interest rate risk. On the other hand, investment in Stock Market, both in Quoted and Unquoted Shares, have the risk of change in the price and value, both in term of up and down and thus can affect the profitability of the Company.

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board and the Audit Committee.

However, the Company is not required to constitute Risk Management Committee under Listing Regulations, 2015.

### **INTERNAL AUDIT AND INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY**

Your Company has an Internal Control System, which is commensurate with the size, scale, scope and complexity of its operations. To maintain its objectivity and independence, an independent firm of Chartered accountants has been appointed as the Internal Auditors, who report to the Chairman of the Audit Committee of the Board.

The Internal Auditors monitor and evaluate the efficacy and adequacy of internal control system in your Company, its compliance with operating systems, accounting procedures and policies of your Company. Based on the report of the Internal Auditors placed before the Audit Committee, process owners undertake corrective action in their respective areas and thereby strengthen the controls. The internal controls have been reported by the Auditors to be adequate and effective during the year.

### **NOMINATION, REMUNERATION AND BOARD DIVERSITY POLICY**

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to Executive and Non-executive Directors (by way of sitting fees and commission), Key Managerial Personnel, Senior Management and other employees. The policy also provides the criteria for determining qualifications, positive attributes and Independence of Director and criteria for appointment of Key Managerial Personnel /Senior Management and performance evaluation which are considered by the Nomination and Remuneration Committee and the Board of Directors while making selection of the candidates. The above policy has been posted on the website of the Company.

### **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company has a Whistle Blower Policy to report genuine concerns or grievances. The Whistle Blower Policy has been posted on the website of the Company i.e. [www.nclfin.com](http://www.nclfin.com)

## **RESEARCH & DEVELOPMENT**

The Company believes that technological obsolescence is a reality. Only progressive research and development will help us to measure up to future challenges and opportunities. We invest in and encourage continuous innovation. During the year under review, expenditure on research and development is not significant in relation to the nature size of operations of your Company.

## **AUDITORS**

### **Statutory Auditors**

M/s DBS & Associates, Chartered Accountants, Mumbai (FRN – 018627N) were appointed as Statutory Auditors of the Company for the second term for a period of five consecutive years at the Annual General Meeting (AGM) of the Members will be held on December 19, 2020 on a remuneration mutually agreed upon by the Board of Directors and the Statutory Auditors. Their appointment was subject to ratification by the Members at every subsequent AGM held after the AGM held on December 19, 2020. Pursuant to the amendments made to Section 139 of the Companies Act, 2013 by the Companies (Amendment) Act, 2017 effective from May 7, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors has been withdrawn from the Statute. Hence the resolution seeking ratification of the Members for continuance of their appointment at this AGM is not being sought.

In regard to the Audit qualification and adverse remark by Statutory Auditors, the same has been addressed and explained in Notes to Accounts section of Annual Report.

### **Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has re-appointed Mrs. Kriti Daga, Company Secretaries in Practice (C. P. No. 14023) to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report in the prescribed Form MR-3 is annexed in this Annual Report as Annexure II. The same does not contain any qualification, reservation or adverse remark.

In addition to the above and pursuant to SEBI circular dated 8 February 2019, a report on secretarial compliance by Mrs. Kriti Daga for the FY2020 has been submitted with stock exchange. There are no observations, reservations or qualifications in the said report.

### **Internal Auditors**

Your Company has an effective internal control and risk-mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The internal and operational audit is entrusted to M/s A. K. Das & Co., Chartered Accountants, Kolkata (FRN - 325204E). The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Audit Committee of the Board of Directors, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions taken. Audit plays a key role in providing assurance to the Board of Directors. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

## **EXTRACT OF ANNUAL RETURN**

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, extract of the Annual Return for the financial year ended 31st March, 2020 made under the provisions of Section 92(3) of the Act is attached as Annexure III to this report.



**PARTICULARS OF EMPLOYEES**

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the same is not applicable to the Company as none of employee is drawing remuneration in excess of the limits set out in the said rules and thus no disclosure has been provided in this Annual Report.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 by way of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2016 dated June 30, 2016 ("Amended Managerial Remuneration Rules, 2016"), the report is not applicable to the Company.

**DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013 READ WITH RULES**

Pursuant to the requirements of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013 read with Rules thereunder, the Company has not received any complaint of sexual harassment during the year under review.

**STATUTORY INFORMATION AND OTHER DISCLOSURES**

Since the Company is into the business of financing (NBFC activities) and investment activities in Shares and Securities; the information regarding Conservation of Energy, Technology Absorption, Adoption and Innovation, as defined under section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is reported to be NIL.

The Disclosure required under Section 197(12) of the Act read with the Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as Annexure 'IV' and forms an integral part of this Report. A statement comprising the names of top 10 employees in terms of remuneration drawn and every person employed throughout the year, who were in receipt of remuneration in terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure 'V' and forms an integral part of this annual report. The above Annexure is not being sent along with this annual report to the members of the Company in line with the provisions of Section 136 of the Act. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company. The aforesaid Annexure is also available for inspection by Members at the Registered Office of the Company, 21 days before and up to the date of the ensuing Annual General Meeting during the business hours on working days.

None of the employees listed in the said Annexure is a relative of any Director of the Company. None of the employees hold (by himself or along with his spouse and dependent children) more than two percent of the Equity Shares of the Company.

**BUSINESS RESPONSIBILITY REPORT**

As the Company is not among top 500 or 1000 Companies by turnover on Stock Exchanges, the disclosure of Report under of Regulation 34(2) of the Listing Regulations is not applicable to the Company for the year under review.

**FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Company has not earned or used foreign exchange earnings/outgoings during the year under review.

**PUBLIC DEPOSITS**

During the year under review, your Company has not accepted any deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

**REPORT ON CORPORATE GOVERNANCE**

As per Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

**CAUTIONARY STATEMENT**

Statements in this Directors' Report and Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied.

**APPRECIATION**

Your Directors wish to place on record their appreciation towards the contribution of all the employees of the Company and their gratitude to the Company's valued customers, bankers, vendors and members for their continued support and confidence in the Company.

Mumbai, November 24, 2020

By order of the Board  
For NCL RESEARCH & FINANCIAL SERVICES LTD.

Registered Office :  
Bhagyodaya Building, 3rd Floor  
79, N. M. Road, Fort, Mumbai-400  
023

S/d-  
**GOUTAM BOSE**  
Managing Director

## Management Discussions & Analysis

### Executive Overview

#### Macro-Economic and Industry Overview

Global economic activity became subdued in the second half of 2019 amidst US-China trade tensions and Brexit-related uncertainty casting doubts over global supply chains. However, the early part of 2020 saw de-escalation of the US and China trade tensions and reduced possibility of a hard Brexit, thereby providing a breather to the global markets. The early signs of stabilisation in economic activity at the start of 2020 withered away with the outbreak of COVID-19 on a global scale.

The Indian economy, which has been undergoing a cyclical slowdown, recorded its slowest growth in 11 years at 4.2% in FY 2019-20, down from 6.1% in FY 2018-19, as per the National Statistical Office. The average CPI inflation settled at 4.8% vis-à-vis 3.4% in FY 2018-19. Looking at the inflation trajectory, the headline number for the last two quarters in FY 2019-20 stayed above the Reserve Bank of India's (RBI) medium-term target, primarily on the back of spike in food prices. Of late, the easing food prices, along with a sharp correction in global crude oil prices, have provided some solace.

Within the commodity market space, oil prices got caught between two significant crosswinds. On the one hand, lockdowns in several countries perpetuated a severe demand shock as economic activity came to a near standstill. On the other hand, uncertainty in supply response amid lack of unanimity among OPEC+ members for adequate recalibration of output further fanned volatility. Nevertheless, the recent signing of a historic deal between OPEC+ members with implicit support from the US is expected to provide some anchor to prices in the short term.

As COVID-19 started spreading to countries beyond China, quantitative easing by systemically important central banks in the US, the UK, Eurozone, Japan and Australia became the first line of defence, along with measures like long-term targeted repos and purchase of Commercial Papers (CPs) in some cases to address tightness in the short end of the credit curve. In addition, the US Federal Reserve reactivated its currency swap lines with several other central banks to ensure adequate provision of dollar liquidity in global financial markets.

Through a coordinated monetary and fiscal policy approach, all countries stepped in to prevent a health crisis, which also comes with a substantial economic fallout. Expectations of a severe global economic recession in 2020 have strengthened as the 'Great Global Lockdown' disrupts production, supply chain, trade, and tourism channels. The depth of the recession and the pace of recovery in 2021 would depend on the speed of containment and the efficacy of monetary and fiscal policy actions by various countries.

#### The COVID-19 impact

The International Monetary Fund (IMF) stated that the world economy will experience the worst fall in global output since the Great Depression of the 1930s, surpassing the downturn seen during the Global Financial Crisis. The year 2020 is likely to result in a contraction of world GDP by 4.9% vis-à-vis an expansion of 2.9% seen during 2019 and a contraction of 0.1% recorded during the Global Financial Crisis.

India also imposed a nationwide lockdown, allowing only 'essential' manufacturing and service related activities. These 'essential' activities have a share of - 43% in the GVA basket, which implies a near freezing of activity for the remaining 57%. After posting a decadal low of 4.2% in FY 2019-20, India's growth is certain to face the worst recession in FY 2020-21 since FY 1979-80. We expect India's FY 2020-21 GDP growth to contract by 4.5%, with downside risks, as global and domestic activity have turned out to be worse than expected earlier. To address the economic fallout, policymakers adopted a mix of fiscal and monetary relief measures. The Central Government including the Reserve Bank of India (RBI) announced a relief package of Rs. 21 trillion, which was supplemented with several state-level measures.

#### Monetary policy and interest rates

On the monetary policy front, the RBI slashed repo rate by a cumulative of 115 bps between February to June 2020 to provide support to growth and economic sentiment. In addition, the central bank upped the policy response by introducing Targeted Long Term Repurchase Operations (TLTRO) and increased the quantum of Long-Term Repo Operations (LTROs). It trimmed its CRR rate the first time since the Global Financial Crisis and allowed banks a higher dispensation under the MSF window. It also provided few forbearance measures for consumers

and businesses. Money market liquidity switched into surplus territory in Q2 FY 2019-20 (Rs. 1,326 billion), with the magnitude of surplus widening in Q4 FY 2019-20 (Rs. 3,088 billion) on the back of unsterilized build-up of FX Reserves by the RBI, along with primary liquidity infusion through FX Swaps, OMOs, etc.

On the bond market, the 10-year g-sec yield eased by 121 bps during the course of FY 2019-20. Domestic monetary easing through the year amid a lower global rates environment contributed towards the development. Additionally, expectation of further easing by the RBI in the wake of COVID-19 also seems to be supporting sentiment.

The Indian rupee depreciated by 9.2% in FY 2019-20, closing the year at 75.45 to the US dollar. Weakness in rupee stemmed from global risk appetite that manifested in portfolio outflows and benefitted the US dollar at the expense of Emerging Markets (EM) currencies.

Meanwhile, India's twin deficits exhibited divergent behaviour. Riding on the back of moderation in domestic demand and global commodity prices, current account deficit narrowed down to 0.9% of GDP in FY 2019-20 from 2.1% in FY2018-19. For FY 2020-21, the CAD is expected to be moderate further to 0.3% of GDP. On the other hand, the Central Government fiscal deficit expanded to 4.6% of GDP in FY 2019-20 vis-à-vis the revised target of 3.8% primarily on account of lower than anticipated revenue collections. For FY 2020-21, while the government has budgeted for a fiscal deficit target of 3.5% of GDP, the economic shock from COVID-19 and the policy response thereof would once again result in a significant fiscal slippage. We expect FY21 fiscal deficit at 6.5% of GDP with upside risk still remaining. Nevertheless, recent reforms undertaken by the government (like the corporate tax rate cut, liberalisation in FDI-Defence, opening up of commercial mining, food supply chain reforms, etc.) are expected to play a crucial role in preserving India's status as a global investment destination and should start supporting economic activity from the second half of FY 2020-21.

## **Outlook**

India's economic growth outlook for FY 2020-21 was looking up at the start of 2020 on the back of a bumper Rabi harvest, increase in food prices through FY 2019-20 prospectively supporting rural incomes, big reset in the corporate tax structure, pickup in monetary transmission, etc. However, the altered outlook amidst COVID-19 has a combination of a sharp negative global impulse coupled with stalling of domestic activity on account of the nationwide lockdown. In addition, volatility in financial markets and uncertainty with respect to income prospects, could further accentuate India's growth slowdown.

On the other hand, softening of global commodity prices and mitigating policy measures are likely to provide some relief to the economy. As per the RBI, CPI inflation is projected to average -3.6% in FY 2020-21. With inflation expected to fall below target, the monetary policy reaction function would continue to accord primacy to growth and financial stability in the current environment, and front load all possible steps to safeguard the economy from downside risks. There is a growing expectation of further monetary easing from the RBI, along with large-scale Open Market Operations to accommodate the strong counter cyclical fiscal policy response required to provide a safety net for the economic fallout from COVID-19.

## **PROCESS OVERVIEW**

### **Human Capital Management**

The Company pursues a strong employee value proposition of 'Creating and Sharing Value' driven by the ethos of Professional Entrepreneurship. A talent philosophy of the Owner-Partner-Manager and superior employee experience, it is designed to encourage and reinforce a strong culture promoting meritocracy, performance and prudent risk taking.

### **Compliance**

Ensuring compliance with regulatory requirements and building trust among all its stakeholders is an overarching consideration at the Company. The dedicated Compliance Department strives to be at the forefront of regulatory changes and continues to work closely with all businesses and operations at the company, in order to be compliant with all existing and new requirements. The key functions of this department include identifying effective procedures and corresponding controls to support the company's business divisions as well as dissemination of key regulatory updates affecting to the Company. The department also reviews new products and processes from a regulatory compliance perspective, provides guidance on compliance-related matters, conducts compliance reviews and imparts training to employees on compliance aspects, among others. The Company has also put in

place a 'Know Your Customer' and others Policy approved by the Board of Directors, and transaction monitoring procedures, as per the regulatory guidelines.

### MACRO ECONOMIC ENVIRONMENT

The World Bank has forecast that India will continue to remain the fastest growing major economy in the world in 2018-19. In a report the World Bank said India's Gross domestic Product (GDP) will grow at 7.3 per cent during the ongoing financial year. In comparison, China is expected to register a much lower growth rate of 6.3 per cent in 2018-19.

These predictions have been made in a report prepared by the World Bank titled: 'Global Economic Prospects: Darkening Skies'. The report says that most world economies stare at dark times in this financial year. However, it has projected a brighter picture for India and the South Asian region as a whole.

On the Narendra Modi government's decision to implement the Goods and Services Tax (GST), the World Bank report said, "In India the recent introduction of a GST and steps toward demonetisation are expected to encourage a shift from the informal to the formal sector."

The World Bank report has said that India's economy declined in 2017 due to demonetisation and the implementation of the Goods and Services Taxes (GST). In 2017, China grew at 6.9 per cent while India's GDP growth was 6.7 per cent. "India's growth outlook is still robust. India is still the fastest growing major economy," World Bank Prospects Group Director Ayhan Kose was quoted as saying by news agency PTI.

### OPPORTUNITIES

India moved up by 23 places in the World Bank's Ease of Doing Business Index 2018 and got 77th rank. This is attributed to 6 reforms this year- starting a business, getting electricity, construction permits, getting credit, paying taxes and trading across borders. The maximum improvement was of 129 places in construction permits to reach 52nd rank in 2018 as compared to 181st in 2017. The Prime Minister further said, "If we do focused improvement, breaking into the top 50 is not out of reach." This certainly points towards more such reforms in the near future.

FDI rose to around \$61.96 billion in 2017-2018 further increasing an all-time high of \$60.1 billion in 2016-2017 which is certainly an indicator that even the foreign countries are banking on India as a growing economy and that is definitely a step in the right direction. FDI is as good an indicator of a growing economy as any and an increase at such a scale is quite good for the economy. The new lax policies on FDI have led to this increase with a permit of 100% FDI in 25 sectors with 74% in aerospace, 49% in defense and 26% in media.

