

Niharika India Ltd.

10, Princep Street, 2nd Floor
Kolkata – 700 072
Phone No. 033- 40022880
Email :info@niharikaindia.com
Website: www.niharikaindia.com
CIN: L36900WB1995PLC072857

Dated: 15.10.2018

The Secretary
The Calcutta Stock Exchange Ltd.
7, Lyons Range
Kolkata – 700 001

Dear Sir/ Madam,

Sub: Submission of Annual Report for the financial year 2017-2018

Pursuant to Regulation 34 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of Annual Report for the financial year 2017-2018.

This is for your information & record.

Thanking you.

Yours faithfully,

For Niharika India Limited


Krishna Banerjee
(Director)
DIN: 06997186

NIHARIKA INDIA LIMITED

32nd ANNUAL REPORT, 2018

BOARD OF DIRECTORS

SHRI SHYAM SUNDAR CHATTERJEE
Managing Director

SHRI BIKASH ADHIKARY
SMT. KRISHNA BANERJEE
SHRI JAYANTA BARIK

CHIEF FINANCIAL OFFICER

SOUMEN MUKHERJEE

AUDITORS

M/S. P. K. AJITSARIA & CO.
Chartered Accountants

BANKERS

CANARA BANK
HDFC BANK

REGISTERED OFFICE

10, PRINCEP STREET
2ND FLOOR
KOLKATA - 700 072
Phone : (033) 4002-2880
E-mail : info@niharikaindia.com
niharikaindialtd@gmail.com
Website : www.niharikaindia.com
CIN : L36900WB1995PLC072857

REGISTRAR & SHARE TRANSFER AGENTS

MAHESHWARI DATAMATICS PVT. LTD.
23, R. N. Mukherjee Road, 5th Floor
Kolkata - 700 001
Phone : (033) 2243-5029, 2248-2248
Fax : (033) 2248-4787
Email : mdpldc@yahoo.com

NOTICE

NOTICE is hereby given that the Thirty Second Annual General Meeting of the Company will be held on Wednesday, 26th day of September, 2018 at 1.00 p.m. at “Somani Conference hall”, Merchants Chamber of Commerce, 15B Hemanta Basu Sarani, Kolkata - 700 001, to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2018 together with the reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Shri Shyam Sundar Chatterjee (DIN : 00200263), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. Jain Sonu & Associates, Chartered Accountants (Firm Registration No. 324386E), as the Statutory Auditors of the Company for a term of three consecutive years, who shall hold office from the conclusion of ensuing Annual General Meeting (AGM) till the conclusion of the Thirty-Fifth AGM of the Company to be held in the year 2021 and to fix their remuneration, in place of M/s. P. K. Ajitsaria & Co., Chartered Accountants (Firm Registration No. 317046E), due to resignation of the Statutory Auditors.

SPECIAL BUSINESS**4. Appointment of Shri Jayanta Barik as an Independent Director of the Company**

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

“**RESOLVED THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and Regulation 16,17, 25 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and subject to approval of the Members of the Company at the Annual General Meeting Shri Jayanta Barik (DIN: 03567709), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for three consecutive years from conclusion of Thirty-Second Annual General Meeting till the conclusion of Thirty-Fifth Annual General Meeting, and whose office shall not be liable to retire by rotation.”

5. Appointment of Shri Bikash Adhikary as an Independent Director of the Company

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

“**RESOLVED THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Companies Act, 2013 (including any statutory

modification(s) or re-enactment thereof, for the time being in force), and Regulation 16,17, 25 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and subject to approval of the Members of the Company at the Annual General Meeting Shri Bikash Adhikary (DIN: 07478898), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for three consecutive years from conclusion of Thirty-Second Annual General Meeting till the conclusion of Thirty-Fifth Annual General Meeting, and whose office shall not be liable to retire by rotation.”

Registered Office :

10, Princep Street
2nd Floor
Kolkata-700 072
Date : 10th August, 2018

By the order of the Board
For Niharika India Limited
Shyam Sundar Chatterjee
Managing Director
DIN : 00200263

NOTES :

1. **A Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a Member of the Company. Proxies, in order to be effective, must be received at the Registered Office of the Company at 10, Princep Street, 2nd Floor, Kolkata - 700 072, not less than forty-eight hours before the commencement of the Annual General Meeting.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. As per Secretarial Standard 2, the Proxy-holder are requested to bring valid identity proofs (viz, PAN Card, Voter ID Card, Passport, Aadhar Card etc.) at the venue of the meeting for identification.
2. Corporate members intending to send their authorized representatives to attend the Annual General Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, with respect to the Special Businesses set out in the Notice is annexed hereto.
4. Notice of Annual General Meeting is being sent to all the Members, whose names appear in the Register of Members/list of Beneficial Owners as received from Depositories on 03rd August, 2018. Any member who acquire shares and became Member after dispatch of Notice and Annual Report may obtain the same from Company website: www.niharikaindia.com or may request for a copy of the same by writing to the Company at info@niharikaindia.com / niharikaindialtd@gmail.com or Registrar and Share Transfer Agent ('Registrar') at mdpldc@yahoo.com .
5. Members are requested to bring their attendance slip along with their copy of Annual Report to the Annual General Meeting. Members holding shares in dematerialised form are requested to bring their supporting evidence in respect of their Client ID & DP ID Nos. for easier identification of the attendance at the meeting.
6. In case of joint holders attending the meeting, only such joint holder who is higher in order of names will be entitled to vote.
7. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Registrar.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Member holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar.
9. Members holding shares in the physical form and desirous of making/changing nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 and Rules made there under are requested to submit the prescribed Form No. SH-13 and SH-14, as applicable for this purpose to the Company's Registrar, who will provide the Form on request.
10. Equity shares of the Company are under compulsory demat trading by all investors. Considering the advantage of scripless trading, members are encouraged to consider dematerialisation of their shareholding so as to avoid inconvenience in future.
11. Members are requested to inform their correct email address, if any to the Depositories (if shares held in demat form) and to our Registrar (if shares are held in physical form) in compliance of Green Initiative circular no. 17/2011 dated 21.04.2011 and 18/2011 dated 29.04.2011 issued by Ministry of Corporate Affairs to facilitate the Company to send notice/document through e-mail.

12. Members holding shares in multiple folios are requested to submit their application to Registrar for consolidation of folios into single folio.
13. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.
14. Additional information to be provided as per the requirements of Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 pertaining to the Directors being appointed/re-appointed at the Annual General Meeting, forms interegral part of the Notice.
15. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the registered office of the Company on all working days, during business hours up to the date of the Annual General Meeting.
16. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 20th September, 2018 to Wednesday, 26th September, 2018 (both days inclusive).
17. **Process and Manner for Members opting to vote through electronic means :**
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management & Administration) Rules, 2014 as ammended, Regulation 44 of the Listing Regulations and any other applicable provisions, if any, the Company is pleased to provide members facility to exercise their right to vote using an electronic voting system from a place other than the venue of the AGM ("remote e-voting") at the 32nd Annual General Meeting (AGM) and the business may be transacted through remote e-voting services provided by Central Depository Services (India) Limited (CDSL). It is hereby clarified that it is not mandatory for member to vote using the remote e-voting facility, and member may avail of the facility at his/her/its discretion. **The instructions for e-voting are as under :**
 - (i) Log on to the e-voting website : www.evotingindia.com
 - (ii) Click on "Shareholders" tab.
 - (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (iv) Next enter the Image Verification as displayed and Click on Login.
 - (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - (vi) However, If you are a first time user, follow the steps given below :

For Members holding shares in Demat Form and Physical Form

| | |
|--|--|
| PAN* | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) |
| Dividend Bank Details or Date of Birth # | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. |

* Members who have not updated their PAN with the Company/Depository Participant are requested to enter in the PAN field the first two letters of their name and 8 digit (including zeros) sequence number communicated to you. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

In case both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field.
- Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <NIHARIKA INDIA LIMITED> on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Shareholders can also cast their vote using CDSL's mobile app e-voting available for android based mobiles. The e-voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App store and Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xviii) Note for Institutional Shareholders & Custodians
- ❖ Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - ❖ They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - ❖ After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) which they wish to vote on.
 - ❖ The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- ❖ They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- (xix) The voting period begins on Sunday, 23rd September, 2018 at 9.00 a.m. ends on Tuesday, 25th September, 2018 at 5.00 p.m. During this period shareholder's of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date of 19th September, 2018**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (xx) Any person who acquired shares and became Member after dispatch of Notice of 32nd AGM and holds shares as of the cut-off date of 19th September, 2018 may obtain the login ID and password for remote e-voting by sending a request to the Company's RTA at mdpldc@yahoo.com
- (xxi) A facility for voting through Ballot paper shall be made available at the AGM venue and the Members attending the meeting who have not cast their vote by remote e-voting can exercise their right during the meeting on 26th September, 2018 between 01.00 P.M. till the conclusion of the meeting.
- (xxii) For abundant clarity, please note that Members who have already cast their vote by remote e-voting prior to the meeting date may also attend the meeting but shall not be entitled to cast their vote again.
- (xxiii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- II. The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 19th September, 2018.
- III. Mr. Atul Kumar Labh (C. P. No. 3238, Membership No. FCS 4848) of A. K. Labh & Co., Practicing Company Secretaries has been appointed as Scrutinizer to scrutinize the remote e-voting and voting process to be carried out at the AGM in a fair and transparent manner.
- IV. The Scrutinizer shall within forty eight hours from the conclusion of meeting unblock the votes cast through remote e-voting, after counting the votes cast at the meeting in the presence of at least two witnesses not in employment of the Company and make a consolidated scrutinizer's report of the votes cast in favour or against, if any, and forward to the Chairman of the AGM who shall countersign the same and declare the Results of the voting forthwith and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite numbers of votes in favour of the resolutions.
- V. The consolidated results declared along with the Scrutinizer's report shall be placed on the Company's website and on the website of CDSL within three days of passing of the resolutions at the AGM of the Company. The results will also be communicated to the Stock Exchanges where shares of the Company are listed.

Registered Office :

10, Princep Street
2nd Floor
Kolkata-700 072

Date : 10th August, 2018

By the order of the Board
For Niharika India Limited
Shyam Sundar Chatterjee
Managing Director
DIN : 00200263

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**Item no. 4****Appointment of Shri Jayanta Barik as an Independent Director of the Company**

Shri Jayanta Barik was appointed on 12th August, 2015 as Non-Executive Director of the Company by the Board of Directors pursuant to the applicable provisions of the Companies Act, 2013 (Act) and the Articles of Association of the Company. Shri Barik has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and is eligible for appointment as an Independent Director of the Company. Shri Barik, if appointed shall hold office for three consecutive years from conclusion of the ensuing Annual General Meeting till the conclusion of Thirty-Fifth Annual General Meeting, and whose office shall not be liable to retire by rotation.

Shri Barik, aged 52 years, has done graduation. He is having vast experience in corporate related matters. The Board of Directors of your Company is of opinion that his appointment as an Independent Director of the Company would be beneficial to the Company and hence recommend the proposed resolution at Item No. 4 for approval of Members.

Except Shri Barik, being an appointee, none of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4.

Item no. 5**Appointment of Shri Bikash Adhikary as an Independent Director of the Company**

Shri Bikash Adhikary was appointed on 10th November, 2017 as Non-Executive Director of the Company by the Board of Directors pursuant to the applicable provisions of the Companies Act, 2013 (Act) and the Articles of Association of the Company. Shri Adhikary has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and is eligible for appointment as an Independent Director of the Company. Shri Adhikary, if appointed shall hold office for three consecutive years from conclusion of the ensuing Annual General Meeting till the conclusion of Thirty-Fifth Annual General Meeting, and whose office shall not be liable to retire by rotation.

Shri Adhikary, aged 33 years, has done graduation. He is having vast experience in corporate and investment matters. The Board of Directors of your Company is of opinion that his appointment as an Independent Director of the Company would be beneficial to the Company and hence recommend the proposed resolution at Item No. 5 for approval of Members.

Except Shri Adhikary, being an appointee, none of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5.

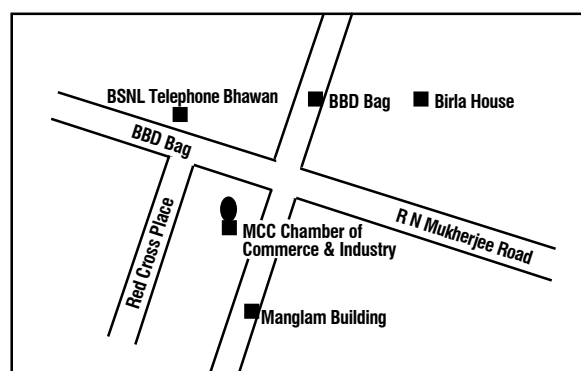
Additional Information of the Directors seeking appointment/re-appointment at the Annual General Meeting in pursuance of Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 :

| Name of the Director | Shri Jayanta Barik | Shri Bikash Adhikary | Shri Shyam Sundar Chatterjee |
|---|--|---|---|
| Date of Birth | 04/05/1966 | 27/03/1985 | 03/01/1971 |
| Date of Appointment | 12/08/2015 | 10/11/2017 | 15/06/2006 |
| Qualification | B.Com | B.Com | B.Com |
| Expertise in specific functional area | Shri Barik has a vast experience in corporate related matters. | Shri Adhikary has vast experience in corporate and investment matters. | Shri Chatterjee has vast experience in corporate and share related matters. |
| Directorship of other public companies (*) | Bahubali Properties Ltd. | Amluckie Investment Co Ltd Herald Commerce Ltd. Bullpower Vyapar Ltd. Parichay Infracorps Limited Jalvayu Power Limited | Globe Soya Products Ltd. Amluckie Investment Co Ltd Bullpower Vyapar Ltd. |
| Chairman/Membership in the Committees of other public companies(**) | — | Member of Audit Committee and Stakeholder Relationship Committee - Amluckie Investment Co Ltd Herald Commerce Ltd | — |
| Details of Shareholding in the Company | — | — | — |

(*) Excluding directorship held in private limited/foreign companies and Companies registered under Section 8 of Companies Act, 2013.

(**) Audit Committee & Stakeholders Relationship Committee are considered.