### Overview of Financial Performance

#### Operating Performance

| Particulars   | FY 2019-20    | FY 2018-19    |
|---|---------------|---------------|
| Interest Income   | 215.44        | 306.29        |
| Interest Expense  | -             | -             |
| <b>Net Interest Income</b>                                  | <b>215.44</b> | <b>306.29</b> |
| Non-Interest Income   | 29.04         | 33.42         |
| <b>Operating Revenue</b>                                    | <b>244.47</b> | <b>339.71</b> |
| Operating Expenses  | 242.35        | 323.79        |
| <b>Operating Profit before Tax</b>                          | <b>2.13</b>   | <b>15.92</b>  |
| Provisions for Tax  | 0.57          | 4.72          |
| <b>Net profit/(Loss) from ordinary activities after Tax</b> | <b>1.55</b>   | <b>11.21</b>  |
| Extraordinary Income  | -             | -             |
| <b>NET PROFIT</b>   | <b>1.55</b>   | <b>11.21</b>  |

In line with RBI requirements, the Company holds necessary provisions as on March 31, 2020 against the assets where the asset classification benefit has been extended on account of standstill requirements.

**Mumbai, November 24, 2020**

**By order of the Board  
For NCL RESEARCH & FINANCIAL SERVICES LTD.**

**Registered Office :  
Bhagyodaya Building, 3rd Floor  
79, N. M. Road, Fort, Mumbai-400  
023**

**S/d-  
GOUTAM BOSE  
Managing Director**

## Annexure – I

**DETAILS OF RELATED PARTY TRANSACTIONS****A. (Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

All related party transactions entered during the year were in ordinary course of business and on arm's length basis and the same have been disclosed under the Notes to Financial Statements.

No material related party transactions arising from contracts/ arrangements with related parties referred to in the Section 188(1) of the Companies Act, 2013 were entered during the year by the Company. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

**B. Disclosures pursuant to Regulation 34(3) & 53(f) and Para A of Schedule V of SEBI (LODR) Regulations, 2015**

| <b>Sl. No.</b> | <b>In the Account of</b> | <b>Disclosures of amount at the year end and the maximum amount of loans/advances/Investments outstanding during the year.</b>    |                           |
|----------------|--------------------------|---|---------------------------|
| 1.             | Holding Company          | Loans and advances in the nature of loans to subsidiaries by name and amount  | <b>Not<br/>Applicable</b> |
|                |                          | Loans and advances in the nature of loans to associates by name and amount  |                           |
|                |                          | Loans and advances in the nature of loans to Firms/Companies in which directors are interested by name and amount                 |                           |
| 2.             | Subsidiary               | Loans and advances in the nature of loans to subsidiaries by name and amount  |                           |
|                |                          | Loans and advances in the nature of loans to associates by name and amount  |                           |
|                |                          | Loans and advances in the nature of loans to Firms/Companies in which directors are interested by name and amount                 |                           |
| 3.             | Holding Company          | Investment by the loanee in the shares of parent Company and subsidiary Company has made a loan or advance in the nature of loan. |                           |

Mumbai, November 24, 2020

By order of the Board  
For NCL RESEARCH & FINANCIAL SERVICES LTD.

**Registered Office :**  
Bhagyodaya Building, 3rd Floor  
79, N. M. Road, Fort, Mumbai-400  
023

S/d-  
**GOUTAM BOSE**  
Managing Director

**SECRETARIAL AUDIT REPORT****FORM NO. MR-3****FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH 2020****[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]****The Members,  
NCL Research & Financial Services Limited**

**I have conducted the secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by NCL Research & Financial Services Ltd. (hereinafter called as 'the Company'). The 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 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 authorised 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<sup>st</sup> March 2020, complied with the applicable 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 the Company for the financial year ended on 31 March 2020, 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;**
- v. The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable:**
  - 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, as amended;**
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;**
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;**
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;**
  - 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;**
  - h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998 and The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; and**
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.**



- vi. Rules, regulations and guidelines issued by the Reserve Bank of India as per Reserve Bank of India Act, 1934 and its circulars, Master circulars, notifications, to the extent as applicable to Non-Deposit taking Non-Banking Financial Companies.
- vii. Prevention of Money Laundering Act, 2002 and its circulars, notifications.
- viii. Anti-Money Laundering Regulation issued by RBI and various circulars and Guidelines thereunder.
- ix. Employee Laws –
  - The Payment of Gratuity Act, 1972 and Payment of Gratuity (Central) Rules, 1972
  - The Payment of Bonus Act, 1965 and Payment of Bonus Rules, 1975
  - The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 & the scheme provided thereunder
- x. Acts as prescribed under Shop and Establishment Act of State and various local authorities.
- xi. The Negotiable Instrument Act, 1881
- xii. The Indian Stamp Act, 1899 and the State Stamp Acts
- xiii. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

- i. Secretarial Standards pursuant to section 118(10) of the Act, issued by the Institute of Company Secretaries of India.
- ii. Listing Agreements entered into by the Company with BSE Ltd. and Calcutta Stock Exchange Association Ltd. as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, rules, regulations, directions, guidelines, standards, etc. mentioned above.

I further report that the Board of Directors of the Company is duly constituted with proper balance of executive directors, non-executive directors and independent directors including one-woman director.

There is no change in the composition of the Board of Directors during the period under review.

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 by the directors. The decisions were carried unanimously.

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.

I further report that during the audit period there was no other event/action having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, and standards.

Place : Kolkata

Sd/-  
CS Kriti Daga  
Membership No. 26425, C. P. No. 14023

## Annexure – III

**EXTRACT OF ANNUAL RETURN**

As on the financial year ended 31.03.2020

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

**FORM NO. MGT - 9**

| <b>I. Registration &amp; Other Details</b>                               |   |
|--|---|
| <b>CIN</b>   | L65921MH1985PLC284739   |
| <b>Registration Date</b>   | 04/02/1985  |
| <b>Name of the Company</b>   | NCL Research & Financial Services Limited   |
| <b>Category / Sub-Category of the Company</b>                            | Category : Company having Share Capital<br>Sub-Category : Indian Non-Government Company                                       |
| <b>Address of the Registered Office and contact details</b>              | Bhagyodaya Building, 3rd Floor<br>79, N. M. Road, Fort, Mumbai-400 023<br>Tel : +91 22 22703249                               |
| <b>Whether listed company</b>  | Listed Company  |
| <b>Name, address and contact details of Registrar and Transfer Agent</b> | ABS Consultants Pvt. Ltd.<br>99, Stephen House, 6th Floor, 4, B.B.D. Bag (East),<br>Kolkata-700 001<br>Tel : +91 33-2230 1043 |

| <b>II. Principal Business Activities of the Company</b>  |                             |   |
|--|-----------------------------|---|
| All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated: |                             |   |
| <b>Name and Description of main Businesses</b>   | <b>NIC Code of Business</b> | <b>% of Total Turnover of the Company</b> |
| NBFC Activities (Financing) & Trading / Investment in Shares & Securities                                  | 66110                       | 100.00%                                   |

| <b>III. Details of Subsidiary / Associate / Holding Companies</b> |                  |   |                         |                           |
|---|------------------|---|-------------------------|---------------------------|
| <b>Name &amp; Address of Company</b>                              | <b>CIN / GLN</b> | <b>Holding / Subsidiary / Associate</b> | <b>% of Shares Held</b> | <b>Applicable Section</b> |
| Not Any   | Not Applicable   | Not Applicable                          | Not Applicable          | Not Applicable            |

| <b>IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as % of Total Equity)</b> |   |          |                |                   |   |          |                |                   |                          |
|---|---|----------|----------------|-------------------|---|----------|----------------|-------------------|--------------------------|
| Category wise Shareholding  |   |          |                |                   |   |          |                |                   |                          |
| Category of Shareholders  | No. of Shares held at the beginning of the year |          |                |                   | No. of Shares held at the end of the year |          |                |                   | % Change during the year |
|   | Demat   | Physical | Total          | % of Total Shares | Demat                                     | Physical | Total          | % of Total Shares |                          |
| <b>A. Promoters</b>   |   |          |                |                   |   |          |                |                   |                          |
| <b>(1) Indian</b>   |   |          |                |                   |   |          |                |                   |                          |
| a) Individual / HUF   | 4062500   | -        | 4062500        | 2.79              | 4062500                                   | -        | 4062500        | 2.79              | -                        |
| b) Central Govt. (s)  | -   | -        | -              | -                 | -   | -        | -              | -                 | -                        |
| c) State Govt. (s)  | -   | -        | -              | -                 | -   | -        | -              | -                 | -                        |
| d) Bodies Corporate   | -   | -        | -              | -                 | -   | -        | -              | -                 | -                        |
| e) Banks / FIs  | -   | -        | -              | -                 | -   | -        | -              | -                 | -                        |
| f) Any Other .....  | -   | -        | -              | -                 | -   | -        | -              | -                 | -                        |
| <b>Sub Total A(1)</b>   | <b>4062500</b>                                  | <b>-</b> | <b>4062500</b> | <b>2.79</b>       | <b>4062500</b>                            | <b>-</b> | <b>4062500</b> | <b>2.79</b>       | <b>-</b>                 |

|   |                  |                 |                  |               |                  |                 |                  |               |             |
|---|------------------|-----------------|------------------|---------------|------------------|-----------------|------------------|---------------|-------------|
| <b>(2) Foreign</b>  |                  |                 |                  |               |                  |                 |                  |               |             |
| a) NRIs - Individuals   | -                | -               | -                | -             | -                | -               | -                | -             | -           |
| b) Other – Individuals  | -                | -               | -                | -             | -                | -               | -                | -             | -           |
| c) Bodies Corporate   | -                | -               | -                | -             | -                | -               | -                | -             | -           |
| d) Banks / FIs  | -                | -               | -                | -             | -                | -               | -                | -             | -           |
| e) Any Other .....  | -                | -               | -                | -             | -                | -               | -                | -             | -           |
| <b>Sub Total A(2)</b>   |                  |                 |                  |               |                  |                 |                  |               |             |
| <b>Total Shareholding of Promoters<br/>(A1) + (A2)</b>                          | <b>4062500</b>   | <b>-</b>        | <b>4062500</b>   | <b>2.79</b>   | <b>4062500</b>   | <b>-</b>        | <b>4062500</b>   | <b>2.79</b>   | <b>-</b>    |
| <b>B. Public Shareholding</b>   |                  |                 |                  |               |                  |                 |                  |               |             |
| <b>(1) Institutions</b>   | -                | -               | -                | -             | -                | -               | -                | -             | -           |
| a) Mutual Funds / UTI   | -                | -               | -                | -             | -                | -               | -                | -             | -           |
| b) Banks / FI   | -                | -               | -                | -             | -                | -               | -                | -             | -           |
| c) Central Govt. (s)  | -                | -               | -                | -             | -                | -               | -                | -             | -           |
| d) State Govt. (s)  | 1000             | -               | 1000             | 0.00          | 1000             | -               | 1000             | 0.00          | 0.00        |
| e) Venture Capital Funds  | -                | -               | -                | -             | -                | -               | -                | -             | -           |
| f) Insurance Companies  | -                | -               | -                | -             | -                | -               | -                | -             | -           |
| g) FIs  | -                | -               | -                | -             | -                | -               | -                | -             | -           |
| h) Foreign Venture Capital Funds  | -                | -               | -                | -             | -                | -               | -                | -             | -           |
| i) Others (Specify)   | -                | -               | -                | -             | -                | -               | -                | -             | -           |
| <b>Sub Total B(1)</b>   | <b>1000</b>      | <b>-</b>        | <b>1000</b>      | <b>0.00</b>   | <b>1000</b>      | <b>-</b>        | <b>1000</b>      | <b>0.00</b>   | <b>0.00</b> |
| <b>(2) Non-Institutions</b>   |                  |                 |                  |               |                  |                 |                  |               |             |
| <b>a) Bodies Corporate</b>  |                  |                 |                  |               |                  |                 |                  |               |             |
| i. Indians  | 109688039        | 13024325        | 122712364        | 84.39         | 109367951        | 13024325        | 122392276        | 84.16         | 0.23        |
| ii. Overseas  | -                | -               | -                | -             | -                | -               | -                | -             | -           |
| <b>b) Individuals</b>   |                  |                 |                  |               |                  |                 |                  |               |             |
| i. Individual Shareholders holding nominal share capital up to ` 2 lakh         | 3645584          | 82900           | 3728484          | 2.56          | 4126684          | 82900           | 4209584          | 2.89          | -0.33       |
| ii. Individual Shareholders holding nominal share capital in excess of ` 2 lakh | 13552585         | 1355000         | 14907585         | 10.25         | 13391573         | 1355000         | 14746573         | 10.14         | 0.11        |
| <b>c) Others (Specify)</b>  |                  |                 |                  |               |                  |                 |                  |               |             |
| i. Clearing Members   | -                | -               | -                | -             | -                | -               | -                | -             | -           |
| ii. NRI   | 13067            | -               | 13067            | 0.01          | 13067            | -               | 13067            | 0.01          | 0.00        |
| <b>Sub Total B(2)</b>   | <b>126899275</b> | <b>14462225</b> | <b>141361500</b> | <b>97.21</b>  | <b>126899275</b> | <b>14462225</b> | <b>141361500</b> | <b>97.21</b>  | <b>-</b>    |
| <b>Total Public Shareholding B =<br/>B(1) + B(2)</b>                            | <b>126900275</b> | <b>14462225</b> | <b>141362500</b> | <b>97.21</b>  | <b>126900275</b> | <b>14462225</b> | <b>141362500</b> | <b>97.21</b>  | <b>-</b>    |
| <b>C. Shares held by Custodian for<br/>GDRs &amp; ADRs</b>                      | <b>-</b>         | <b>-</b>        | <b>-</b>         | <b>-</b>      | <b>-</b>         | <b>-</b>        | <b>-</b>         | <b>-</b>      | <b>-</b>    |
| <b>Grand Total (A+B+C)</b>  | <b>131062775</b> | <b>14362225</b> | <b>145425000</b> | <b>100.00</b> | <b>130962775</b> | <b>14462225</b> | <b>145425000</b> | <b>100.00</b> | <b>-</b>    |

## ii) Shareholding of Promoters

| Shareholders Name   | Shareholding at the beginning of the year |                                  |  | Shareholding during and at the end of the year |                                  |  | % change in shareholding during the year |
|---------------------|---|----------------------------------|--|--|----------------------------------|--|--|
|                     | No. of Shares                             | % of total shares of the Company | % of Shares Pledged / encumbered to total shares | No. of Shares                                  | % of total shares of the Company | % of Shares Pledged / encumbered to total shares |  |
| Vijay Jaideo Poddar | 4062500                                   | 2.79                             | Nil  | 4062500  | 2.79                             | Nil  | -  |

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

| Particulars                  | Shareholding at the beginning of the year | Cumulative Shareholding during the year |               | Date of Changes | Reason for Changes |
|------------------------------|---|---|---------------|-----------------|--------------------|
|                              | No. of Shares                             | % of total shares of the Company        | No. of Shares |                 |                    |
| At the beginning of the year | 4062500                                   | 2.79                                    | 4062500       | 2.79            | N.A.               |
| At the end of the Year       | 4062500                                   | 2.79                                    | 4062500       | 2.79            |                    |

**iv) Shareholding of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs & ADRs)**

| For Each of the Top 10 Shareholders  | Shareholding at the beginning of the year |                                  | Date wise increase/decrease in Shareholding | Shareholding during and at the end of the year |                                  |
|--------------------------------------|---|----------------------------------|---|--|----------------------------------|
|                                      | No. of Shares                             | % of total shares of the Company |   | No. of Shares                                  | % of total shares of the Company |
| Goodshine Dealtrade Private Limited  | 82,56,800                                 | 5.68                             | Not Any                                     | 82,56,800                                      | 5.68                             |
| Sankatsathi Agencies Private Limited | 69,06,075                                 | 4.75                             | Not Any                                     | 69,06,075                                      | 4.75                             |
| Aryadeep Infrahomes Private Limited  | 68,95,375                                 | 4.74                             | Not Any                                     | 68,95,375                                      | 4.74                             |
| Jayanta Bose                         | 60,28,290                                 | 3.96                             | Not Any                                     | 60,28,290                                      | 3.96                             |
| Everstrong Vincom Pvt. Ltd           | 58,60,414                                 | 4.03                             | Refer Note 1 below                          | 58,60,600                                      | 4.03                             |
| Looklike Trade Private Limited       | 56,93,625                                 | 3.92                             | Not Any                                     | 56,93,625                                      | 3.92                             |
| Swadhinata Vintrade Private Limited  | 54,02,175                                 | 3.71                             | Not Any                                     | 54,02,175                                      | 3.71                             |
| Shivmani Vinimay Private Limited     | 75,35,900                                 | 5.18                             | Refer Note 1 below                          | 46,86,275                                      | 3.22                             |
| Katyani Commodities Private Limited  | 37,31,575                                 | 2.57                             | Not Any                                     | 37,31,575                                      | 2.57                             |
| Shreehari Vinimay Private Limited    | 32,04,200                                 | 2.20                             | Not Any                                     | 32,04,200                                      | 2.20                             |

**Note 1 :** The Company does not procure Beneficiary Positions (BENPOS) on daily basis from Depositories and due to this reason, the Company is unable to provide details of date wise change in Shareholding of top 10 shareholders during the current financial year.

**v) Shareholding of Directors and Key Managerial Personnel**

| For Each of Directors & KMP  | Shareholding at the beginning of the year |                                  | Shareholding during and at the end of the year |                                  |
|--|---|----------------------------------|--|----------------------------------|
|  | No. of Shares                             | % of total shares of the Company | No. of Shares                                  | % of total shares of the Company |
| <b>Vijay Jaideo Poddar</b>   |   |                                  |  |                                  |
| At the beginning of the year .....   | 4062500                                   | 2.79                             | 4062500  | 2.79                             |
| Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc): | Not Any                                   |                                  |  |                                  |

**V. INDEBTEDNESS**

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

Rs. In Lakhs

|   | Secured Loans<br>Excluding<br>deposits | Unsecu<br>red<br>Loans | Depos<br>its | Total<br>Indebted<br>ness |
|---|--|------------------------|--------------|---------------------------|
| Indebtedness at the beginning of the financial year | Nil                                    | Nil                    | Nil          | Nil                       |
| i. Principal Amount                                 |  |                        |              |                           |
| ii. Interest due but not Paid                       |  |                        |              |                           |
| iii. Interest Accrued but not due                   |  |                        |              |                           |
| Change in Indebtedness during the financial year    | Nil                                    | Nil                    | Nil          | Nil                       |
| • Addition  |  |                        |              |                           |
| • Reduction   |  |                        |              |                           |
| Indebtedness at the end of the financial year       | Nil                                    | Nil                    | Nil          | Nil                       |
| i. Principal Amount                                 |  |                        |              |                           |
| ii. Interest due but not Paid                       |  |                        |              |                           |
| iii. Interest Accrued but not due                   |  |                        |              |                           |
| <b>Total (i+ii+iii)</b>                             | <b>Nil</b>                             | <b>Nil</b>             | <b>Nil</b>   | <b>Nil</b>                |

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

| Sr. No. | Particulars of Remuneration | Goutam Bose<br>Managing Director | Swati Agarwal<br>CS | Priya Mital<br>CS | Mayank Singh<br>CFO |
|---------|-----------------------------|----------------------------------|---------------------|-------------------|---------------------|
| 1.      | Gross Salary                | 6,14,825                         | 80000               | 70000             | 4,55,000            |
| 2.      | Value of Perquisites        | Nil                              | Nil                 | Nil               | Nil                 |
| 3.      | Stock Options               | Nil                              | Nil                 | Nil               | Nil                 |
| 4.      | Sweat Equity                | Nil                              | Nil                 | Nil               | Nil                 |
| 5.      | Commission                  | Nil                              | Nil                 | Nil               | Nil                 |
| 6.      | Others (Please specify)     | Nil                              | Nil                 | Nil               | Nil                 |

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:**

| Type                                | Section of the Companies Act | Brief Description | Details of Penalty / Punishment / Compounding fees imposed | Authority [RD / NCLT / COURT] | Appeal made, if any (give details) |
|-------------------------------------|------------------------------|-------------------|--|-------------------------------|------------------------------------|
| <b>A. Company</b>                   |                              |                   |  |                               |                                    |
| Penalty                             |                              |                   | No Instance  |                               |                                    |
| Punishment                          |                              |                   |  |                               |                                    |
| Compounding                         |                              |                   |  |                               |                                    |
| <b>B. Directors</b>                 |                              |                   |  |                               |                                    |
| Penalty                             |                              |                   | No Instance  |                               |                                    |
| Punishment                          |                              |                   |  |                               |                                    |
| Compounding                         |                              |                   |  |                               |                                    |
| <b>C. Other Officers in Default</b> |                              |                   |  |                               |                                    |
| Penalty                             |                              |                   | No Instance  |                               |                                    |
| Punishment                          |                              |                   |  |                               |                                    |
| Compounding                         |                              |                   |  |                               |                                    |

**Annexure – IV****Disclosure as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.**

1. Ratio of the remuneration of each Director and Key Managerial Personnel (KMP) to the median remuneration of the employees of the Company and percentage increase in remuneration of the Directors and KMPs in the Financial Year.

| <b>Sr. No.</b> | <b>Name of Director / KMP</b> | <b>Designation</b>                     | <b>Increase (%)</b> | <b>Ratio of Remuneration of each Director &amp; KMP to Median Remuneration of Employees</b> |
|----------------|-------------------------------|--|---------------------|---|
| 1.             | Goutam Bose                   | Managing Director & CEO                | -                   | 4:1   |
| 2.             | Laxmi Narayan Sharma          | Independent Director                   | -                   | N.A.  |
| 3.             | Puspa Devi Saraswat           | Independent Director                   | -                   | N.A.  |
| 4.             | Amita Bose                    | Independent Director                   | -                   | N.A.  |
| 5.             | Mayank Singh                  | CFO                                    | 30%                 | 4:1   |
| 6.             | Swati Agarwal                 | Company Secretary & Compliance Officer | 20%                 | 2:1   |
| 7.             | Priya Mittal                  | Company Secretary & Compliance Officer | 20                  | 2:1   |

2. No. of permanent employees on the rolls of the Company as on 31 March 2020 – 9 (Fifteen)
3. The average increase in median remuneration of the employees other than managerial personnel was 10% as compared to the increase in the managerial remuneration by 0% for this year. The salary increases are based on external benchmarking, internal parity, company performance and individual performance.

## Annexure to the Directors' Report

### CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2020, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The "Listing Regulations").

Corporate Governance is modus operandi of governing a corporate entity which includes a set of systems, procedures and practices which ensure that the Company is managed in the best interest of all corporate stakeholders i.e. shareholders, employees, suppliers, customers and society in general. Fundamentals of Corporate Governance include transparency, accountability, reporting and independence. For accomplishment of the objectives of ensuring fair Corporate Governance, the Government of India has put in place a framework based on the stipulations contained under the Companies Act, SEBI Regulations, Accounting Standards, Secretarial Standards, etc. Corporate Governance has become a buzzword in the corporate world. Globalizations, widespread of shareholders, changing ownership structure, greater expectations, etc. have made a good Corporate Governance sin-quo-nun of modern management.

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's governance philosophy is based on trusteeship, transparency and accountability. As a corporate citizen, our business fosters a culture of ethical behavior and disclosures aimed at building trust of our stakeholders. The Company's Code of Business Conduct and Ethics, Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders and the Charter-Business for Peace are an extension of our values and reflect our commitment to ethical business practices, integrity and regulatory compliances.

The Company's governance framework is based on the following principles:

- ✓ Appropriate composition and size of the Board, with each member bringing in expertise in their respective domains;
- ✓ Timely disclosure of material operational and financial information to the stakeholders;
- ✓ Availability of Information to the members of the Board and Board Committees to enable them to discharge their fiduciary duties;
- ✓ Systems and processes in place for internal control; and
- ✓ Proper business conduct by the Board, Senior Management and Employees.

### BOARD OF DIRECTORS

#### GOVERNANCE STRUCTURE

The Corporate Governance Structure at NCL Research & Financial Services Ltd. (NCL) is as under:-

1. **Board of Directors:** The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosure.
2. **Committees of the Board:** The Board has constituted the following committees viz. Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee. Each of said Committee has been managed to operate within a given framework.

#### Size & Composition of Directors

The Board has four members with an executive Chairman. The Independent Directors on the Board are competent and highly respected professionals from their respective fields and have vast experience in general corporate management, finance, banking and other allied fields which enable them to contribute effectively to the Company in their capacity as members of the Board. The day to day management of the Company is conducted by Managing Director subject to supervisions and control of the Board.

The composition and category of the Board of Directors as at March 31, 2020, the number of other Directorships/Committee memberships held by them and also the attendance of the Directors at the Board meetings of the Company are as under:

| Name                | Designation                   | DIN      | Date of Joining             | Committee Membership | Committee Chairmanship | No. of Directorship in Listed Co. |
|---------------------|-------------------------------|----------|-----------------------------|----------------------|------------------------|-----------------------------------|
| Goutam Bose*        | Chairman & Managing Director* | 02504803 | 25 <sup>th</sup> July 2009  | 2                    | Nil                    | 1                                 |
| L. N. Sharma        | Independent Director          | 00356855 | 25 <sup>th</sup> July 2009  | 7                    | 5                      | 6                                 |
| Puspa Devi Saraswat | Independent Director          | 05165143 | 27 <sup>th</sup> March 2015 | Nil                  | Nil                    | 2                                 |
| Amita Bose          | Independent Director          | 08282967 | 26 <sup>th</sup> Nov 2018   | 4                    | Nil                    | 2                                 |

\*Chairman of the Board, appointed as Chairman & Managing Director w.e.f. 26<sup>th</sup> November 2018. Previously he was an Independent Director.

#### Notes:

1. Directorships exclude Private Limited Companies, Foreign Companies and Section 8 Companies.
2. Chairmanship/Membership of Committee only includes Audit Committee and Stakeholders' Relationships Committee in Indian Public Limited companies other than M/s. NCL Research & Financial Services Limited.
3. Members of the Board of the Company do not have membership of more than ten Board-level Committees or Chairperson of more than five such Committees.
4. No Directors are related with each other.
5. Details of Director(s) retiring or being re-appointed are given in notice to Annual General Meeting.

#### Chairman and Managing Director

His primary role is to provide leadership to the Board in achieving goals of the Company. He is responsible for transforming the Company into a successful organization. He is responsible, inter-alia, for the working of the Board and for ensuring that all relevant issues are placed before the Board and that all Directors are encouraged to provide their expert guidance on the relevant issues raised in the meetings of the Board. He is also responsible for formulating the corporate strategy along with other members of the Board of Directors. His role, inter alia, includes:

- Provide leadership to the Board and preside over all Board and General Meetings.
- Achieve goals in accordance with Company's overall vision.
- Ensure that Board decisions are aligned with Company's strategic policy.
- Ensure to place all relevant matters before the Board and encourage healthy participation by all Directors to enable them to provide their expert guidance.
- Monitor the core management team.

**Non-Executive Directors (including Independent Directors)** play a critical role in balancing the functioning of the Board by providing independent judgments on various issues raised in the Board Meetings like formulation of business strategies, monitoring of performances, etc. Their role, inter- alia, includes:

- Impart balance to the Board by providing independent judgment.
- Provide feedback on Company's strategy and performance.
- Provide effective feedback and recommendations for further improvements.

#### Board Independence

The Non-Executive Independent Directors fulfill the conditions of independence as specified in Section 149 of Companies Act, 2013 and Rules made there under and to meet with requirements of Regulation 16(b) of Listing Regulations. Further, none of the Independent Director is serving more than seven listed companies. In case



he/she is serving as a Whole-Time Director in any listed company, does not hold the position of Independent Director in more than three listed companies. A formal letter of appointment to Independent Director as provided in Companies Act, 2013 and the Listing Regulations has been issued and draft of the same has been disclosed on website of the Company.

### **Board Meetings**

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company and its subsidiaries. The Board Meetings are pre-scheduled and a tentative annual calendar of the Board is circulated to the Directors well in advance to facilitate the Directors to plan their schedules. In case of business exigencies, the Board's calls the meeting as per requirements of prevailing Act.

The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the Meeting with the approval of the Board. This ensures timely and informed decisions by the Board. The Board reviews the performance of the Company.

### **Information placed before the Board**

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of Listing Regulations to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective meetings or by way of presentations and discussions during the meeting.

### **Post Meeting Mechanism**

The important decisions taken at the Board / Board Committee meetings are communicated to the concerned department/s and/or division.

### **Board Support**

The Company Secretary attends the Board meetings and advises the Board on Compliances with applicable laws and governance.

### **Board Diversity Policy**

The Company has a Board approved policy on Board diversity. The objective of the policy is to ensure that the Board comprises of adequate number of members with diverse experience and skills, such that it best serves the governance and strategic needs of the Company. The Board composition, as at present, broadly meets with the above objective.

### **Familiarization Programme for Directors**

At the time of appointing Director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties and responsibilities expected of him/her as a Director of the Company. The Director is also explained in detail the Compliance required from him/her under the Companies Act, 2013, requirements of Listing Regulations, 2015 and other relevant regulations and affirmation taken with respect to the same. The Chairman & Managing Director also has one to one discussion with the newly appointed Director to familiarize him/her with the Company's operations. Further, the Company has put in place a system to familiarize the Independent Directors about the Company, its services, business and the on-going events relating to the Company.

Further, at the time of appointment of Independent Director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities as a Director. The format of the letter of appointment is available on Company website.

### **Details of Board Meetings**

The Board of Directors met 8 times on May 25, 2019, July 25, 2019, September 13, 2019, September 20, 2019, November 14, 2019, November 24, 2019, February 06, 2020 and February 10, 2020 during the financial year 2019-20.

**Attendance of Board of Directors at the Board Meeting and at the last Annual General Meeting:**

| <b>Name</b>                | <b>Designation</b>                      | <b>Attendance at the AGM</b> | <b>Meetings Attended</b> |
|----------------------------|---|------------------------------|--------------------------|
| <b>Goutam Bose</b>         | <b>Chairman &amp; Managing Director</b> | <b>Yes</b>                   | <b>8</b>                 |
| <b>I. N. Sharma</b>        | <b>Independent Director</b>             | <b>Yes</b>                   | <b>8</b>                 |
| <b>Puspa Devi Saraswat</b> | <b>Independent Director</b>             | <b>Yes</b>                   | <b>8</b>                 |
| <b>Amita Bose</b>          | <b>Independent Director</b>             | <b>Yes</b>                   | <b>8</b>                 |

**AUDIT COMMITTEE**

**Audit Committee of the Board of Directors (“the Audit Committee”) is entrusted with the responsibility to supervise the Company’s internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the Listing Regulations. All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation, Economics, Risk and International Finance. It functions in accordance with its terms of reference that defines its authority, responsibility and reporting function.**

**In view of the amendments to the Listing Regulations and SEBI PIT Regulations, the Board amended the terms of reference of the Committee, effective from 1 April 2019.**

**These broadly include oversight of the Company’s financial reporting process and disclosure of its financial information, review of financial statements, review of compliances and review of systems and controls, approval or any subsequent modification of transactions of the Company with related parties, review compliance with regulation 9A of the SEBI PIT Regulations, etc.**

**TERMS OF REFERENCE**

**The Audit Committee inter alia performs the functions of approving Annual Internal Audit Plan, review of financial reporting system, internal controls system, discussion on financial results, interaction with Statutory and Internal Auditors, one-on-one meeting with Statutory and Internal Auditors, recommendation for the appointment of Statutory Auditors and their remuneration, recommendation for the appointment and remuneration of Internal Auditors, Review of Business Risk Management Plan, Management Discussions and Analysis, Review of Internal Audit Reports, significant related party transactions. The Company has framed the Audit Committee Charter for the purpose of effective compliance of provisions of section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.**

**FUNCTIONS OF AUDIT COMMITTEE**

**The Audit Committee, while reviewing the Annual Financial Statements also reviews the applicability of various Accounting Standards (AS) referred to in Section 133 of the Companies Act, 2013. Compliance of the Accounting Standards as applicable to the Company has been ensured in the preparation of the Financial Statements for the year ended March 31, 2020.**

**The Audit Committee bridges the gap between the Internal Auditors and the Statutory Auditors. To ensure good Governance, the Company has been rotating Partners of Statutory Auditors. The Statutory Auditors are responsible for performing Independent audit of the Company’s financial statements in accordance with the generally accepted auditing practices and issuing reports based on such audits, while the Internal Auditors are responsible for the internal risk controls.**

**Besides the above, Chairman and Managing Director, Chief Financial Officer, the representatives of the Statutory Auditors and the Internal Auditors are permanent invitees to the Audit Committee Meetings. The Company Secretary acts as a Secretary to the Committee as required by Regulation 18(1)(e) of the Listing Regulations.**

The Company follows best practices in financial reporting. The Company has been reporting on quarterly basis, the Un-audited Financial Results as required by the Regulation 33 of the Listing Regulations. The Company's quarterly Un-audited Standalone Financial Results are made available on the web-site [www.nclfin.com](http://www.nclfin.com) and are also sent to the Stock Exchanges where the Company's equity shares are listed for display at their respective websites.