Route map of the Venue of the Annual General Meeting is appended below :



DIRECTORS' REPORT

Dear Shareholders

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

1. FINANCIAL HIGHLIGHTS

The financial performance of the Company for the year under review are given below :

| Particulars | Year ended 31.03.2018 (Rs.) | Year ended 31.03.2017 (Rs.) |
|---|-----------------------------------|-----------------------------------|
| Profit/(Loss) Before Exceptional Item, Extraordinary Items and tax | (4,29,756.00) | (14,52,744.75) |
| Extraordinary Item | — | — |
| Profit/(Loss) before tax | (4,29,756.00) | (14,52,744.75) |
| Tax Expenses : | | |
| Current Tax Expenses | — | — |
| Profit/(Loss) after tax | (4,29,756.00) | (14,52,744.75) |

2. DIVIDEND & RESERVE

In view of the loss incurred during the year under review, the Board of Directors did not recommend any dividend for the financial year ended 31st March, 2018.

During the year under review, no amount was transferred to General Reserve.

3. PERFORMANCE REVIEW

The Company has incurred a loss of Rs. 4,29,756.00/- for the financial year ended 31st March, 2018. Your Directors are making all efforts to improve the performance of the Company in future.

4. CHANGE IN NATURE OF BUSINESS, IF ANY

There was no change in the nature of business of the Company during the financial year ended 31st March, 2018.

5. SHARE CAPITAL

The paid up equity capital as on March 31, 2018 was Rs.570.53 Lakhs. During the year under review, the Company has not issued shares with differential voting rights nor has granted stock options or sweat equity.

6. SUBSIDIARY/JOINT VENTURE/ASSOCIATE

The Company does not have any Subsidiary/Joint Venture/Associate.

7. LISTING OF EQUITY SHARES

The Equity Shares of your Company are presently listed on Calcutta Stock Exchange (CSE). The reason for suspension of shares of the Company from trading in CSE has not been communicated and your directors are taking necessary steps for the same.

The Company has paid the annual custodian fees to NSDL for the Securities of the Company held in dematerialized mode with them for the year 2018-2019.

8. DEPOSITS

During the year under review, your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 as amended from time to time.

9. LOANS, GUARANTEES AND INVESTMENTS

Pursuant to Section 186(11) of the Companies Act, 2013, your Company being the non-banking financial Company are exempted from disclosure in the Annual Report.

10. CORPORATE SOCIAL RESPONSIBILITY

The provisions of the Companies Act, 2013 regarding Corporate Social Responsibilities are not applicable to the Company.

11. DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the Articles of Association and provisions of the Companies Act, 2013, Shri Shyam Sundar Chatterjee (DIN: 00200263) retire by rotation and being eligible offer himself for re-appointment.

Shri. Bikash Adhikary was appointed as an Additional Director of the Company w.e.f. 10th November, 2017. By virtue of Section 161 of the Companies Act, 2013 he shall vacate office at the conclusion of ensuing Annual General Meeting of the Company. Members are requested to appoint him as Director of the Company. Further, he met the criteria for independence as provided in section 149(6) of the Companies Act, 2013 and being eligible is proposed to be appointed as an Independent Director of the Company for a term of three consecutive years from the conclusion of Thirty-Second Annual General Meeting till the conclusion of Thirty-Fifth Annual General Meeting.

Shri Jayanta Barik, Non-Executive Director of the Company met the criteria for independence as provided in section 149(6) of the Companies Act, 2013 and being eligible is proposed to be appointed as an Independent Director of the Company for a term of three consecutive years from the from conclusion of Thirty-Second Annual General Meeting till the conclusion of Thirty-Fifth Annual General Meeting.

Brief resume of Director seeking appointment/re-appointment in pursuance of Regulation 36(3) of SEBI (LODR) Regulations, 2015 forms part of the Notice of 32nd Annual General Meeting of the Company.

The Board recommends their appointment/re-appointment for the approval of the members.

Shri Naresh Kumar Singhal resigned from the post of directorship of the Company w.e.f. 10th November, 2017.

Shri Indra Kumar Agarwal resigned from the post of directorship of the Company w.e.f. 10th November, 2017.

Shri Arun Nath resigned from the post of directorship of the Company w.e.f. 10th November, 2017.

All Independent Directors 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 SEBI (LODR) Regulations, 2015.

12. BOARD EVALUATION

Pursuant to the provisions of the Act and SEBI (LODR) Regulations, 2015, the Board has carried out an evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its committee(s).

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding

the Director being evaluated. The performance evaluation of the Managing Director and Non Independent Director was carried out by the Independent Directors at their meeting without the attendance of Non-Independent Directors and members of the management. The Directors were satisfied with the evaluation results.

13. NUMBER OF MEETINGS OF THE BOARD

The details of the number of meetings of the Board held during the financial year 2017-2018 forms part of Report on Corporate Governance.

14. INTERNAL FINANCIAL CONTROL

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control system and suggests improvements to strengthen the same. In opinion of the board, the existing internal control framework is adequate and commensurate to the size and nature of the business of the Company. During the year such controls were tested and no reportable material weaknesses in the design or operation were observed.

15. NOMINATION & REMUNERATION POLICY

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and other employees of the Company. This Policy has also laid down the criteria for determining qualifications, positive attributes, independence of Director and Board diversity and criteria for evaluation of Board, its Committee and individual Directors. The policy is stated in the Report on Corporate Governance.

16. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has a mechanism called "Whistle Blower Policy" for Directors and employees to report genuine concerns or grievances. The policy is available on the website of the Company (www.niharikaindia.com).

17. RISK MANAGEMENT POLICY

The Company has a Risk Management Policy in accordance with the provisions of the Act and SEBI (LODR) Regulations, 2015, which provides a mechanism for risk assessment and mitigation.

At present the Company has not identified any element of risk which may threaten the existence of the Company.

18. RELATED PARTIES TRANSACTION

All related party transactions that were entered into during the financial year were in the ordinary course of the business and were on arm's length basis. Thus disclosure in Form AOC-2 is not required. Further there were no materially significant related party transactions entered by the company with Promoters, Directors, Key Managerial Personnel or other persons which may have potential conflict with interest of the company. The policy on Related Party transaction as approved by Board of Directors has been uploaded on the website of the Company. The web link of the same is www.niharikaindia.com

Details of the transactions with Related Parties are provided in the accompanying financial statements.

19. SIGNIFICANT AND MATERIAL ORDER PASSED BY THE REGULATORS OR COURTS

During the year, there are no significant and material order passed by the Regulators/Courts which would impact the going concern of the Company and its future operation.

20. DIRECTOR'S RESPONSIBILITY STATEMENT

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that :

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii) the directors have selected such accounting policies and applied them consistently and made

judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.

- iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) the directors have prepared the annual accounts on a going concern basis.
- v) 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.
- vi) the directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

21. AUDITORS' REPORT/SECRETARIAL AUDIT REPORT

The observation made in the Auditors' Report read together with relevant notes thereon are self explanatory and hence, do not call for any further comments under Section 134 of the Companies Act, 2013.

The observation made in the Secretarial Audit Report are self explanatory and hence, do not call for any further comments.

22. AUDITORS

• Statutory Auditors

M/s. Jain Sonu & Associates, Chartered Accountants are proposed to be appointed as Statutory Auditors of the Company at the ensuing Annual General Meeting to be held on 26th September, 2018, for a term of three consecutive years in place of M/s. P. K. Ajitsaria & Co., Chartered Accountants who had resigned as the Statutory Auditors of the Company.