The Audit Committee also oversees and reviews the functioning of a vigil mechanism (implemented in the Company as Whistle Blower Policy) and reviews the finding of investigation into cases of material nature and the actions taken in respect thereof.

### **INTERNAL CONTROLS AND GOVERNANCE PROCESSES**

The Company continuously invests in strengthening its internal control and processes. The Audit Committee along with the CFO formulates a detailed plan to the Internal Auditors for the year, which is reviewed at the Audit Committee Meetings. The Internal Auditors attend the meetings of Audit Committee at regular intervals and submit their recommendations to the Audit Committee and provide a road map for the future.

### **CONSTITUTION AND MEETINGS OF AUDIT COMMITTEE**

The Audit Committee consists of three director of two Non-Executive - Independent Director and one Executive director.

The members of Audit Committee met six times on May 25, 2019, September 13, 2019, September 20, 2019, November 09, 2019, February 06, 2020 and February 10, 2020 during the financial year ended on 2019-20.

| <b>Name</b>      | <b>Positions</b> | <b>Number of Meetings Held</b> | <b>Meetings Attended</b> |
|------------------|------------------|--------------------------------|--------------------------|
| Mr. Goutam Bose  | Chairman/Member  | 6                              | 6                        |
| Mr. L. N. Sharma | Member/Chairman  | 6                              | 6                        |
| Mrs. Amita Bose  | Member           | 6                              | 6                        |

### **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee consists of three Non-executives, Independent Directors. All members of the Nomination and Remuneration Committee are financially literate and they have accounting or related financial management expertise. The Composition of Remuneration and Nomination Committee is pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations.

#### **Terms of Reference**

The Board has framed the Remuneration and Nomination Committee Charter which ensure effective Compliance of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations, which are as follows:

- Reviewing the overall compensation policy, service agreements and other employment conditions of Managing/Whole-time Director(s) and Senior Management (one level below the Board);
- to help in determining the appropriate size, diversity and composition of the Board;
- to recommend to the Board appointment/reappointment and removal of Directors;
- to frame criteria for determining qualifications, positive attributes and independence of Directors;
- to recommend to the Board remuneration payable to the Directors (while fixing the remuneration to Executive Directors the restrictions contained in the Companies Act, 2013 is to be considered);
- to create an evaluation framework for Independent Directors and the Board;
- to provide necessary reports to the Chairman after the evaluation process is completed by the Directors;
- to assist in developing a succession plan for the Board;
- to assist the Board in fulfilling responsibilities entrusted from time-to-time;

- **Delegation of any of its powers to any Member of the Committee or the Compliance Officer.**

### **POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION**

The Nomination and Remuneration (N&R) Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and CEO & Managing Director and their remuneration. This Policy is accordingly derived from the said Charter.

#### **Criteria of selection of Non-Executive Directors**

- **The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of accounting, finance, taxation, law etc. However Women Director is exempted from said criteria.**
- **In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.**
- **The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.**
- **The N&R Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director –**
  - Qualification, expertise and experience of the Directors in their respective fields;**
  - Personal, Professional or business standing;**
  - Diversity of the Board.**
- **In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.**

#### **Remuneration**

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings. A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

#### **CEO & Managing Director – Criteria for selection / appointment**

For the purpose of selection of the CEO & MD, the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfils such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

#### **Remuneration for the CEO & Managing Director**

- **At the time of appointment or re-appointment, the CEO & Managing Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and the CEO & Managing Director within the overall limits prescribed under the Companies Act, 2013.**
- **The remuneration shall be subject to the approval of the Members of the Company in General Meeting.**
- **The remuneration of the CEO & Managing Director is paid by way of salary, allowances, perquisites, amenities and retirement benefits.**

## PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, the Board has carried out the annual evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Chairman and Managing Director and the Non Independent Directors was carried out by the Independent Directors. The Directors express their satisfaction with the evaluation process.

### Constitution and Meetings of Nomination & Remuneration Committee

The Nomination & Remuneration Committee consists of three director and all of them are Non-Executive - Independent Director.

The members of Nomination & Remuneration Committee met three times on May 25, 2019, 20<sup>th</sup> September 2019 October 03, 2019 and January 15, 2020 during the financial year ended on 2019-20.

| Name                     | Positions | Number of Meetings Held | Meetings Attended |
|--------------------------|-----------|-------------------------|-------------------|
| Mr. L. N. Sharma         | Chairman  | 4                       | 4                 |
| Mrs. Puspa Devi Saraswat | Member    | 4                       | 4                 |
| Mrs. Amita Bose          | Member    | 4                       | 4                 |

## STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholder's Relationship Committee is constituted in line with the provisions of Regulation 20 of the SEBI LODR Regulations 2015, read with Section 178 of the Act and rules made thereunder.

### Terms of Reference

The Board has clearly defined the terms of reference for this committee, which generally meets once a month. The Committee looks into the matters of Shareholders / Investors grievances along with other matters listed below:

- approval of transfer of shares/debentures and issue of duplicate/split/consolidation/sub-division of share/debenture certificates;
- opening/modification of operation and closing of bank accounts;
- grant of special/general Power of Attorney in favour of employees of the Company from time to time in connection with the conduct of the business of the Company particularly with Government and Quasi-Government Institutions; to fix record date/book closure of share/debenture transfer book of the Company from time to time;
- to appoint representatives to attend the General Meeting of other companies in which the Company is holding shares;
- to change the signatories for availment of various facility from Banks/Financial Institutions;
- to carry out any other duties that may be delegated to the Committee by the Board of Directors from time-to-time.

The Secretarial Department of the Company and the Registrar and Share Transfer Agent, ABS Consultants Private Limited attend to all grievances of the shareholders received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc. The Minutes of the Stakeholders' Relationship Committee Meetings are circulated to the Board and noted by the Board of Directors at the Board Meetings.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors.

Shareholders are requested to furnish their updated telephone numbers and e-mail addresses to facilitate prompt action.

#### Compliance Officer

The Company has appointed Ms. Swati Agarwal, Company Secretary as a Compliance Officer within the meaning of Regulation 6 of Listing Regulations.

#### Composition of Committee and Meetings attended

The Stakeholders' Relationship Committee consists of three director of two Non-Executive - Independent Director and one Executive director.

During the year, three meetings of the Stakeholders' Relationship Committee were held on September 20, 2019 October 05, 2019, January 08, 2020 during the financial year ended on 31<sup>st</sup> March 2019.

Brief Details of Names, Position, Category and meeting attended by Members of Committee is as follows:

| Name              | Position | Category                   | Meetings Attended |
|-------------------|----------|----------------------------|-------------------|
| Mr. L. N. Sharma* | Chairman | Independent, Non-Executive | 3                 |
| Mrs. Amita Bose   | Member   | Executive Director         | 3                 |
| Mr. Goutam Bose   | Member   | Independent, Non-Executive | 3                 |

#### Details of Shareholders' Complaints

There was Nil Complaint pending at the beginning of the Financial Year. During the year the Company did not receive any complaint from any of the shareholders. Further, there was no pending complaint at the close of the financial year.

As required under Regulation 40(9) of Listing Regulations, a Certificate on half-yearly basis confirming due compliance of share transfer formalities by the Company from Practicing Company Secretary has been submitted to the Stock Exchanges within stipulated time.

The Company has designated email id [ncl.research@gmail.com](mailto:ncl.research@gmail.com) to lodge Investor complaints. Apart from this, the SEBI has also facilitated Investors to lodge complaints directly on SCORES on SEBI website for faster addressing and resolutions of Investor Complaints.

#### Independent Directors' Meeting

During the year under review, the Independent Directors met on March 27, 2020, inter alia, to discuss:

- Evaluation of the Performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of the Performance of Chairman of the Company; taking into account the views of the Executive and Non Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

#### GENERAL BODY MEETINGS

Location & time for the last three Annual General Meetings:

| Annual General Meeting                  | Date & Time                              | Venue             |
|---|--|-------------------|
| 34 <sup>th</sup> Annual General Meeting | 20 <sup>th</sup> December 2019, 10.00 AM | Registered Office |

|   |   |                          |
|---|---|--------------------------|
| <b>33<sup>rd</sup> Annual General Meeting</b> | <b>25<sup>th</sup> September 2018, 9.00 AM</b>  | <b>Registered Office</b> |
| <b>32<sup>nd</sup> Annual General Meeting</b> | <b>25<sup>th</sup> September 2017, 11.30 AM</b> | <b>Registered Office</b> |

#### **LOCATION AND TIME OF EXTRA-ORDINARY GENERAL MEETINGS:**

No Extra-Ordinary General Meeting was being held during last three financial years.

#### **PASSING OF RESOLUTION BY POSTAL BALLOT:**

No Resolutions were passed by way of Postal Ballot during last 3 financial years.

#### **SPECIAL RESOLUTION PASSED AT LAST THREE ANNUAL GENERAL MEETINGS:**

Company has not passed any Special Resolution in pursuance of the prevailing Laws, Rules, Regulations, Guidelines, Standards, etc. during last 3 Annual General Meetings –

#### **BOARD DISCLOSURES**

##### **Compliance with Governance Framework**

The Company is in compliance with all mandatory requirements under Listing Regulations, 2015.

#### **STRICTURES AND PENALTIES**

No strictures or penalties have been imposed on the Company by any of the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any Statutory Authority on any matters related to capital markets during the last three years.

#### **DISCLOSURE OF ACCOUNTING TREATMENT**

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

#### **RISK MANAGEMENT**

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is examined periodically by the Board and the Audit Committee.

#### **SEBI / STOCK EXCHANGE COMPLIANCE**

The Company has complied with all requirements of the Listing Agreement entered into in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (The PIT Regulations); with Stock Exchanges and also Listing Regulations (effective from 1st December 2015). Consequently there were no strictures or penalties imposed either by SEBI or Stock Exchange or any Statutory Authority for non-compliance of any matter related to the Capital Markets during the last three years.

#### **PREVENTION OF INSIDER TRADING**

The Company has adopted a Code of Conduct for prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the trading window is closed. The Company Secretary is responsible for implementation of the Code.

**All Board Directors and the designated employees have confirmed compliance with the Code.**

## **DISCLOSURES**

- (a) **There are no transactions with related parties i.e. with Promoters, Directors, Management, Subsidiaries or Relatives that may have potential conflict of interest with the Company at large.**
- (b) **There has been no instance of non-compliance by the Company on any matter related to Capital Markets and hence the question of penalties or strictures being imposed on the Company by the Stock Exchange or SEBI or any Statutory Authority does not arise.**
- (c) **In Compliance with the Securities & Exchange Board of India (Prohibition of Insider Trading Regulations, 2015) as amended till date, on Prohibition of Insider Trading, the Company has a comprehensive Code of Conduct and the same is being strictly adhered to by its management, staff and relevant business associates. The code expressly lays down the guidelines and the procedure to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them on the consequences of non-compliance thereof.**
- (d) **Reconciliation of Share Capital Audit: As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges where the company's shares are Listed the audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.**

## **CODE OF BUSINESS CONDUCT & ETHICS**

The Company has adopted Code of Business Conduct and Ethics ("the Code") which is applicable to the Board of Directors and senior management team (one level below the Board of Directors) of the Company. The Board of Directors and the members of senior management Team are required to affirm semi-annual compliance of this Code. The Code requires Directors and Employees to act honestly, fairly, ethically and with integrity, conduct themselves in professional, courteous and respectful manner. The Code is displayed on the Company website.

## **CONFLICT OF INTEREST**

Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other companies including Chairmanships and notifies changes during the year. Members of Board while discharging their duties, avoid conflict of interest in the decision making process. The members of Board restrict themselves from any discussions and voting in transactions that they have concern or interest.

## **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company has a whistle blower policy encompassing vigil mechanism pursuant to the requirements of the section 177(9) of the Act and regulation 22 of the Listing Regulations. The Board of Directors, at its meeting held on 12 March 2019, revised whistle blower policy containing, inter alia, leak or suspected leak of unpublished price sensitive information in view of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, (SEBI PIT Regulations). The policy/vigil mechanism enables directors and employees to report to the Management their concerns about unethical behaviors, actual or suspected fraud or violation of the Company's code of conduct or ethics policy and leak or suspected leak of unpublished price sensitive information.

This mechanism provides safeguards against victimisation of directors/employees who avail of the mechanism and provides for direct access to the Chairman of the Audit Committee in exceptional cases. The policy has been appropriately communicated to the employees within the Organisation and has also been hosted on the Company's website viz. [www.nclfin.com](http://www.nclfin.com)

## **COMPLIANCES REGARDING INSIDER TRADING**

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has a Board approved code of conduct to regulate, monitor and report trading by insiders ('code of conduct') and a Code of Practices and Procedures for Fair Disclosure of unpublished price sensitive information ('code of fair disclosure').



During the year under review, SEBI amended the SEBI PIT Regulations. In view of the amendments to the said Regulations, the Board of Directors, at its meeting held on 14 February 2019, inter alia approved the following, with effect from 1 April 2019:

- a. Revised code of conduct to regulate, monitor and report trading by Designated Persons;
- b. Revised code of practices and procedures for fair disclosure of unpublished price sensitive information;
- c. Revised whistle blower policy;
- d. Institutional mechanism for prevention of insider trading; and
- e. Amendment to the terms of reference of the Audit Committee.

The code of conduct and code of fair disclosure framed by the Company have helped in ensuring compliance with the requirements.

### **COMMUNICATION WITH THE MEMBERS/SHAREHOLDERS**

- The unaudited quarterly / half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the close of the financial year as per the requirements of the Listing Regulations.
- The approved financial results are forthwith sent to the Stock Exchanges and are published in a national English newspaper and in local language (Hindi / Marathi) newspaper, within forty-eight hours of approval thereof. Presently the same are not sent to the shareholders separately.
- The Company's financial results and official press releases are displayed on the Company's Website- [www.nclfin.com](http://www.nclfin.com).
- Any presentation made to the institutional investors or/and analysts are also posted on the Company's website.
- Management Discussion and Analysis forms part of the Annual Report, which is sent to the shareholders of the Company and is also placed on the Company's website: [www.nclfin.com](http://www.nclfin.com) and can be downloaded.
- The quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges viz. BSE Limited are filed electronically. The Company has complied with filing submissions through BSE's BSE Listing Centre.
- The Company also informs by way of intimation to BSE, all price sensitive matters or such other matters, which in its opinion are material and of relevance to the members.
- A separate dedicated section under 'Investors' on the Company's website gives information on unclaimed dividends, quarterly compliance reports / communications with the Stock Exchanges and other relevant information of interest to the investors / public.
- Sections 20 and 136 of the Act, read with the Companies (Accounts) Rules, 2014 permit companies to deliver the documents electronically to the registered email IDs of the members.

### **DISCLOSURES ON MANDATORY REQUIREMENTS**

The Company has complied with the mandatory requirements of the Listing Regulations.

### **DISCLOSURES ON DISCRETIONARY REQUIREMENTS**

The Company has also complied with the discretionary requirements as under:

#### **A. The Board**

A Chairman's office has been made available for the non-executive Chairman and he is allowed reimbursement of expenses incurred in performance of his duties.

#### **B. Shareholder Rights**

The Company communicates all material events to its shareholders as and when it occurs.

**C. Modified Opinion(s) in the Audit Report**

The Company confirms that its financial statements are with unmodified audit opinion.

**D. Reporting of Internal Auditor**

The internal auditor reports directly to the Audit Committee.

**DISCLOSURES ON NON-MANDATORY REQUIREMENTS**

Adoption of non-mandatory requirements of Listing Regulations is being reviewed by the Board from time-to-time.

**GENERAL SHAREHOLDER INFORMATION**

Detailed information in this regard is provided in section "Shareholders Information" which forms part of this Annual Report.