In this regard, the Company has obtained a written consent under Section 139 of the Companies Act, 2013 from the Statutory Auditors of such continued appointment and also a certificate from them to the effect that their appointment, if appointed, would be in accordance with the conditions prescribed under the Companies Act, 2013 and the rules made thereunder, as may be applicable.

• Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s. N. Purohit & Associates, Practising Company Secretaries in place of M/s. B. K. Barik & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the year ended 31st March, 2018 due to sudden resignation of M/s. B. K. Barik & Associates. The Secretarial Audit Report is annexed herewith as Annexure I.

• Internal Auditor

M/s. Barkha & Associates, Chartered Accountants performs the duties of internal auditors of the company for the year ended 31st March, 2018.

23. EXTRACT OF ANNUAL RETURN

Pursuant to Section 92 (3) of the Act and Rule 12 (1) of The Companies (Management and Administration) Rules, 2014, the extract of Annual Return in form MGT-9 is annexed herewith as Annexure II.

24. MATERIAL CHANGES

There have been no material changes and commitments affecting the financial position of the company, which have occurred since 31st March 2018, being the end of the Financial Year of the Company to which financial statements relate and the date of the report.

25. FOREIGN EXCHANGE

During the period under review there was no foreign exchange earnings or out flow.

26. STATUTORY INFORMATION

Since the Company does not own any manufacturing facility, requirement regarding the disclosure of particulars of conservation of energy and technology absorption prescribed by the rules is not applicable.

27. PARTICULARS OF EMPLOYEES

The Company had no employee who were in receipt of more than Rs. 1.02 crores per annum during the year ended 31st March, 2018 or of more than Rs. 8.5 Lakhs per month during any part thereof. However the information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been furnished below :

Information pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended displaying the names of the top ten employees in terms of remuneration drawn during the year :

| Sl. No. | Name of Employee | Designation | Remuneration (Net) (In Rs.) |
|---------|-------------------------|--------------------|--------------------------------|
| 1. | Soumen Mukherjee | CFO | 90,000.00 |
| 2. | Shyam Sundar Chatterjee | Managing Director | 60,000.00 |
| 3. | Sanjay Das | Office Assistant | 60,000.00 |
| 4. | Subhash Mal | Accounts Assistant | 48,000.00 |

28. EMPLOYER EMPLOYEE RELATIONSHIP

The Company has maintained a cordial relationship with its employees, which resulted in smooth flow of business operations during the year under review.

29. CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORTS

As per the Listing Regulations, the Company has implemented the Code on Corporate Governance. The Corporate Governance compliance certificate obtained from the Auditors of the Company is attached to Report on Corporate Governance.

The Management Discussion and Analysis Report and the Report on Corporate Governance forms an integral part of this report. The Board members and Senior management personnel have confirmed compliance with the Code of conduct.

30. ACKNOWLEDGEMENTS

Your Directors acknowledge the support and owe a debt of gratitude to the Members, Investors, Consultants & Bankers. Your Directors' also place on record their sense of appreciation for the valuable contribution made by the employees of the Company.

Registered Office :

10, Princep Street
2nd Floor
Kolkata-700 072
Date : 10th August, 2018

On behalf of the Board of Directors
For Niharika India Limited

Shyam Sundar Chatterjee
Managing Director
DIN No. 00200263

Jayanta Barik
Director
DIN No. 03567709

Annexure I to the Directors' Report**Form No. MR - 3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018**

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

The Members,

M/s. NIHARIKA INDIA LIMITED

10, Princep Street, 2nd Floor,
Kolkata - 700072

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by **M/s. NIHARIKA INDIA LIMITED** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided a reasonable basis for evaluating the corporate conduct/ statutory compliance and expressing our opinion thereon.

Based on our verification of the **M/s. NIHARIKA INDIA LIMITED**, books, papers, minute books, forms, and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report in our opinion that the company has during the audit period covering the financial year ended on 31st March, 2018 complied with all the statutory provisions listed hereunder and also that the company has proper Board-process and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. NIHARIKA INDIA LIMITED** ("the Company"), for the financial year ended on 31st March, 2018 according to provision 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) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) 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;
 - (d) The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.
- (v) The regulations made by the Reserve Bank of India (under the Reserve Bank Act, 1934) with regard to Non-Banking Financial Companies ("NBFC").

We also examined compliance with the applicable clauses of the following :-

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India, effective from July 1, 2015 which was revised w.e.f October 1, 2017.
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendments occurred time and again.

During the period under review the Company has complied with the provision of the Act, Rules, Regulations, Guidelines, Standards etc mentioned above subject to the following observation :-

The Company is in process of appointing Company Secretary.

We 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. The changes in composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Companies Act and Listing Agreement.

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.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place : Kolkata
Date : 25th May, 2018

For **N. PUROHIT & ASSOCIATES**
Practising Company Secretaries
Narendra Purohit
Practising Company Secretary
FCS : 32133, C. P. No. 12524

This report is to be read with our letter of even date which is annexed as Annexure - A and forms an integral part of this report.

Annexure - A

The Members,
M/s. NIHARIKA INDIA LIMITED
10, Princep Street, 2nd Floor,
Kolkata - 700072

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

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

Place : Kolkata
Date : 25th May, 2018

For N. PUROHIT & ASSOCIATES
Practising Company Secretaries
Narendra Purohit
Practising Company Secretary
FCS : 32133, C. P. No. 12524

Annexure II to the Directors' Report**FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN****as on financial year ended on 31st March, 2018**

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

I. REGISTRATION & OTHER DETAILS :

| | | |
|------|---|--|
| i) | CIN | L36900WB1995PLC072857 |
| ii) | Registration Date | 13/07/1995 |
| iii) | Name of the Company | NIHARIKA INDIA LIMITED |
| iv) | Category / Sub-Category of the Company | COMPANY LIMITED BY SHARES |
| v) | Address of the Registered office and contact details | 10, PRINCEP STREET, 2ND FLOOR KOLKATA - 700072 PHONE : 033-40022880 EMAIL ID : info@niharikaindia.com niharikaindialtd@gmail.com |
| vi) | Whether listed company | YES |
| vii) | Name, Address and Contact details of Registrar and Transfer Agent | MAHESHWARI DATAMATICS PVT. LTD. 23, R. N. MUKHERJEE ROAD, 5TH FLOOR KOLKATA - 700001 PHONE : 033-2243-5029, 2248-2248 FAX : 033-2248-4787 EMAIL ID : mdpldc@yahoo.com |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

| Sl. No. | Name & Description of main products/services | NIC Code of the Product / service | % to total turnover of the company |
|---------|--|-----------------------------------|------------------------------------|
| 1 | Sale of Shares | 64990 | 100 |

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

| Sl. No. | Name & Address of the Company | CIN/GLN | HOLDING/ SUBSIDIARY/ ASSOCIATE | % OF SHARES HELD | APPLICABLE SECTION |
|---------|-------------------------------|---------|--------------------------------------|------------------------|-----------------------|
| 1. | NIL | NIL | NIL | NIL | NIL |