**SHAREHOLDERS' INFORMATION****a. Next Annual General Meeting**

The information regarding 35<sup>th</sup> Annual General Meeting for the financial year ended on 31<sup>st</sup> March 2020 is as follows :-

|              |          |   |
|--------------|----------|---|
| <b>Date</b>  | <b>:</b> | <b>Saturday, 19<sup>th</sup> December, 2020</b>                             |
| <b>Time</b>  | <b>:</b> | <b>10.00 A.M.</b>   |
| <b>Venue</b> | <b>:</b> | <b>Bhagyodaya Building, 3rd Floor, 79, N. M. Road, Fort, Mumbai-400 023</b> |

**b. Financial Calendar : 1<sup>st</sup> April to 31<sup>st</sup> March****c. Future Calendar for the year ended 31<sup>st</sup> March 2021 :**

| <b>Subject Matter</b>  | <b>Date</b>                  |
|--|------------------------------|
| <b>Financial Reporting of 1<sup>st</sup> Quarter ended on 30<sup>th</sup> June 2019</b>      | <b>Mid of August, 2020</b>   |
| <b>Financial Reporting of 2<sup>nd</sup> Quarter ended on 30<sup>th</sup> September 2019</b> | <b>Mid of November, 2020</b> |
| <b>Financial Reporting of 3<sup>rd</sup> Quarter ended on 31<sup>st</sup> December 2019</b>  | <b>Mid of February 2021</b>  |
| <b>Financial Reporting of 4<sup>th</sup> Quarter ended on 31<sup>st</sup> March 2020</b>     | <b>During May 2021</b>       |
| <b>Date of Annual General Meeting</b>  | <b>During September 2021</b> |

**d. Date of Book Closure : December 13 to December 19, 2020. (Both days inclusive)****e. Dividend Payment : No Dividend has been recommended for the year under review.****f. Dividend History for Last 10 Years**

| <b>Sr. No.</b> | <b>Year of Declaration of Dividend</b> | <b>Date of Declaration of Dividend</b> | <b>Amount Declared per Share</b> | <b>Face Value of Shares</b> |
|----------------|--|--|----------------------------------|-----------------------------|
| 1.             | 2013-2014                              | May 27, 2014                           | 0.50                             | 10.00                       |

**g. Unclaimed Dividend / Share Certificates**

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the company along with interest accrued, if any to the Investor Education and Protection Fund ('the IEPF'), a fund established under sub-section (1) of section 125.

**Mandatory Transfer of Shares to Demat Account of Investors Education and Protection Fund Authority (IEPFA) in case of unpaid/ unclaimed dividend on shares for a consecutive period of seven years**

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) (IEPF Rules) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholders from IEPFA by following the procedure prescribed under the IEPF Rules.

Details of Unclaimed Dividend and Due Dates for transfer are as follows as on March 31, 2019:

| Sr. No. | Year of Declaration of Dividend | Date of Declaration of Dividend | Unclaimed Amount | Due Date for transfer to IEPF Account |
|---------|---------------------------------|---------------------------------|------------------|---------------------------------------|
| 1.      | 2013-2014                       | May 27, 2014                    | 7,29,217/-       | 14 <sup>th</sup> September 2021       |

Further, as required to be disclosed under Regulation 34(3) read with Schedule V of Listing Regulations, Nil Shares are lying at the beginning or at the close of financial year in the Suspense Account. Further the Company did not moved in/out any Equity Share in said Suspense Account during the current financial year.

- h. Listing of Shares : BSE Limited
- i. Listing Fees : Annual Listing Fees to BSE for FY 2020-21 have been paid.
- j. Stock Code & ISIN : 530557, Demat ISIN No. in NSDL & CDSL –INE132F01020
- k. Market Price Data :

| Month          | Price on BSE (₹) & Volume |      |        |
|----------------|---------------------------|------|--------|
|                | High                      | Low  | Volume |
| April 2019     | 0.32                      | 0.28 | 155758 |
| May 2019       | 0.28                      | 0.27 | 97959  |
| June 2019      | 0.29                      | 0.29 | 32609  |
| July 2019      | 0.31                      | 0.28 | 22083  |
| August 2019    | 0.28                      | 0.28 | 6311   |
| September 2019 | 0.30                      | 0.19 | 106853 |
| October 2019   | 0.19                      | 0.19 | 128356 |
| November 2019  | 0.19                      | 0.19 | 104571 |
| December 2019  | 0.19                      | 0.19 | 34239  |
| January 2020   | 0.19                      | 0.19 | 78194  |
| February 2020  | 0.19                      | 0.19 | 5916   |
| March 2020     | 0.19                      | 0.19 | 35821  |

**I. Registrar & Share Transfer Agent.**

M/s. ABS Consultants Pvt. Ltd. has been appointed as Registrar & Share Transfer Agent for all work relating to share registry in terms of both physical and electronic mode. All transfer, transmission, request related to correspondence/queries, intimation of change of address etc. should be addressed to our RTA directly at the following Address:

**M/s. ABS Consultants Pvt. Ltd.**

99, Stephen House, 6<sup>th</sup> Floor, 4, B.B.D. Bag (East), Kolkata-700 001

Phone - +91 33 2230 1043, Fax +91 33 2243 0153, E-Mail: [absconsultant99@gmail.com](mailto:absconsultant99@gmail.com)

**m. Share Transfer System & Transfer of Shares**

The transfer of shares in physical form is processed and completed by Registrar & Transfer Agent within a period of fifteen days from the date of receipt thereof provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the Listing Regulations, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.

However, as per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.

**n. Consolidation of Folios and avoidance of multiple mailing**

In order to enable the Company to reduce costs and duplicity of efforts for providing services to investors, members who have more than one folio in the same order of names are requested to consolidate their holdings under one folio. Members may write to the Registrars and Transfer Agents indicating the folio numbers to be consolidated along with the original shares certificates to be consolidated.

**o. Compliance with Secretarial Standards**

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with each one of them.

**p. Distribution Schedule as on 31st March 2020**

| No. of Equity Shares | No. of Share Holders | % of Share Holders | Total No. of Shares Held | % of Share Holding |
|----------------------|----------------------|--------------------|--------------------------|--------------------|
| 1-500                | 674                  | 43.23              | 132193                   | 0.09               |
| 501-1000             | 235                  | 15.07              | 206367                   | 0.14               |
| 1001-2000            | 190                  | 12.19              | 314134                   | 0.22               |
| 2001-3000            | 79                   | 5.07               | 209963                   | 0.14               |
| 3001-4000            | 42                   | 2.69               | 151938                   | 0.10               |
| 4001-5000            | 58                   | 3.72               | 278328                   | 0.19               |
| 5001-10000           | 56                   | 3.59               | 441891                   | 0.30               |
| 10001-50000          | 99                   | 6.35               | 2224106                  | 1.53               |
| 50001-100000         | 19                   | 1.22               | 1399770                  | 0.96               |
| 100001 and Above     | 107                  | 6.86               | 140066310                | 96.32              |
| <b>Total....</b>     | <b>1559</b>          | <b>100.00</b>      | <b>145425000</b>         | <b>100.00</b>      |

**q. Shareholding Pattern as on 31st March 2020**

| Categories                            | No. of Shares    | % of Shareholding |
|---------------------------------------|------------------|-------------------|
| Promoters, Directors, Relatives & PAC | 4062500          | 2.79              |
| Indian Bank                           | 0                | 0.00              |
| Others (NRI)                          | 13067            | 0.01              |
| Others (Govt. of India)               | 1000             | 0.00              |
| Private Corporate Bodies              | 122712364        | 84.39             |
| Indian Public                         | 18636069         | 12.81             |
| <b>Total .....</b>                    | <b>145425000</b> | <b>100.00</b>     |

**r. Dematerialization of Equity Shares & Liquidity**

The Company's Equity Shares are in Demat trading segment and the Company had established connectivity with both NSDL & CDSL by signing the necessary agreements.

As on 31<sup>st</sup> March 2020, 90.06% public shareholdings of the Company are in dematerialized form.

**Procedures for dematerialization of Equity Shares:**

Shareholders who continue to hold shares in physical form are requested to dematerialize their shares at the earliest and avail the benefits of dealing in shares in demat form. For convenience of shareholders, the process of getting the shares dematerialized is given hereunder:

- a) Demat account should be opened with a Depository Participant (DP).
- b) Shareholders should submit the Dematerialization Request Form (DRF) along with share certificates in original, to their DP.
- c) DP will process the DRF and will generate a Dematerialization Request Number (DRN).
- d) DP will submit the DRF and original share certificates to the Registrar and Transfer Agents (RTA), which is ABS Consultants Private Limited.
- e) RTA will process the DRF and confirm or reject the request to DP/ depositories
- f) Upon confirmation of request, the shareholder will get credit of the equivalent number of shares in his demat account maintained with the DP

**s. Nomination**

Individual Shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the depository participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination form SH-13 ([Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014] can be obtained from the Company's Registrar and Share Transfer Agent. It is also available on Public domain.

**t. Requirement of PAN Card in case of Transfer of Shares in Physical Form**

Pursuant to SEBI Circular, the shareholders holding shares in physical form are requested to submit self certified copy of PAN at the time of sending their request for share transfer/transmission of name/transposition of name.

**u. For the Attention of Shareholders holding shares in electronic form**

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants (DPs).

**v. Electronic Clearing Service**

The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the Depositories for depositing dividends. Dividend will be credited to the Members' bank account through NECS wherever complete core banking details are available with the Company. In case where the core banking details are not available, dividend warrants will be issued to the Members with bank details printed thereon as available in the Company's records. This ensures that the dividend warrants, even if lost or stolen, cannot be used for any purpose other than for depositing the money in the accounts specified on the dividend warrants and ensures safety for the investors. The Company complies with the SEBI requirement.

**w. Service of Documents through Electronic Mode**

As a part of Green Initiatives, the members who wish to receive the notice/documents through e-mail, may kindly intimate their e-mail address to the Company's Registrar and Share Transfer Agent, ABS Consultants Pvt. Ltd. to their dedicated e-mail id i.e., "[absconsultant99@gmail.com](mailto:absconsultant99@gmail.com)."

**x. Details on use of Public Funds Obtained in the last three years :**

No Fund has been raised during last three financial years.

**y. Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion data likely impact on Equity:**

Not Applicable.

**z. Investors' Correspondence**

Shareholders can contact the following Officials for secretarial matters of the Company:-

Ms. Swati Agarwal- [ncl.research@gmail.com](mailto:ncl.research@gmail.com)

**aa. Code of Conduct**

The Board of Directors of the Company has laid down Code of Conduct for Directors and for Senior Management & Employees. All Board Members and Senior Management have affirmed compliance with the Code of Conduct for the year under review. Declaration to this effect signed by the Managing Director & Chief Executive Officer is annexed to this report.

**bb. Address for Correspondence**

**NCL Research and Financial Services Limited**

Bhagyodaya Building, 3rd Floor, 79, N. M. Road, Fort, Mumbai-400 023

Telefax: +91 22 2270 3249; Email: [ncl.research@gmail.com](mailto:ncl.research@gmail.com); URL: [www.ncffin.com](http://www.ncffin.com)

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**CERTIFICATE**

Based on our verification of the books, papers, minute books, forms and returns filed, MCA website and other records maintained by M/s NCL Research & Financial Services Limited, having its Registered office at Bhagyodaya Building, 3<sup>rd</sup> Floor, 79, N. M. Road, Fort, Mumbai-400 023 Maharashtra and also the information provided by the Company, its officers, agents and authorized representatives, we hereby report that during the Financial Year ended on March 31, 2020, in our opinion, none of the director on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of Company by the Board/Ministry of Corporate Affairs or any such Statutory authority.

Place : Kolkata

Sd/-

**CS Kriti Daga**

Membership No. 26425, C. P. No. 14023

**CEO / CFO CERTIFICATION**

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of M/s. NCL Research & Financial Services Limited (“the Company”) to the best of our knowledge and belief certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief, we certify that:
- i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company’s code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) we have indicated to the auditors and the Audit committee
- i. significant changes, if any, in internal control over financial reporting during the year;
  - ii. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company’s internal control system over financial reporting.

**For NCL Research & Financial Services Ltd.**

S/d-

**Mayank Singh**

**Chief Financial Officer**

**Mumbai, November 24, 2020**

**For NCL Research & Financial Services Ltd.**

S/d-

**Goutam Bose**

**(DIN : 02504803)**

**Chairman & Managing Director**

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**ANNUAL CERTIFICATE UNDER REGULATION 26(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

As provided under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with M/s. NCL Research & Financial Services Limited, Code of Business Conduct and Ethics for the year ended March 31, 2020.

**For NCL Research & Financial Services Ltd.**

S/d-

**Goutam Bose**

**(DIN : 02504803)**

**Chairman & Managing Director**

**Mumbai, November 24, 2020**

## Compliance Certificate from Auditors on Corporate Governance

### The Members of NCL Research & Financial Services Limited

1. This certificate is issued in accordance with the terms of our engagement letter with the Company.
2. We have examined the compliance of conditions of corporate governance by NCL Research & Financial Services Limited (the 'Company') for the year ended 31st March 2020, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations').

### Management's Responsibility

3. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

### Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the 'ICAI'), and the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### Opinion

7. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31 March 2019.

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.



**Emphasis of Matters**

8. The reports should be read together with the Notes to the financial statements and attention to following matters be given:
- a. Notes to the financial statements which describe the uncertainty related to the outcome of the pendency's of appeals and legal matters filed by the company as well as against the company.
  - b. subject to Note No. 23, in respect of inaccuracy of Supporting for some of the expenditure of revenue nature
9. Our opinion is not modified in respect of these matters.

**Restriction on use**

10. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

**For DBS & Associates**  
**Chartered Accountants**  
**FRN : 018627N**

**Place: Mumbai**  
**Date: July 06, 2020**

**Roxy Teniwal**  
**Partner**  
**Membership No. 141538**

## **INDEPENDENT AUDITOR'S REPORT**

**To**

**The Members of**

**M/s. NCL RESEARCH & FINANCIAL SERVICES LIMITED**

### **Reports on the Financial Statements**

#### **Opinion**

We have audited the financial statements of **NCL RESEARCH & FINANCIAL SERVICES LIMITED**, which comprise the balance sheet as at 31st March 2020, and the statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the afore said standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020 and profit/loss and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the statement of affairs of the company as at 31st March 2019, and its profit and its cash flow for the year ended on that date.

**Emphasis of Matters**

The reports should be read together with the Notes to the financial statements and attention to following matters be given:

- a) Notes to the financial statements which describe the uncertainty related to the outcome of the pendency's of appeals and legal matters filed by the company as well as against the company.
- b) subject to Note, in respect of inaccuracy of Supporting for some of the expenditure of revenue nature Our opinion is not modified in respect of these matters.

**Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure – A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

1. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
2. 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.
3. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
4. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
5. On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
6. 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".

7. **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;**
- a. **The Company does not have any material pending litigations which would impact on its financial position in its financial statements.**
  - b. **The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.**
  - c. **There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise**

**For DBS & Associates  
Chartered Accountants  
FRN: 018627N**

**Sd/-**

**CA Roxy Teniwal  
Partner  
Membership No. 141538**

**Place: Mumbai  
Date: 25<sup>th</sup> May, 2019**

**ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Bansal Roofing Products Limited of even date)**

1. **In respect of the Company's fixed assets:**
  - a. **The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.**
  - b. **The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.**
  - c. **The company is engaged in the NBFC accordingly it does not hold any physical inventories. Thus paragraph 4(ii) of the order is not applicable to the company.**
2. **In our opinion and according to the information and explanations given to us, the company has not granted any loans, secured or unsecured, during the year to companies, firms or other parties covered by clause (76) of Section 2 of the Companies Act, 2013 Thus, Paragraph 4(iii) (a) (b) & (c) of the order is not applicable to the company.**
3. **The Company has not granted loans or made investment or given any guarantee or security as covered in the provisions of section 185 and 186 of the Companies Act, 2013 therefore, Clause (IV) of the order is not applicable to the company.**
4. **The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013**
5. **As per Rule 3 of (Cost Records and Audit) Rules, 2014, as amended up to 15 July, 2016, The Maintenance of Cost records is not applicable to company.**
6. **According to the information and explanations given to us, in respect of statutory dues:**
  - a. **The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.**
  - b. **There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.**
7. **In our opinion and according to the information and explanations given to us, The Company has not taken loan from any financial institution or bank therefore, Clause (VIII) of the order is not applicable to the company.**
8. **The Company has not raised moneys by way of initial public offer or further public offer including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.**
9. **To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.**

10. In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
11. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
12. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
13. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
14. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
15. The Company is a NBFC Company thus its is already registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For DBS & Associates**

**Chartered Accountants  
FRN: 018627N**

**Sd/-**

**CA Roxy Teniwal  
Partner  
Membership No. 141538**

**Place: Mumbai  
Date: 25<sup>th</sup> May, 2019**

**ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Bansal Roofing Products Limited of even date)

**Report on the Internal Financial Controls over Financial Reporting 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 **NCL RESEARCH & FINANCIAL SERVICES LIMITED** (“the Company”) as of March 31, 2019 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 Board of Directors of the Company 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 respective 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.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

**Meaning of Internal Financial Controls Over Financial Reporting**

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

of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors

of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, 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, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For DBS & Associates**