IV. SHAREHOLDING PATTERN (Equity Share Capital Break up as percentage of Total Equity)**(i) Category-wise Share Holding**

| 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 | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| b) Central Govt. | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| c) State Govt (s) | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| d) Bodies Corp. | 134900 | NIL | 134900 | 2.3645 | 134900 | NIL | 134900 | 2.3645 | 0.0000 |
| e) Banks/FI | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| f) Any Other.. | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Sub-total (A) (1):- | 134900 | NIL | 134900 | 2.3645 | 134900 | NIL | 134900 | 2.3645 | 0.0000 |
| (2) Foreign | | | | | | | | | |
| a) NRIs - Individuals | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| b) Other - Individuals | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| c) Bodies Corp. | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| d) Banks / FI | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| e) Any Other.... | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Sub-total (A) (2):- | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Total shareholding of Promoter (A) = (A)(1) + (A)(2) | 134900 | NIL | 134900 | 2.3645 | 134900 | NIL | 134900 | 2.3645 | 0.0000 |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| b) Banks/FI | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| c) Central Govt. | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| d) State Govt(s) | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| e) Venture Capital Funds | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| f) Insurance Companies | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| g) FIs | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| h) Foreign Venture Capital Funds | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| i) Others (specify) | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Sub-total (B)(1):- | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | 1620595 | 1541640 | 3162235 | 55.4267 | 1627595 | 1541640 | 3169235 | 55.5494 | 0.1227 |
| ii) Overseas | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 1034340 | 356310 | 1390650 | 24.3749 | 1027340 | 356310 | 1383650 | 24.2522 | -0.1227 |
| ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh | 937220 | 80250 | 1017470 | 17.8339 | 937220 | 80250 | 1017470 | 17.8339 | 0.0000 |

| 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 | |
| c) Other | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Sub-total (B)(2):- | 3592155 | 1978200 | 5570355 | 97.6355 | 3592155 | 1978200 | 5570355 | 97.6355 | 0.0000 |
| Total Public Shareholding (B) = (B)(1) + (B)(2) | 3592155 | 1978200 | 5570355 | 97.6355 | 3592155 | 1978200 | 5570355 | 97.6355 | 0.0000 |
| C. Shares held by Custodian for GDRs & ADRs | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Grand Total (A+B+C) | 3727055 | 1978200 | 5705255 | 100.0000 | 3727055 | 1978200 | 5705255 | 100.0000 | 0.0000 |

(ii) Shareholding of Promoters :

| Sl. No. | Shareholders Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in share holding during the year |
|---------|--------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|---|
| | | No. of shares | % of total shares of the company | % of shares pledged / encumbered to total shares | No. of shares | % of total shares of the company | % of shares pledged / encumbered to total shares | |
| 1. | MANGLAM INDIA LTD. | 134900 | 2.3645 | NIL | 134900 | 2.3645 | NIL | NIL |
| | TOTAL | 134900 | 2.3645 | NIL | 134900 | 2.3645 | NIL | NIL |

(iii) Change in Promoters' Shareholding (please specify, if there is no change) : NOT APPLICABLE

| Sl. No. | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | N.A. | N.A. | N.A. | N.A. |
| | Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc): | N.A. | N.A. | N.A. | N.A. |
| | At the End of the year | N.A. | N.A. | N.A. | N.A. |

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :

| Sl. No. | For Each of the Top 10 Shareholders | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|--------------------------------------|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1. | GRACEFUL ADVISORY SERVICES PVT. LTD. | 80000 | 1.4022 | 80000 | 1.4022 |
| 2. | NEW WAVE DEALERS PVT. LTD. | 150000 | 2.6292 | 150000 | 2.6292 |
| 3. | MRINMOYEE VINIMAY PVT. LTD. | 530000 | 9.2897 | 530000 | 9.2897 |
| 4. | SHREYA TIE-UP PVT. LTD. | 100000 | 1.7528 | 100000 | 1.7528 |
| 5. | ANUSHREE TRADELINK PVT. LTD. | 300000 | 5.2583 | 300000 | 5.2583 |

| | | | | | |
|-----|-----------------------------|--------|--------|--------|--------|
| 6. | BAHUBALI PROPERTIES LIMITED | 78840 | 1.3819 | 78840 | 1.3819 |
| 7. | SAWARIA TRADING PVT. LTD. | 507850 | 8.9014 | 507850 | 8.9014 |
| 8. | LOWER VYAPAR PVT. LTD. | 367800 | 6.4467 | 367800 | 6.4467 |
| 9. | BETTER MERCANTILE PVT. LTD. | 89600 | 1.5705 | 89600 | 1.5705 |
| 10. | RABINDRA NATH PATRA | 83670 | 1.4665 | 83670 | 1.4665 |

(v) Shareholding of Directors and Key Managerial Personnel : NOT APPLICABLE

| Sl. No. | | Share holding at the beginning of the year | | Cumulative Share holding during the year | |
|---------|--|--|----------------------------------|--|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | N.A. | N.A. | N.A. | N.A. |
| | Date wise Increase / Decrease in Share holding during the year | N.A. | N.A. | N.A. | N.A. |
| | At the End of the year | N.A. | N.A. | N.A. | N.A. |

Note : No Director and KMP are holding any shares in the Company.

V. INDEBTEDNESS

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

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|----------------------------------|-----------------------|------------|-----------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | NIL | 1,20,00,000.00 | NIL | 1,20,00,000.00 |
| ii) Interest due but not paid | NIL | NIL | NIL | NIL |
| iii) Interest accrued but not due | NIL | NIL | NIL | NIL |
| Total (i+ii+iii) | NIL | 1,20,00,000.00 | NIL | 1,20,00,000.00 |
| Change in Indebtedness during the financial year | | | | |
| • Addition | NIL | NIL | NIL | NIL |
| • Reduction | NIL | NIL | NIL | NIL |
| Net Change | NIL | NIL | NIL | NIL |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | NIL | 1,20,00,000.00 | NIL | 1,20,00,000.00 |
| ii) Interest due but not paid | NIL | NIL | NIL | NIL |
| iii) Interest accrued but not due | NIL | NIL | NIL | NIL |
| Total (i+ii+iii) | NIL | 1,20,00,000.00 | NIL | 1,20,00,000.00 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager :**

| Sl. No. | Particulars of Remuneration | Name of Managing Director/WTD/Manager | Total Amount (Rs.) |
|---------|---|---|-------------------------|
| | | Shyam Sundar Chatterjee - Managing Director | |
| 1. | Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | 60,000.00 NIL NIL | 60,000.00 NIL NIL |
| 2. | Stock Option | NIL | NIL |
| 3. | Sweat Equity | NIL | NIL |
| 4. | Commission - as % of profit - others, specify... | NIL | NIL |
| 5. | Others, please specify | NIL | NIL |
| | Total (A) | 60,000.00 | 60,000.00 |
| | Ceiling as per the Act | | 4,200,000.00 |

B. Remuneration to other Directors :

| Sl. No. | Particulars of Remuneration | Name of Directors | | | Total Amount |
|-----------|--|--|--|---|--------------|
| | | Bikash Adhikary - Independent Director | Jayanta Barik – Non-Executive Director | Krishna Banerjee - Non-Executive Director | |
| 1. | Independent Directors | | | | |
| | • Fee for attending board committee meetings | NIL | NIL | NIL | NIL |
| | • Commission | NIL | NIL | NIL | NIL |
| | • Others, please specify | NIL | NIL | NIL | NIL |
| | Total (1) | NIL | NIL | NIL | NIL |
| 2. | Other Non-Executive Directors | | | | |
| | • Fee for attending board committee meetings | — | — | — | NIL |
| | • Commission | — | — | — | NIL |
| | • Others, please specify | — | — | — | NIL |
| | Total (2) | NIL | NIL | NIL | NIL |
| | Total (B) = (1 + 2) | | | | NIL |
| | Total Managerial Remuneration | | | | NIL |
| | Overall Ceiling as per the Act | | | | NIL |

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD :

| Sl. No. | Particulars of Remuneration | Key Managerial Personnel | Total (Rs.) |
|---------|--|--------------------------|----------------------|
| | | Soumen Mukherjee - CFO | |
| 1 | Gross salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961 | 90,000 NIL NIL | 90,000 NIL NIL |
| 2 | Stock option | NIL | NIL |
| 3 | Sweat Equity | NIL | NIL |
| 4 | Commission - as % of profit - others (specify) | NIL NIL | NIL NIL |
| 5 | Others, please specify | NIL | NIL |
| | Total | 90,000 | 90,000 |

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES :

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

REPORT ON CORPORATE GOVERNANCE

The Company's shares are listed in Calcutta Stock Exchange. Accordingly, the Corporate Governance Report for the year 2017-2018, has been prepared in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations"/"SEBI (LODR) Regulations, 2015") :-

Para 1. CORPORATE GOVERNANCE PHILOSOPHY

Effective Corporate Governance is how an organisation is managed, which includes its culture, structure, policies and manner in which it deals with its stakeholders and not just mere compliance. It also relates to processes and systems that direct the resources of the organization and strategies of the management for maximizing the wealth of the stakeholders. Your Company firmly believes that such practices are founded upon the core values of transparency, accountability, independence, responsibility and fairness.

Your Company makes best endeavor to implement these core values in all facets of its operations. The Company continues to follow procedures and practices in conformity with the Code of Corporate Governance enshrined in the Listing Regulations.

Para 2. BOARD OF DIRECTORS

(i) Composition of the Board :

The Composition of the Board of Directors of the Company consists of qualified executive and non-executive Directors. The Board comprises of persons who have excelled in their respective areas and have good standing. All the Directors are above the age of 21 years.

The composition of the Board of Directors as on 31st March, 2018 is given below :

| Sr. No. | Name of the Director | Executive/ Non-Executive | No. of other | | |
|---------|--|-----------------------------|-------------------|----------------|--------|
| | | | Directorships (+) | Committee (++) | |
| | | | | Chairman | Member |
| 1 | Shri Shyam Sundar Chatterjee - Managing Director | Executive | 3 | — | — |
| 2 | Shri Naresh Kumar Singhal ** | Non-Executive & Independent | — | — | — |
| 3 | Shri Indra Kumar Agarwal ** | Non-Executive & Independent | — | — | — |
| 4 | Shri Arun Nath ** | Non-Executive & Independent | — | — | — |
| 6 | Shri Jayanta Barik | Non-Executive | 1 | — | — |
| 5 | Smt. Bikash Adhikary * | Non-Executive | 5 | — | 4 |
| 7 | Smt. Krishna Banerjee | Non-Executive | 6 | — | — |

* Shri Bikash Adhikary was appointed by Board on November 10, 2017.

** Shri Naresh Kumar Singhal resigned w.e.f. November 10, 2017.

** Shri Indra Kumar Agarwal resigned w.e.f. November 10, 2017.

** Shri Arun Nath resigned w.e.f. November 10, 2017.

(+) Excluding directorship held in private limited/foreign companies and Companies registered under Section 8 of Companies Act, 2013.

(++) Represents Chairmanship / Membership of the Audit Committee and Stakeholders Relationship Committee of other companies, in which they are Director.

(ii) The attendance of the Directors at the Board meetings and the last AGM held are given below :

| Name of the Director | No. of Meetings | | Attendance at last AGM – held on 25th September, 2017 |
|--|-----------------|----------|---|
| | Held | Attended | |
| Shri Shyam Sundar Chatterjee - Managing Director | 5 | 5 | Yes |
| Shri Naresh Kumar Singhal | 5 | 4 | Yes |
| Shri Indra Kumar Agarwal | 5 | 4 | Yes |
| Shri Arun Nath | 5 | 4 | Yes |
| Shri Jayanta Barik | 5 | 5 | Yes |
| Smt. Krishna Banerjee | 5 | 5 | Yes |
| Shri Bikash Adhikary | 5 | 1 | No |

Particulars of the Directors to be appointed/re-appointed at the ensuing Annual General Meeting pursuant to Regulation 36(3) of SEBI (LODR) Regulations, 2015 is given in the Notice of 32nd Annual General Meeting of the Company.

(iii) Directors' membership in board/committees of other companies :

As per the Listing Agreement, no director can be a Member in more than 10 (ten) committees or act as chairman of more than 5 (five) committees across all companies in which he is a Director.

In terms of the Listing Agreement, none of the directors of your Company were Members in more than 10 (ten) committees nor acted as chairman of more than 5 (five) committees across all companies in which they were Directors. Details of other directorships/committee membership/chairmanship held by them are given in Para 2(i) above.

(iv) Number of Board meetings held, dates on which held :

As per the Listing Regulations, the Board of Directors must meet at least four times a year, with a maximum time gap of one hundred and twenty days between any two meetings.

During the financial year 2017-2018, Board met 5 (Five) times on 21.04.2017, 26.05.2017, 10.08.2017, 10.11.2017 and 10.02.2018. The gap between any two Board Meetings did not exceed one hundred and twenty days.

(v) Familiarisation Programme for Directors :

The Company familiarizes its Independent Directors with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through programme in compliance of Listing Regulations.

The Familiarisation programme for Independent Directors is disclosed on the Company's website at the following web link: www.niharikaindia.com

(vi) Independent Directors' Meeting :

During the year under review, a separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of the Management, was held on 14th November, 2017, as required under Companies Act, 2013 and Listing Regulations. All Independent Directors were

present at the meeting to review the performance of Non-Independent Directors and the Board as a whole, assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties and discuss matters pertaining to the Company's affairs and functioning of the Board and presented their views to the Managing Director for appropriate action.

Para 3. AUDIT COMMITTEE

(i) Brief description of the terms of reference :

The terms of reference of the Audit Committee cover the matters specified under Part C of Schedule II of the SEBI (LODR) Regulations, 2015 and provisions of Section 177 of the Companies Act, 2013 read with The Companies (Meetings of Board and its Powers) Rules, 2014.

The Audit Committee reviews, acts and reports to the Board of Directors with respect to :

- a) the appointment of Statutory Auditors of the Company,
- b) review and approval of related party transactions,
- c) provide Board with additional assurance as to reliability of financial information and statutory financial statements and as to the adequacy of internal accounting and control systems,
- d) it acts as a link between the management, statutory auditors and the Board of Directors,
- e) Company's compliance with the legal and statutory requirements,
- f) Such other matters resulting from statutory amendments/modifications from time to time.