**Chartered Accountants**

**FRN: 018627N**

**Sd/-**

**CA Roxy Teniwal**

**Partner**

**Membership No. 141538**

**Place: Mumbai**

**Date: 25<sup>th</sup> May, 2019**



# NCL Research & Financial Services Ltd.

Balance Sheet as at March 31, 2020

Amount in INR

| Particulars  | Note No. | Amount as at<br>March 31, 2020 | Amount as at<br>March 31, 2019 | Amount as at<br>April 1, 2018 |
|--|----------|--------------------------------|--------------------------------|-------------------------------|
| <b>ASSETS</b>  |          |                                |                                |                               |
| <b>1 Financial Assets</b>  |          |                                |                                |                               |
| a Cash and Cash Equivalents  | 4        | 6,382,519                      | 5,449,797                      | 8,605,688                     |
| b Receivables  |          |                                |                                |                               |
| (I) Trade Receivables  | 5        | 17,460,542                     | 17,460,541                     | 17,593,507                    |
| (II) Other Receivables   |          | -                              | -                              | -                             |
| c Loans  | 6        | 464,553,400                    | 481,278,515                    | 488,292,263                   |
| d Investments  | 7        | 98,971,000                     | 78,341,000                     | 67,500,000                    |
| e Other Financial assets   |          |                                |                                |                               |
| (I) Advance recoverable in cash or in kind or for value to be received | 8        | 9,770,000                      | 17,095,000                     | 6,422,000                     |
| (II) Others  | 8        | -                              | -                              | -                             |
| <b>Total Financial Assets</b>  |          | <b>597,137,461</b>             | <b>599,624,853</b>             | <b>588,413,458</b>            |
| <b>2 Non-Financial Assets</b>  |          |                                |                                |                               |
| a Inventories  | 9        | 13,953,850                     | 17,378,945                     | 21,243,180                    |
| b Current Tax Assets (Net)   | 10       | 8,716,150                      | 7,995,010                      | 8,853,915                     |
| c Deferred Tax Assets (Net)  | 11       | -                              | -                              | 42,137                        |
| d Property, Plant and Equipments                                       | 12       | 227,316                        | 227,316                        | 228,668                       |
| e Other non-financial assets   |          |                                |                                |                               |
| (i) Others   | 13       | 184,000                        | 80,000                         | 96,000                        |
| <b>Total Non-Financial Assets</b>                                      |          | <b>23,081,316</b>              | <b>25,681,271</b>              | <b>30,463,900</b>             |
| <b>TOTAL ASSETS</b>  |          | <b>620,218,777</b>             | <b>625,306,124</b>             | <b>618,877,358</b>            |
| <b>LIABILITIES AND EQUITY</b>  |          |                                |                                |                               |
| <b>LIABILITIES</b>   |          |                                |                                |                               |
| <b>1 Financial Liabilities</b>   |          |                                |                                |                               |
| a Trade Payables   |          |                                |                                |                               |
| (I) Trade Payables   |          |                                |                                |                               |
| (i)total outstanding dues of MSE                                       | 14       | -                              | -                              | -                             |
| (ii)total outstanding dues of creditors other than MSE                 | 14       | -                              | -                              | 95,147                        |
| (II) Other Payables  | 15       | 265,390                        | 525,768                        | 46,768                        |
| b Borrowings (other than Debt Securities)                              |          | -                              | -                              | -                             |
| c Other Financial Liabilities  | 16       | 22,050                         | 5,005,250                      | 136,850                       |
| <b>Total Financial Liabilities</b>                                     |          | <b>287,440</b>                 | <b>5,531,018</b>               | <b>278,765</b>                |
| <b>2 Non-Financial Liabilities</b>                                     |          |                                |                                |                               |
| a Deferred tax Liabilities   | 11       | 57,227                         | 55,977                         | -                             |
| b Contingnet Provisions against Standrad Assets as per RBI             | 17       | 1,161,383                      | 1,203,196                      | 1,220,731                     |
| <b>Total Non-Financial Liabilities</b>                                 |          | <b>1,218,611</b>               | <b>1,259,173</b>               | <b>1,220,731</b>              |
| <b>Total Liabilities</b>   |          | <b>1,506,051</b>               | <b>6,790,191</b>               | <b>1,499,496</b>              |
| <b>3 EQUITY</b>  |          |                                |                                |                               |
| Equity Share Capital   | 18       | 290,850,000                    | 290,850,000                    | 290,850,000                   |
| Other Equity   | 19       | 327,862,727                    | 327,665,933                    | 326,527,862                   |
| <b>Total Equity</b>  |          | <b>618,712,727</b>             | <b>618,515,933</b>             | <b>617,377,862</b>            |
| <b>Total Liabilities and Equity</b>                                    |          | <b>620,218,777</b>             | <b>625,306,124</b>             | <b>618,877,358</b>            |
| See accompanying notes forming part of the financial statements        |          |                                |                                |                               |

As per our report of even date

**For DBS & Associates**

Chartered Accountants

Firm Reg. No. 018627N

Sd/-  
**CA. Roxy Teniwal**  
[Partner]  
Mem. No. 141538

Place : Mumbai  
Date: 06/07/2020

For and on behalf of Board of Directors of

**M/s. NCL Research & Financial Services Limited**

Sd/-  
**Goutam Bose**  
[Managing Director]

Sd/-  
**L.N. Sharma**  
[Director]

Place : Mumbai  
Date: 06/07/2020

# NCL Research & Financial Services Ltd.

Statement of Profit and Loss for the period ended 31st March 2020

(Amount in INR)

|                | Particulars  | Note No. | for the year<br>31st March 2020 | for the year<br>31st March 2019 |
|----------------|--|----------|---------------------------------|---------------------------------|
|                | <b>Revenue from operations</b>   |          |                                 |                                 |
| i              | Interest Income  | 20       | 21,543,552                      | 30,628,883                      |
| iii            | Sale of Stock of Traded goods  | 21       | 2,783,677                       | 3,342,093                       |
| <b>(I)</b>     | <b>Total Revenue from operations</b>   |          | <b>24,327,229</b>               | <b>33,970,976</b>               |
| <b>(II)</b>    | Other Income (to be specified)   | 22       | 120,000                         | -                               |
| <b>(III)</b>   | <b>Total Income (I+II)</b>   |          | <b>24,447,229</b>               | <b>33,970,976</b>               |
|                | <b>Expenses</b>  |          |                                 |                                 |
| i              | Finance Costs  |          | -                               | -                               |
| ii             | Net loss on fair value changes and loss in derecognition of financial instruments  |          | -                               | -                               |
| v              | Purchases of Stock-in-trade  | 23       | 11,882,832                      | 16,539,396                      |
| vi             | Changes in Inventories of finished goods, stock-in-trade and work-in- progress   | 24       | 3,425,095                       | 3,864,235                       |
| vii            | Employee Benefits Expenses   | 25       | 5,162,980                       | 7,451,196                       |
| viii           | Depreciation, amortization and impairment  |          | -                               | 1,352                           |
| ix             | Others expenses (to be specified)  | 26       | 3,763,970                       | 4,522,608                       |
| <b>(IV)</b>    | <b>Total Expenses (IV)</b>   |          | <b>24,234,877</b>               | <b>32,378,786</b>               |
| <b>(V)</b>     | Profit / (loss) before exceptional items and tax (III-IV)  |          | <b>212,352</b>                  | <b>1,592,189</b>                |
| <b>(VI)</b>    | Exceptional items  |          | -                               | -                               |
| <b>(VII)</b>   | Profit/(loss) before tax (V -VI )  |          | <b>212,352</b>                  | <b>1,592,189</b>                |
|                | Tax Expense:   |          |                                 |                                 |
|                | (1) Current Tax  |          | 56,120                          | 373,540                         |
| <b>(VIII)</b>  | (2) Deferred Tax   |          | 1,250                           | 98,114                          |
|                | (3) Tax of Earlier year  |          | -                               | -                               |
|                |  |          | <b>57,370</b>                   | <b>471,654</b>                  |
| <b>(IX)</b>    | Profit / (loss) for the period from continuing operations(VII-VIII)  |          | <b>154,982</b>                  | <b>1,120,535</b>                |
| <b>(X)</b>     | Profit/(loss) from discontinued operations   |          |                                 |                                 |
| <b>(XI)</b>    | Tax Expense of discontinued operations   |          |                                 |                                 |
| <b>(XII)</b>   | Profit/(loss) from discontinued operations(After tax) (X-XI)   |          |                                 |                                 |
| <b>(XIII)</b>  | <b>Profit/(loss) for the period (IX+XII)</b>   |          | <b>154,982</b>                  | <b>1,120,535</b>                |
| <b>(XIV)</b>   | <b>Other Comprehensive Income</b>  |          |                                 |                                 |
|                | (A) (i) items that will Not be reclassified to profit or loss (specify items and amounts)  |          |                                 |                                 |
|                | (ii) Income tax relating to items that will not be reclassified to profit or loss  |          |                                 |                                 |
|                | <b>Subtotal (A)</b>  |          | -                               | -                               |
|                | (B) (i) items that will be reclassified to profit or loss (specify items and amounts)  |          |                                 |                                 |
|                | (ii) Income tax relating to items that will be reclassified to profit or loss  |          |                                 |                                 |
|                | <b>Subtotal (B)</b>  |          | -                               | -                               |
|                | <b>Other Comprehensive Income (A + B)</b>  |          | -                               | -                               |
| <b>(XV)</b>    | <b>Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and other Comprehensive Income for the period)</b> |          | <b>154,982</b>                  | <b>1,120,535</b>                |
| <b>(XVI)</b>   | <b>Earnings per equity share (for continuing operations)</b>   |          |                                 |                                 |
|                | Basic (Rs.)  |          |                                 |                                 |
|                | Diluted (Rs.)  |          |                                 |                                 |
| <b>(XVII)</b>  | <b>Earnings per equity share (for discontinued operations)</b>   |          |                                 |                                 |
|                | Basic (Rs.)  |          |                                 |                                 |
|                | Diluted (Rs.)  |          |                                 |                                 |
| <b>(XVIII)</b> | <b>Earnings per equity share (for continuing and discontinued operations)</b>  |          |                                 |                                 |
|                | Basic (Rs.)  |          |                                 |                                 |
|                | Diluted (Rs.)  |          |                                 |                                 |

The accompanying notes are an integral part of the financial statement.

As per our report of even date  
For DBS & Associates  
Chartered Accountants  
Firm Reg. No. 018627N

M/s. NCL Research & Financial Services Limited

Sd/-  
CA. Roxy Teniwal  
[Partner]  
Mem. No. 141538

SD/-  
Goutam Bose  
[Managing Director]

SD/-  
L.N. Sharma  
[Director]

Place : Mumbai  
Date: 06/07/2020

Place : Mumbai  
Date: 06/07/2020

**Notes forming part of the financial statements for the year ended 31st March 2019****1. CORPORATE INFORMATION**

The company is a listed Public Limited company registered under Companies Act 1956 and also RBI registered NBFC company registered U/s 45-IA of the RBI Act, 1934. The Company is into the business of Finance and Investments in shares & securities. Further, the Company had been carrying the business of advancing loans and investing in Quoted and unquoted securities. However, at present the Company is concentrating mainly on development of NBFC Activities

**2. SIGNIFICANT ACCOUNTING POLICIES****2.1 BASIS OF ACCOUNTING AND PREPARATION OF FINANCIAL STATEMENTS**

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The financial statements are prepared on accrual basis under historical cost convention. The financial statements are presented in Indian Rupees.

**2.2 USE OF ESTIMATES:**

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include computation of percentage of completion which requires the Group to estimate the efforts or costs expended to date proportion of the total efforts or costs to be expended, provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, post sales customer support and the useful lives of tangible assets and intangible assets (No Need to disclose examples).

Accounting Estimates could change from period to period. Actual Results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the standalone financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the standalone financial statements.

**2.3 REVENUE RECOGNITION**

- I. Income are accounted on accrual basis.
- II. Expenses other than Interest are net of recoveries, wherever applicable.

**2.4 TANGIBLE FIXED ASSETS**

- I. Fixed Assets are stated at cost less depreciation, Cost comprises the purchase price and any attributable cost of bringing the assets to working condition for its intended use.
- II. Expenditure, for additions improvements and renewals are capitalised and expenditure for maintenance & repairs are charged to the Profit & Loss account. When assets are sold or discarded, their cost and accumulated depreciation is removed from the account & any gain or loss, resulting from their disposal is included in the Profit & loss account.

**2.5 DEPRECIATION AND AMORTISATION**

During the year, the Company has used its method of charging depreciation on Written down Value Method. Depreciation is provided using the Written Down Value Method at the rates or Useful life and in the manner specified in schedule II to the Companies Act 2013. Depreciation on additions/deletions during the year is provided on a pro-rata basis from the date of addition/up to the date of deletion. Depreciation and amortization methods, useful lives and residual values are reviewed periodically, including at each financial year end. The Management estimates the useful lives for the other fixed assets as follows:

|                     |            |
|---------------------|------------|
| Plant and machinery | 3-15 years |
| Office equipment    | 5-10 years |

|                        |          |
|------------------------|----------|
| Computer equipment     | 6 years  |
| Furniture and fixtures | 10 years |
| Vehicles               | 6 years  |
| Borewell               | 15 years |
| Solar Equipment        | 15 years |

## **2.6 IMPAIRMENT OF ASSETS**

At each balance sheet date, the Company reviews the carrying amounts of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss.

Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset from its disposal are discounted to their present value using pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset.

An impairment loss is charged to Profit and Loss Account in the year in which an asset is identified as impaired. Reversal of impairment loss is recognized immediately as income in the profit and loss account.

## **2.7 INVENTORIES**

Inventory are valued as under:

Trading in Shares - At Cost or Net Realisable Value Whichever is lower.

## **2.8 EMPLOYEE BENEFITS**

The company provides for unutilised leave benefits on the basis of the last salary drawn and the leave balance available to the credit of the employee on the last date of the year.

## **2.9 TAXES ON INCOME**

### **CURRENT TAX**

Income tax payable for the year is determined in accordance with the provisions of the Income Tax Act, 1961.

### **DEFERRED TAX**

Deferred tax expense or benefit is recognized on "timing difference" being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date.

Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only to the extent that there is virtual certainty that sufficient taxable income will be available to realize these assets. All other deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available to realize these assets.

## **2.10 CASH AND CASH EQUIVALENTS:**

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations.

## **2.11 BORROWING COSTS**

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of such assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as expense in the period in which they are incurred.

## **2.12 SEGMENT REPORTING**

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the

segments for which separate financial information available and for which operating profit/Loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the company. Segment revenue, segment expenses, segment assets and Segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transaction which are primarily determined based on market /fair value factors.

Revenue expenses, assets and liabilities which relate to the company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue/expenses/assets/liabilities".

### **2.13 EARNINGS PER SHARE:**

EPS is worked out as per AS 20. (The previous year figures are derived after giving effect of Right Issue during the year as per AS 20).

### **2.14 MISCELLANEOUS EXPENDITURE:**

2.14.1 The Management of the company has decided that Miscellaneous Expenditure pertaining to IPO expenses have been written off over the period of five years from Financial year of the expenditure incurred.

2.14.2 The management of the company has decided that miscellaneous expenditure pertaining to right issue expenses have been written off over the period of three years from the financial year of the expenditure incurred.

### **2.15 CASH FLOW STATEMENT**

Cash Flows are reported using the indirect method, where by profit / loss before extra-ordinary item and tax is adjusted for the effects of the transactions of Non cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow from Operating, Investing and Financial activities of the company are segregated based on the available information.

Material events occurring after Balance Sheet date and till the date of signing of accounts are taken into cognizance.

Information as required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit accepting or holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 is given in separate annexure.

### **2.16 LEASES**

#### **2.16.1 FINANCE LEASE**

The Company has not entered in to finance lease arrangements.

#### **2.16.2 OPERATING LEASE**

Operating leases are mainly in the nature of lease of office premises with no restrictions and are renewable by mutual consent. There are no restrictions imposed by lease arrangements. Lease rental payments made by the Company are recognized in the statement profit and loss account in restated financials under the head 'Other Expenses'

| Particulars | For the year ended 31.03.2019 |
|-------------|-------------------------------|
| Office Rent | 1,92,000                      |

### **2.17 PROVISIONS AND CONTINGENCIES**

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed by way of Notes to Accounts. Contingent Assets are neither recognized nor disclosed in the Financial Statements.

|                                       |   |                             |
|---------------------------------------|---|-----------------------------|
| <b>As per our report of even date</b> | <b>For and on behalf of Board of Directors of</b>         |                             |
| <b>For DBS &amp; Associates</b>       | <b>M/s. NCL Research &amp; Financial Services Limited</b> |                             |
| <b>Chartered Accountants</b>          |   |                             |
| <b>Firm Reg. No. 018627N</b>          | <b>Sd/-</b>   | <b>Sd/-</b>                 |
|                                       | <b>Mr Goutam Bose</b>                                     | <b>Laxmi Narayan Sharma</b> |
| <b>Sd/-</b>                           | <b>Managing Director</b>                                  | <b>Director</b>             |
| <b>CA. Roxy Taniwal</b>               |   |                             |
| <b>[Partner]</b>                      |   | <b>Sd/-</b>                 |
| <b>M.No. 141538</b>                   |   | <b>Mayank Singh</b>         |
|                                       |   | <b>CFO</b>                  |
| <b>Place: Mumbai</b>                  | <b>Place: Mumbai</b>                                      |                             |
| <b>Date: 25.05.2018</b>               | <b>Date: 25.05.2018</b>                                   |                             |

**Schedules Forming part of Notes on Accounts**  
**Note 4 : Cash and cash equivalents**

| Particulars                | March 31, 2020   | March 31, 2019   | March 31, 2018   |
|----------------------------|------------------|------------------|------------------|
|                            | Rs.              | Rs.              | Rs.              |
| <b>Balances with banks</b> |                  |                  |                  |
| This includes:             |                  |                  |                  |
| i) In current accounts     |                  |                  |                  |
| Yes Bank- 000483900003508  | -                | -                | 8,353,549        |
| Bandhan Bank               | 4,029,264        | 4,829,441        | -                |
| CS Bank                    | 7,134            |                  |                  |
| <b>Cash on hand</b>        | <b>2,346,121</b> | 620,355          | 252,139          |
| <b>Total</b>               | <b>6,382,519</b> | <b>5,449,797</b> | <b>8,605,688</b> |

**Note 5 : Receivables**

| Particulars                           | March 31, 2020    | March 31, 2019    | March 31, 2018    |
|---------------------------------------|-------------------|-------------------|-------------------|
|                                       | Rs.               | Rs.               | Rs.               |
| <b>(i) Trade Receivables</b>          |                   |                   |                   |
| Receivables Considered Good-UnSecured | 17,460,542        | 17,460,541        | 17,593,507        |
| <b>Total</b>                          | <b>17,460,542</b> | <b>17,460,541</b> | <b>17,593,507</b> |

**Note 6 : Loans**

| Particulars                                     | March 31, 2020     | March 31, 2019     | March 31, 2018     |
|---|--------------------|--------------------|--------------------|
|   | Rs.                | Rs.                | Rs.                |
| <b>(A)</b>                                      |                    |                    |                    |
| i) Unsecured                                    | 464,553,400        | 481,278,515        | 488,292,263        |
| <b>Total (A) -Gross</b>                         | <b>464,553,400</b> | <b>481,278,515</b> | <b>488,292,263</b> |
| Less: Impairment loss allowance                 | -                  | -                  | -                  |
| <b>Total (A) -Net</b>                           | <b>464,553,400</b> | <b>481,278,515</b> | <b>488,292,263</b> |
| <b>(B)</b>                                      |                    |                    |                    |
| <b>(I) Loans in India</b>                       |                    |                    |                    |
| i) Others                                       | 464,553,400        | 481,278,515        | 488,292,263        |
| Less: Impairment loss allowance                 | -                  | -                  | -                  |
| <b>Total B -Net</b>                             | <b>464,553,400</b> | <b>481,278,515</b> | <b>488,292,263</b> |
| <b>Total C (Tally of total A &amp; total B)</b> | <b>464,553,400</b> | <b>481,278,515</b> | <b>488,292,263</b> |

**Note 7 : Current Investment**

| Particulars   | March 31, 2020    | March 31, 2019    | March 31, 2018    |
|---|-------------------|-------------------|-------------------|
|   | Rs.               | Rs.               | Rs.               |
| <b>(i) Investments Valued at Fair Value through OCI</b> |                   |                   |                   |
| (a) Mutual Funds  |                   |                   |                   |
| (b) Debt Instruments                                    |                   |                   |                   |
| (c) Equity Instruments                                  | 98,971,000        | 78,341,000        | 67,500,000        |
| (f) Others  |                   |                   |                   |
| <b>Total Gross (A)</b>                                  | <b>98,971,000</b> | <b>78,341,000</b> | <b>67,500,000</b> |
| (I) Investments outside India                           |                   |                   |                   |
| (II) Investments in India                               | 98,971,000        | 78,341,000        | 67,500,000        |
| <b>Total (B)</b>  | <b>98,971,000</b> | <b>78,341,000</b> | <b>67,500,000</b> |
| <b>Total {(A) to Tally with (B)}</b>                    | <b>98,971,000</b> | <b>78,341,000</b> | <b>67,500,000</b> |
| Less: Allowance for Impairment Loss (C)                 |                   |                   |                   |
| <b>Total Net (D) =A-C</b>                               | <b>98,971,000</b> | <b>78,341,000</b> | <b>67,500,000</b> |

**Note 8 : Other Financial Assets**

| Particulars  | March 31, 2020 | March 31, 2019 | March 31, 2018 |
|--|----------------|----------------|----------------|
|  | Rs.            | Rs.            | Rs.            |
| <b>(Unsecured, considered good)</b>                                |                |                |                |
| Advance recoverable in cash or in kind or for value to be received | 9,770,000      | 17,095,000     | 6,422,000      |
| Other Advance  | -              | -              | -              |

**Note 9 : Inventories**

| Particulars                  | March 31, 2020    | March 31, 2019    | March 31, 2018    |
|------------------------------|-------------------|-------------------|-------------------|
|                              | Rs.               | Rs.               | Rs.               |
| <b>Stock of Traded Goods</b> |                   |                   |                   |
| Shares & Securities          | 13,953,850        | 17,378,945        | 21,243,180        |
| <b>Total</b>                 | <b>13,953,850</b> | <b>17,378,945</b> | <b>21,243,180</b> |

**Note 10 : Current Tax Assets (Net)**

| Particulars                         | March 31, 2020   | March 31, 2019   | March 31, 2018   |
|-------------------------------------|------------------|------------------|------------------|
|                                     | Rs.              | Rs.              | Rs.              |
| Tax deposited                       | 19,959,223       | 19,181,963       | 19,667,328       |
| Tax Payable                         | (11,243,073)     | (11,186,953)     | (10,813,413)     |
| <b>Net Tax on Income receivable</b> | <b>8,716,150</b> | <b>7,995,010</b> | <b>8,853,915</b> |

**Note : 11 Deferred tax Assets (net)**

| Particulars                  | March 31, 2020 | March 31, 2019 | March 31, 2018 |
|------------------------------|----------------|----------------|----------------|
|                              | Rs.            | Rs.            | Rs.            |
| <b>Deferred Tax</b>          |                |                |                |
| Net Deferred Tax Assets      | -              | -              | 42,137         |
| Net Deferred Tax Liabilities | -57,227        | -55,977        | -              |
|                              | <b>-57,227</b> | <b>-55,977</b> | <b>42,137</b>  |

**Note : 13 OTHER NON-FINANCIAL ASSETS**

| Particulars                       | March 31, 2020 | March 31, 2019 | March 31, 2018 |
|-----------------------------------|----------------|----------------|----------------|
|                                   | Rs.            | Rs.            | Rs.            |
| <b>Unsecured, considered good</b> |                |                |                |
| Prepaid Expenses                  | 184,000        | 80,000         | 96,000         |
| Others                            | -              | -              | -              |
| <b>Total</b>                      | <b>184,000</b> | <b>80,000</b>  | <b>96,000</b>  |

**Note : 14 TRADE PAYABLE**

| Particulars  | March 31, 2020 | March 31, 2019 | March 31, 2018 |
|--|----------------|----------------|----------------|
|  | Rs.            | Rs.            | Rs.            |
| <b>1. Trade Payables</b>   |                |                |                |
| (i) Total outstanding dues of MSE*   | -              | -              | -              |
| ii) Total outstanding dues of creditors other than micro enterprises and small enterprises | -              | -              | 95,147         |
| <b>Total</b>   |                |                |                |

**Note : 15 OTHER PAYABLE**

| Particulars            | March 31, 2020 | March 31, 2019 | March 31, 2018 |
|------------------------|----------------|----------------|----------------|
|                        | Rs.            | Rs.            | Rs.            |
| Provision for expenses | 265,390        | 525,768        | 46,768         |
| Others                 | -              | -              | -              |
| <b>Total</b>           | <b>265,390</b> | <b>525,768</b> | <b>46,768</b>  |

**\*The Following are the disclosure requirements under The Micro, Small and medium enterprises development Act, 2006 ("MSMED Act")**

As per the clarification and confirmations sought from suppliers on registration with the specified authorities under MSMED Act: there is no such suppliers registered under MSMED Act. The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the MSMED Act. This has been relied upon by the auditors.

**Note : 16 OTHER FINANCIAL LIABILITIES**

| Particulars    | March 31, 2020 | March 31, 2019   | March 31, 2018 |
|----------------|----------------|------------------|----------------|
|                | Rs.            | Rs.              | Rs.            |
| Statutory Dues | 22,050         | 5,250            | 136,850        |
| Other payables | -              | 5,000,000        | -              |
| <b>Total</b>   | <b>22,050</b>  | <b>5,005,250</b> | <b>136,850</b> |

**Note : 17 PROVISIONS**

| Particulars                                    | March 31, 2020   | March 31, 2019   | March 31, 2018   |
|--|------------------|------------------|------------------|
|  | Rs.              | Rs.              | Rs.              |
| Contingnet Provisions against Standard Assets* | 1,161,383        | 1,203,196        | 1,220,731        |
| <b>Total</b>                                   | <b>1,161,383</b> | <b>1,203,196</b> | <b>1,220,731</b> |



**NCL Research & Financial Service Ltd.**

**Notes forming part of Financial Statements  
as at end for year ended March 31, 2020**

**NOTE 12**

| Particulars                           | Computer         | Total            |
|---------------------------------------|------------------|------------------|
| <b>Cost as at April 1, 2019</b>       | <b>3,443,850</b> | <b>3,443,850</b> |
| Addition During the year              | -                | -                |
| Deduction/Adjustments                 | -                | -                |
| <b>As at 31st March, 2020</b>         | <b>3,443,850</b> | <b>3,443,850</b> |
| <b>Depreciation</b>                   |                  |                  |
| <b>As at April 1,2019</b>             | <b>3,216,534</b> | <b>3,216,534</b> |
| Depreciation for the year             | -                | -                |
| Deduction/Adjustments                 | -                | -                |
| <b>Upto 31st March, 2020</b>          | <b>3,216,534</b> | <b>3,216,534</b> |
| <b>Net Block as at March 31, 2020</b> | <b>227,316</b>   | <b>227,316</b>   |

| Particulars                           | Computer         | Total            |
|---------------------------------------|------------------|------------------|
| <b>Cost as at April 1, 2018</b>       | <b>3,443,850</b> | <b>3,443,850</b> |
| Addition During the year              | -                | -                |
| Deduction/Adjustments                 | -                | -                |
| <b>As at 31st March, 2019</b>         | <b>3,443,850</b> | <b>3,443,850</b> |
| <b>Depreciation</b>                   |                  |                  |
| <b>As at April 1,2018</b>             | 3,215,182        | 3,215,182        |
| Depreciation for the year             | -                | 1,352            |
| Deduction/Adjustments                 | -                | -                |
| <b>Upto 31st March, 2019</b>          | <b>3,215,182</b> | <b>3,216,534</b> |
| <b>Net Block as at March 31, 2019</b> | <b>228,668</b>   | <b>227,316</b>   |

| Particulars                           | Computer         | Total            |
|---------------------------------------|------------------|------------------|
| <b>Cost as at April 1, 2017</b>       | <b>3,443,850</b> | <b>3,443,850</b> |
| Addition During the year              | -                | -                |
| Deduction/Adjustments                 | -                | -                |
| <b>As at 31st March, 2018</b>         | <b>3,443,850</b> | <b>3,443,850</b> |
| <b>Depreciation</b>                   |                  |                  |
| <b>As at April 1,2017</b>             | 3,192,602        | 3,192,602        |
| Depreciation for the year             | -                | 22,580           |
| Deduction/Adjustments                 | -                | -                |
| <b>Upto 31st March, 2018</b>          | <b>3,192,602</b> | <b>3,215,182</b> |
| <b>Net Block as at March 31, 2018</b> | <b>251,248</b>   | <b>228,668</b>   |

Schedules Forming part of Notes on Accounts

18 Equity Share Capital

2.1 : Each class of Shares Capital

| Particulars   | March 31, 2020 | March 31, 2019 | March 31, 2018 |
|---|----------------|----------------|----------------|
| <b>Authorised shares</b><br>15,00,00,000 (15,00,00,000; 31 March 2018) equity shares of Rs. 2/- Each            | 300,000,000    | 300,000,000    | 300,000,000    |
| <b>Issued,Subscribed and Paid up</b><br>14,54,25,000 (14,54,25,000; 31 March 2018) equity shares of Rs.2/- each | 290,850,000    | 290,850,000    | 290,850,000    |
| <b>Total</b>  | 290,850,000    | 290,850,000    | 290,850,000    |

2.2 : A reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period;

| Particulars   | March 31, 2020 |               | March 31, 2019 |             | March 31, 2018 |             |
|---|----------------|---------------|----------------|-------------|----------------|-------------|
|   | No.            | Rs.           | No.            | Rs.         | No.            | Rs          |
| Shares outstanding at the beginning of the year           | 145,425,000.0  | 290,850,000.0 | 145,425,000    | 290,850,000 | 145,425,000    | 290,850,000 |
| Shares Issued during the year                             |                |               | -              | -           | -              | -           |
| Shares bought back during the year                        |                |               | -              | -           | -              | -           |
| Shares outstanding at the end of the year of Rs. 2/- each | 145,425,000    | 290,850,000   | 145,425,000    | 290,850,000 | 145,425,000    | 290,850,000 |

**Note : 19 OTHER EQUITY**

| Particulars   | March 31, 2020     | March 31, 2019     | March 31, 2018     |
|---|--------------------|--------------------|--------------------|
|   | -                  | -                  | -                  |
| <b>General Reserve</b>  |                    |                    |                    |
| Opening Balance   | 16,000,000         | 16,000,000         | 16,000,000         |
| Addition /(Deduction) during the Year                                     | -                  | -                  | -                  |
| <b>Total</b>  | <b>16,000,000</b>  | <b>16,000,000</b>  | <b>16,000,000</b>  |
| <b>Securities Premium</b>   |                    |                    |                    |
| Opening Balance   | 290,320,000        | 290,320,000        | 290,320,000        |
| Addition /(Deduction) during the Year                                     | -                  | -                  | -                  |
| <b>Total</b>  | <b>290,320,000</b> | <b>290,320,000</b> | <b>290,320,000</b> |
| <b>Special Reserve pursuant to Section 45 IC of RBI Act, 1934**</b>       |                    |                    |                    |
| Opening Balance   | 4,707,498          | 4,483,391          | 4,351,851          |
| Addition /(Deduction) during the Year                                     | 30,996             | 224,107            | 131,540            |
| <b>Total</b>  | <b>4,738,495</b>   | <b>4,707,498</b>   | <b>4,483,391</b>   |
| <b>Retained Earnings</b>  |                    |                    |                    |
| <b>Appropriation of Profit</b>  |                    |                    |                    |
| Opening Balance   | 16,638,433.7       | 15,724,471         | 15,209,241         |
| Profit for the Period   | 154,982            | 1,120,535          | 657,700            |
| Transfer to Special Statutory Reserve as per RBI Act, 1934 (20%)          | 30,996             | 224,107            | 131,540            |
| Transfer to Contigent Provision against standard assets 0.25% of loan     | (41,813)           | (17,534)           | 10,930             |
| Adjustment of Fair Value changes in Inventories                           |                    |                    |                    |
| Adjustment of Changes in Deferred tax on PPE on change of GAPP and IND AS |                    |                    |                    |
| Transfer to/ from other reserves  |                    |                    |                    |
| <b>Total</b>  | <b>16,804,232</b>  | <b>16,638,434</b>  | <b>15,724,471</b>  |
| <b>Other Comprehensive Income</b>   |                    |                    |                    |
| Opening Balance   |                    |                    |                    |
| Adjustment:   |                    |                    |                    |
| Fair Value Changes in Investments in Securities                           |                    |                    |                    |
| Tax adjustment on above   |                    |                    |                    |
| Other opening Deferred Tax Adjustement                                    |                    |                    |                    |
| Transfer to/ from other reserves  |                    |                    |                    |
| <b>Total</b>  | <b>327,862,727</b> | <b>327,665,932</b> | <b>326,527,862</b> |

| <b>Note 20 : Interest Income</b>                      |                   |                   |
|---|-------------------|-------------------|
| Particulars   | March 31, 2020    | March 31, 2019    |
|   | Rs                | Rs                |
| <b>On Financial Assets measured at Amortised Cost</b> |                   |                   |
| Interest on loans given                               | 21,413,552        | 30,388,320        |
| Other Interest Income                                 | 130,000           | 240,563           |
| <b>Total</b>  | <b>21,543,552</b> | <b>30,628,883</b> |