(ii) Composition and Name of members :

The Audit Committee, presently, consists of 6 (six) Members. The following directors are the present Members of the Committee :

| Name of the Members | Designation | Nature of Membership |
|-------------------------------|-----------------|-----------------------------|
| Shri Naresh Kumar Singhal* | Chairman | Independent & Non Executive |
| Shri Indra Kumar Agarwal* | Member | Independent & Non Executive |
| Shri Arun Nath* | Member | Independent & Non Executive |
| Shri Jayanta Barik** | Chairman/Member | Independent & Non Executive |
| Shri Bikash Adhikary# | Member | Independent & Non Executive |
| Shri Shyam Sundar Chatterjee# | Member | Executive |

* Shri Naresh Kumar Singhal resigned w.e.f November 10, 2017.

* Shri Indra Kumar Agarwal resigned w.e.f November 10, 2017.

* Shri Arun Nath resigned w.e.f November 10, 2017.

** Shri Jayanta Barik was member of the Audit Committee from April 1, 2017 till November 09, 2017. Thereafter, Shri Jayanta Barik became Chairman of the Audit Committee w.e.f. November 10, 2017.

#Shri Bikash Adhikary became member of the Audit Committee w.e.f November 10, 2017.

#Shri Shyam Sundar Chatterjee became member of the Audit Committee w.e.f November 10, 2017.

All the Members of the Audit Committee are financially literate and Shri Naresh Kumar Singhal and Bikash Adhikary, Chairman possesses financial /accounting expertise.

(iii) Meetings held and attendance during the year :

During the financial year 2017-2018, the Audit Committee met 5 (Five) times on 20.04.2017, 25.05.2017, 09.08.2017, 09.11.2017 and 09.02.2018.

| Sr. No. | Members of Audit Committee | No. of meetings held | No. of meetings attended |
|---------|------------------------------|----------------------|--------------------------|
| 1 | Shri Naresh Kumar Singhal | 5 | 4 |
| 2 | Shri Indra Kumar Agarwal | 5 | 4 |
| 3 | Shri Arun Nath | 5 | 4 |
| 4 | Shri Jayanta Barik | 5 | 1 |
| 5 | Shri Bikash Adhikary | 5 | 1 |
| 6 | Shri Shyam Sundar Chatterjee | 5 | 1 |

Para 4. NOMINATION AND REMUNERATION COMMITTEE**Brief description of the terms of reference :**

The terms of reference of the Nomination & Remuneration Committee cover the matters specified under Part D of Schedule II of the SEBI (LODR) Regulations, 2015 and provisions of Section 178 of the Companies Act, 2013. The Committee is primarily responsible for :

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, KMP and other employees.
- Formulate the criteria for performance evaluation of independent directors and the Board of directors.
- Devise a policy on Diversity of Board of Directors.
- Such other matters resulting from statutory amendments/modifications from time to time.

The Company has adopted a Remuneration Policy for its Directors, Key Managerial Personnel and other employees. This Policy has also laid down the criteria for determining qualifications, positive attributes, independence of Director and Board diversity and criteria for evaluation of Board and individual Directors. Details of Remuneration Policy is provided in Para 4 (iv) and has also been uploaded on the website of the Company.

(i) Composition and Name of members :

The Nomination & Remuneration Committee, presently, comprises of 6 (Six) Non-Executive & Directors. The following directors are the present Members of the Committee :

| Name of the Members | Designation | Nature of Membership |
|-------------------------------|------------------|-----------------------------|
| Shri Arun Nath* | Chairman | Independent & Non Executive |
| Shri Indra Kumar Agarwal* | Member | Independent & Non Executive |
| Shri Naresh Kumar Singhal* | Member | Independent & Non Executive |
| Shri Jayanta Barik** | Chairman /Member | Independent & Non Executive |
| Shri Bikash Adhikary# | Member | Independent & Non Executive |
| Shri Shyam Sundar Chatterjee# | Member | Executive |

* Shri Arun Nath resigned w.e.f November 10, 2017.

* Shri Indra Kumar Agarwal resigned w.e.f November 10, 2017.

* Shri Naresh Kumar Singhal resigned w.e.f November 10, 2017.

** Shri Jayanta Barik was member of the Nomination & Remuneration Committee from April 1, 2017 till November 09, 2017. Thereafter, Shri Jayanta Barik became Chairman of the Nomination & Remuneration Committee w.e.f. November 10, 2017.

#Shri Bikash Adhikary became member of the Nomination & Remuneration Committee w.e.f. November 10, 2017.

#Shri Shyam Sundar Chatterjee became member of the Nomination & Remuneration Committee w.e.f. November 10, 2017.

(ii) Meetings held and attendance during the year :

During the financial year 2017-2018, the Nomination & Remuneration Committee met 2 (Two) times on 08.11.2017 and 08.02.2018.

| Name of the Members | No. of meetings held | No. of meetings attended |
|------------------------------|----------------------|--------------------------|
| Shri Arun Nath | 2 | 1 |
| Shri Indra Kumar Agarwal | 2 | 1 |
| Shri Naresh Kumar Singhal | 2 | 1 |
| Shri Jayanta Barik | 2 | 1 |
| Shri Bikash Adhikary | 2 | 1 |
| Shri Shyam Sundar Chatterjee | 2 | 1 |

(iii) The details of remuneration/sitting fee paid to directors :

The Company has Shri Shyam Sundar Chatterjee on the Board as Managing Director. Rs. 60,000/- remuneration has been paid to him.

No remuneration/sitting fee has been paid to any other director during the year.

(iv) Criteria for selection and appointment of Directors and Remuneration Policy :

Preamble

- The remuneration policy provides a framework for remuneration paid to the members of the Board of Directors (Board) and for Key Managerial Personnel (KMP) and other employees. The expression KMP shall have the same meaning as defined under Companies Act, 2013. This policy also provides a framework for identification of persons who are qualified to become directors and who may be appointed as senior management for recommendation of their appointment to the Board.
- This policy has been framed by the Nomination and Remuneration Committee of the Board of Directors and based on its recommendation, approved by the board of directors of the Company.
- The policy may be reviewed by the Nomination and Remuneration Committee of the Board of Directors.

Criteria for determining qualification

The Board may expect qualified directors to have ample experience and the highest level of personal and professional ethics, integrity and values. The Board shall also consider whether each director possesses the following :

- The highest level of personal and professional ethics, reputation, integrity and values;

- A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- The ability to exercise objectivity and independence in making informed business decisions;
- The willingness and commitment to devote extensive time necessary to fulfill his/her duties;
- The ability to communicate effectively and collaborate with other board members to contribute effectively to the diversity of perspectives that enhances Board and Committee deliberations, including a willingness to listen and respect the views of others;
- The skills, knowledge and expertise relevant to the Company's business.

Independence Review Criteria

Determination of director independence will be made by the Board for each director on an annual basis upon the recommendation of the Committee. Independent directors have three key roles, namely, governance, control and guidance. Some of the performance indicators, based on which the independent directors shall be evaluated are :-

- Independence from management.
- Independence from Promoter Group.
- No substantial shareholding.
- Ability to contribute to and monitor our corporate governance practices.
- Ability to contribute by introducing international best practices to address top management issues.
- Active participation in long term strategic planning.
- Commitment to the fulfilment of a director obligations and fiduciary responsibilities - this include participation and attendance.
- Other significant relationship which may cause a conflict of interest.