**Note 21 : Sale of Stock of Traded goods**

| Particulars           | March 31, 2020   | March 31, 2019   |
|-----------------------|------------------|------------------|
|                       | Rs               | Rs               |
| <b>Sale of Shares</b> |                  |                  |
| -Quoted               | 2,783,677        | 3,342,093        |
| -Unquoted             | -                | -                |
|                       | <b>2,783,677</b> | <b>3,342,093</b> |

**Note 22 : Other Income**

| Particulars   | March 31, 2020 | March 31, 2019 |
|---------------|----------------|----------------|
|               | Rs             | Rs             |
| Rental Income | 120,000        | -              |
| <b>Total</b>  | <b>120,000</b> | <b>-</b>       |

**Note 23 : Purchases of Traded Goods**

| Particulars        | March 31, 2020    | March 31, 2019    |
|--------------------|-------------------|-------------------|
|                    | Rs                | Rs                |
| Purchase of Shares | 11,882,832        | 16,539,396        |
| <b>Total</b>       | <b>11,882,832</b> | <b>16,539,396</b> |

**Note 17 : Changes in inventories of Traded Goods**

| Particulars             | March 31, 2020   | March 31, 2019   |
|-------------------------|------------------|------------------|
|                         | Rs               | Rs               |
| Opening Stock of Shares | 17,378,945       | 21,243,180       |
| Closing Stock of Shares | 13,953,850       | 17,378,945       |
| <b>Total</b>            | <b>3,425,095</b> | <b>3,864,235</b> |

**Note 18 : Employee Benefits Expense**

| Particulars               | March 31, 2020   | March 31, 2019   |
|---------------------------|------------------|------------------|
|                           | Rs               | Rs               |
| Salary and Bonus to staff | 4,094,489        | 6,019,418        |
| MD Remuneration           | 614,825          | 154,377          |
| Staff Welfare             | 453,666          | 1,277,401        |
| <b>Total</b>              | <b>5,162,980</b> | <b>7,451,196</b> |

**Note 26 : Other Expenses**

| Particulars                                | March 31, 2020   | March 31, 2019   |
|--|------------------|------------------|
|  | Rs               | Rs               |
| Advertisement Expenses                     | 13,432           | 78,045           |
| Audit Fees                                 | 59,500           | 35,400           |
| Bank Charges                               | 5,236            | 154              |
| Book & Periodicals                         | 68,399           | 105,815          |
| Business Promotion Expenses                | -                | -                |
| Commission & Brokerage                     | -                | -                |
| Communication Expenses                     | 454,846          | 463,024          |
| Donation 80G                               | -                | 50,000           |
| Electricity Charges                        | 24,559           | 31,978           |
| General Expenses                           | 324,660          | 463,291          |
| Internet Expenses                          | -                | 102,189          |
| Interest on Late Deposit of TDS            | 236              | -                |
| Postage and telegram                       | 112,690          | 201,989          |
| Printing & Stationery                      | 179,678          | 316,387          |
| Professional & Legal Fees                  | 837,200          | 204,171          |
| Registrar fees                             | 69,030           | 63,720           |
| Rent                                       | 192,000          | 192,000          |
| Repairs & Maintainance -Computers          | 103,208          | 109,518          |
| Repairs & Maintainance - General           | 187,410          | 212,170          |
| Filing Fees                                | 39,000           | 58,900           |
| Stock Exchange & Other Regulatory Expenses | 551,052          | 477,229          |
| Website Expenses                           | 11,830           | 21,680           |
| Travelling & Conveyance Expenses           | 530,000          | 1,334,948        |
| Round Off                                  | 4                |                  |
| <b>Total</b>                               | <b>3,763,970</b> | <b>4,522,608</b> |

**SCHEDULE TO THE BALANCE SHEET AS AT 31.03.2020****Non-Deposit taking & Non-Banking Financial Company**

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

| <b>Sr. No.</b> | <b>Particulars</b>  | <b>Amount Outstanding</b> | <b>Amount Overdue</b> |
|----------------|---|---------------------------|-----------------------|
| <b>A</b>       | <b>LIABILITY</b>  |                           |                       |
| <b>1.</b>      | <b>Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:</b>                |                           |                       |
|                | (a) Debentures : Secured  | -                         | -                     |
|                | Unsecured   | -                         | -                     |
|                | (other than falling within the meaning of public deposits)  |                           |                       |
|                | (b) Deferred Credits  | -                         | -                     |
|                | (c) Term Loans (Bank Loan against Fixed Deposit)  | -                         | -                     |
|                | (d) Inter-corporate loans and borrowings  | -                         | -                     |
|                | (e) Commercial Paper  | -                         | -                     |
|                | (f) Public Deposits   | -                         | -                     |
|                | (g) Other Loans   | -                         | -                     |
| <b>2.</b>      | <b>Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):</b> |                           |                       |
|                | (a) In the form of Unsecured Debentures   | -                         | -                     |
|                | (b) In the form of Partly Secured Debentures i.e., Debentures where there is a shortfall in the value of security | -                         | -                     |
|                | (c) Other Public Deposits   | -                         | -                     |
| <b>B</b>       | <b>ASSETS</b>   | <b>Amount Outstanding</b> |                       |
| <b>3.</b>      | <b>Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:</b>       |                           |                       |
|                | (a) Secured   | -                         | -                     |
|                | (b) Un-Secured  | -                         | -                     |
| <b>4.</b>      | <b>Break-up of Leased Assets and Stock on Hire and other assets counting towards AFC activities</b>               |                           |                       |
|                | (a) Lease Assets including lease rentals under sundry debtors:  | -                         | -                     |
|                | (b) Financial lease   | -                         | -                     |
|                | (c) Operating lease   | -                         | -                     |
|                | (d) Stock on Hire including hire charges under sundry debtors:  | -                         | -                     |
|                | (e) Assets on Hire  | -                         | -                     |
|                | (f) Repossessed Assets  | -                         | -                     |
|                | (g) Other loans counting towards AFC activities   | -                         | -                     |
|                | (h) Loans where assets have been repossessed  | -                         | -                     |
|                | (i) Loans other than (a) above  | -                         | -                     |
| <b>5.</b>      | <b>Break-up of Investments:</b>   |                           |                       |
|                | (A) Current Investments (Stock-in-trade)  | -                         | -                     |
|                | (a) Quoted:   | -                         | -                     |
|                | (1) Shares : Equity   | -                         | -                     |
|                | Preference  | -                         | -                     |
|                | (2) Debentures and Bonds  | -                         | -                     |
|                | (3) Units of Mutual Funds   | -                         | -                     |

|           |   |  |                                       |              |
|-----------|---|--|---------------------------------------|--------------|
|           | (4) Government Securities   | -  | -                                     |              |
|           | (5) Others  | -  | -                                     |              |
|           | (b) Un-Quoted   |  |                                       |              |
|           | (1) Shares : Equity Preference  | -  | -                                     |              |
|           | (2) Debentures and Bonds  | -  | -                                     |              |
|           | (3) Units of Mutual Funds   | -  | -                                     |              |
|           | (4) Government Securities   | -  | -                                     |              |
|           | (5) Others  | -  | -                                     |              |
|           | (B) Long Term Investments:  |  |                                       |              |
|           | (a) Quoted:   |  |                                       |              |
|           | (1) Shares : Equity Preference  | -  | -                                     |              |
|           | (2) Debentures and Bonds  | -  | -                                     |              |
|           | (3) Units of Mutual Funds   | -  | -                                     |              |
|           | (4) Government Securities   | -  | -                                     |              |
|           | (5) Others  | -  | -                                     |              |
|           | (b) Unquoted  |  |                                       |              |
|           | (1) Shares : Equity Preference  | -  | -                                     |              |
|           | (2) Debentures and Bonds  | -  | -                                     |              |
|           | (3) Units of Mutual Funds   | -  | -                                     |              |
|           | (4) Government Securities   | -  | -                                     |              |
|           | (5) Gold  | -  | -                                     |              |
|           | (6) Silver  | -  | -                                     |              |
|           | (7) Others  | -  | -                                     |              |
| <b>6.</b> | <b>Borrower group-wise classification of assets financed as in (3) and (4) above:</b>   |  |                                       |              |
|           | <b>Category</b>   | <b>Amount net of provisions</b>                    |                                       |              |
|           |   | <b>Secured</b>                                     | <b>Unsecured</b>                      | <b>Total</b> |
|           | (a) Related Parties   |  |                                       |              |
|           | (1) Subsidiaries  | Nil  | Nil                                   | Nil          |
|           | (2) Companies in the same group   | Nil  | Nil                                   | Nil          |
|           | (3) Other related parties   | Nil  | Nil                                   | Nil          |
|           | (b) Other than related parties  | Nil  | Nil                                   | Nil          |
|           | <b>Total</b>  | <b>Nil</b>   | <b>Nil</b>                            | <b>Nil</b>   |
| <b>7.</b> | <b>Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):</b> |  |                                       |              |
|           |   | <b>Market Value/ Break-up or Fair Value or NAV</b> | <b>Book Value (Net of Provisions)</b> |              |
|           | (a) Related Parties   |  |                                       |              |
|           | (1) Subsidiaries  | Nil  | Nil                                   |              |
|           | (2) Companies in the same group   | Nil  | Nil                                   |              |
|           | (3) Other related parties   | Nil  | Nil                                   |              |
|           | (b) Other than related parties  | Nil  | Nil                                   |              |

| 8. | <b>Other Informations:</b>                         |               |
|----|--|---------------|
|    | <b>Particulars</b>                                 | <b>Amount</b> |
|    | (a) <b>Gross Non-Performing Assets</b>             |               |
|    | (1) <b>Related Parties</b>                         | <b>Nil</b>    |
|    | (2) <b>Other than related parties</b>              | <b>Nil</b>    |
|    | (b) <b>Net Non-Performing Assets</b>               |               |
|    | (1) <b>Related Parties</b>                         | <b>Nil</b>    |
|    | (2) <b>Other than related parties</b>              | <b>Nil</b>    |
|    | (c) <b>Assets acquired in satisfaction of debt</b> | <b>Nil</b>    |

|                                       |   |                             |
|---------------------------------------|---|-----------------------------|
| <b>As per our report of even date</b> | <b>For and on behalf of Board of Directors of</b>         |                             |
| <b>For DBS &amp; Associates</b>       | <b>M/s. NCL Research &amp; Financial Services Limited</b> |                             |
| <b>Chartered Accountants</b>          |   |                             |
| <b>Firm Reg. No. 018627N</b>          | <b>Sd/-</b>   | <b>Sd/-</b>                 |
|                                       | <b>Mr Goutam Bose</b>                                     | <b>Laxmi Narayan Sharma</b> |
| <b>Sd/-</b>                           | <b>Managing Director</b>                                  | <b>Director</b>             |
| <b>CA. Roxy Teniwal</b>               |   |                             |
| <b>[Partner]</b>                      |   | <b>Sd/-</b>                 |
| <b>M.No. 141538</b>                   |   | <b>Mayank Singh</b>         |
|                                       |   | <b>CFO</b>                  |
| <b>Place: Mumbai</b>                  | <b>Place: Mumbai</b>                                      |                             |
| <b>Date: 06.07.2020</b>               | <b>Date: 06.07.2020</b>                                   |                             |



# NCL RESRACH & FINANCIAL SERVICES LIMITED

CIN: L65921MH1985PLC284739

Regd. Office: Bhagyodaya Building, 3<sup>rd</sup> Floor, 79, Nagindas Master Road, Fort, Mumbai – 400 023

Tel: +91 22 2270 3249, Email: [ncl.research@gmail.com](mailto:ncl.research@gmail.com); Website: [www.nclfin.com](http://www.nclfin.com)

## ATTENDANCE SLIP

Only Shareholders or the Proxies will be allowed to attend the meeting

|            |                    |
|------------|--------------------|
| DP ID*     | LF No.             |
| Client ID* | No. of Shares held |

I / We hereby record my / our presence at the 35<sup>th</sup> Annual General Meeting of the Company being held on Saturday, 19<sup>th</sup> December 2020 at 10.00 A.M. at Bhagyodaya Building, 3<sup>rd</sup> Floor, 79, Nagindas Master Road, Fort, Mumbai – 400 023.

Signature of Shareholder(s) 1. \_\_\_\_\_ 2. \_\_\_\_\_ 3. \_\_\_\_\_

Signature of the Proxyholder \_\_\_\_\_

\* Applicable for investors holding shares in electronic form.

**Note:** Shareholders attending the meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting venue. For route map of meeting venue, please see overleaf.

**Please hand it over at the Attendance Verification Counter at the Entrance of the Meeting Venue**

## ELECTRONIC VOTING PARTICULARS

| (1)<br>EVSN<br>(E-Voting Sequence No.) | (2)<br>USER ID | (3)<br>PAN or Relevant No. as<br>under | (4)<br>Bank Account<br>No. |
|--|----------------|--|----------------------------|
|  |                |  | (See Note No.1)            |

### Notes:

- Where Bank Account Number is not registered with the Depositories or Company, please enter your User Id as mentioned in column (2) above.
- Please read the Instructions printed under the Item No. 37-38 of the Notice dated 24<sup>th</sup> November 2020 of the 35<sup>th</sup> Annual General Meeting. The e-Voting period starts from 9.00 A.M. on 16.12.2020 and ends at 5.00 P.M. on 18.12.2020, the e-voting module shall be disabled by NSDL for voting thereafter.

# PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies

(Management and Administration) Rules, 2014]

**CIN** : **L65921MH1985PLC284739**  
**Name of the Company** : **NCL RESEARCH & FINANCIAL SERVICES LIMITED**  
**Registered Office** : **Bhagyodaya Bldg, 3<sup>rd</sup> Floor, 79, Nagindas Master Rd., Fort, Mumbai – 400 023**

|                              |  |
|------------------------------|--|
| <b>Name of the member(s)</b> |  |
| <b>Registered Address</b>    |  |
| <b>Email ID</b>              |  |
| <b>Folio No./ Client ID</b>  |  |
| <b>DP ID</b>                 |  |

I/We being the members of \_\_\_\_\_ Shares of NCL Research & Financial Services Limited, hereby appoint -

1. \_\_\_\_\_ having email Id \_\_\_\_\_ Signature \_\_\_\_\_ or failing him
2. \_\_\_\_\_ having email Id \_\_\_\_\_ Signature \_\_\_\_\_ or failing him
3. \_\_\_\_\_ having email Id \_\_\_\_\_ Signature \_\_\_\_\_

As my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 35<sup>th</sup> Annual General Meeting of the Company, to be held on Saturday, 19<sup>th</sup> December 2020 at 10.00 A.M. at Bhagyodaya Building, 3rd Floor, 79, Nagindas Master Road, Fort, Mumbai – 400 023 and at any adjournment thereof in respect of such resolution(s) as are indicated below:

| Ordinary Business :  | For | Against |
|--|-----|---------|
| 1. Adoption of Financial Statements for the year ended March 31, 2020  |     |         |
| <b>Special Business</b>  |     |         |
| 2. Re-Appointment of M/s DBS Associates Chartered Accountants (FRN 018627N) for a second term of 5 years             |     |         |
| 3. Re-Appointment of Mrs. Puspa Devi Sarawat (DIN: 05165143) as an Independent Director for a second term of 5 years |     |         |

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2020

Signature of Shareholder \_\_\_\_\_ Signature of Proxy \_\_\_\_\_

Affix  
Revenue  
Stamp Rs. 1/-

**Notes:**

1. This Form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Annual General Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 35<sup>th</sup> Annual General Meeting.
3. Optional. Please put a '√' in the appropriate column against the resolutions indicated in the box.
4. Please complete all details including details of member(s) in above box before submission.

### Location/Route Map of venue of AGM of M/s. NCL Research & Financial Limited