Principles of Remuneration

Company considers that the remuneration system is a key element in creating value. It thus has an advanced remuneration scheme based on the reciprocity of value for employees and for the Company in line with the interests of shareholders. The Company's remuneration system is informed by the following principles :

- Long-term value creation.
- Remunerate achievement of results on the basis of prudent, responsible risk bearing.
- Attract and retain the best professionals.
- Reward the level of responsibility and professional path.
- Ensure equity in the Company and competitiveness outside it.
- Ensure transparency in its remuneration policy

Remuneration to Non-Executive Directors

Non Executive directors may be paid remuneration by way of sitting fees and reimbursement of expenses for participation in the Board and other meetings and such other payments 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.

Remuneration to Executive Directors

At the time of appointment or re-appointment, the Managing Director shall be paid such remuneration as may be mutually agreed between the Company and the 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.

Remuneration to other Key Managerial Personnel excluding Executive Director & other employees

Other Key Managerial Personnel excluding Executive Director and other employees shall be paid such remuneration as per term and condition of appointment letter/contract within the range approved by and ratified by the Remuneration Committee. Annual increments effective 1st April each year, as recommended by the Remuneration Committee, shall be approved by the Board.

Evaluation of Individual Directors & Board

The Independent Directors shall have a separate meeting during the year without the attendance of Non-Independent Directors and members of management. All Independent Directors shall strive to be present at the meeting. The meeting shall review the performance of Non-Independent Directors and the Board as a whole. The meeting shall also review the performance of the Chairman, if any of the Company, taking into account the views of the Executive Directors and the Non-Executive Directors.

The performance evaluation of the Independent Directors shall be done by the entire Board, excluding the Director being evaluated. The performance evaluation of the Independent Directors and the Board as a whole shall be in context of the Company's performance and governance perspective.

Criteria for Performance Evaluation are as under :

For Board -

- degree of fulfillment of key responsibilities
- Composition
- Committees of Board
- Board & Committee Meetings
- Team work
- understanding the role
- effectiveness and quality of decision making

For Directors -

- attendance at the meeting
- participation and contribution
- responsibility towards Stakeholders
- compliance and governance
- maintaining confidentiality

In addition to the above Managing Director also being evaluated on -

- leadership
- relationships
- communication
- conduct of meeting
- utilization of resources

Committee -

- degree of fulfillment of key responsibilities

- adequacy of Committee composition
- relationship
- communication
- understanding of regulatory environment
- interaction with the Board

AMENDMENTS TO THIS POLICY

This Policy may be amended or substituted by Nomination & Remuneration Committee or by the Board as and when required and also by the Compliance Officer where there is any statutory changes necessitating the change in the policy.

Para 5. STAKEHOLDERS RELATIONSHIP COMMITTEE

Brief description of the terms of reference :

The terms of reference of the Stakeholders Relationship Committee cover the matters specified under Part D of Schedule II of the SEBI (LODR) Regulations, 2015 and provisions of Section 178 of the Companies Act, 2013. The board of Directors of the Company has delegated the authority to approve transfer of shares to Stakeholders Relationship Committee of the Company. The Committee also monitors the implementation and compliance with the Company's Code of Conduct for prohibition of Insider Trading. The committee deals with the various matters relating to :

- Transfer of shares
- Transmission of shares
- Issuance of duplicate share certificates as and when required
- Shareholders' queries/complaints and its redressal as and when received
- Dematerialisation/Rematerialisation of shares
- Split/consolidation of shares
- Such other matters resulting from statutory amendments/modifications from time to time.

The Company has adopted the Code of Conduct for Prevention of Insider Trading, under the SEBI (Prohibition of Insider Trading) Regulations. The Code lays down guidelines for procedures to be followed and disclosures to be made while dealing with the shares of the Company by the directors and designated employees. Shri Shyam Sundar Chatterjee, Managing Director has been appointed as the Compliance Officer for the implementation of and overseeing compliance with the Regulations and the Code across the Company.

The Company has also adopted the Code of Corporate Disclosure Practices for ensuring timely and adequate disclosure of Price Sensitive Information, as required under the Regulations.

(i) Composition and name of the Chairman :

The Committee is being headed by Shri Naresh Kumar Singhal, a Non- Executive Independent Director. The Committee comprises of the following persons :

| Name of the Members | Designation | Nature of Membership |
|------------------------------|--------------------|-----------------------------|
| Shri Naresh Kumar Singhal | Chairman | Independent & Non Executive |
| Shri Arun Nath | Member | Independent & Non Executive |
| Shri Shyam Sundar Chatterjee | Member | Executive |

During the financial year 2017-18, the Stakeholders Relationship Committee met on 25.04.2017.

| Sr. No. | Members of Stakeholders Relationship Committee | No. of meetings held | No. of meetings attended |
|---------|--|----------------------|--------------------------|
| 1 | Shri Naresh Kumar Singhal | 1 | 1 |
| 2 | Shri Arun Nath | 1 | 1 |
| 3 | Shri Shyam Sundar Chatterjee | 1 | 1 |

(ii) Name and designation of compliance officer :

As per the requirements of the Listing Regulations, Smt. Krishna Banerjee acts as the Compliance Officer.

(iii) Details of the shareholders' complaints received and resolved during the year 2017-18 :

| No. of complaints received | No. of complaints resolved | Pending |
|----------------------------|----------------------------|---------|
| Nil | Nil | Nil |

There have been no material grievances raised and all items referred have been dealt with.

As on 31st March, 2018, there were no pending complaints.

Para 6. GENERAL BODY MEETINGS

(i) Location and Time of last three Annual General Meeting (AGM) :

The location and time of the last three AGMs are as follows :

| Year | Date | Location | Time |
|---------|------------|---|------------|
| 2016-17 | 25.09.2017 | "Somani Conference Hall", Merchants Chamber of Commerce 15B, Hemanta Basu Sarani Kolkata - 700 001 | 01.00 P.M. |
| 2015-16 | 30.09.2016 | "Somani Conference Hall", Merchants Chamber of Commerce 15B, Hemanta Basu Sarani Kolkata - 700 001 | 11.30 A.M. |
| 2014-15 | 29.09.2015 | "Somani Conference Hall", Merchants Chamber of Commerce 15B, Hemanta Basu Sarani Kolkata - 700 001 | 10.30 A.M. |

No special resolution has been passed in the previous three AGMs. No special resolution was passed through postal ballot during the financial year 2017-2018. For the financial year 2018-19, if resolutions are to be conducted through the Postal Ballot procedure, those will be taken up at the appropriate time.

Para 7. MEANS OF COMMUNICATION**(i) Quarterly results :**

The Quarterly and Annual Results of the Company are communicated immediately to the stock exchanges upon conclusion of the Board Meeting convened to consider the same.

(ii) Newspapers wherein results are normally published :

The Financial Results of the Company are published in "Business Standard" and in "Su-Khabar".

(iii) Any website, where displayed :

The Results are displayed on the Company's web-site at www.niharikaindia.com

Full Annual Reports for the financial year 2017-2018, Financial results, Shareholding pattern and other relevant information are also available on the website of the company in a user-friendly and downloadable form.

(iv) Official news releases and presentation to institutional investors/analysts :

During the year under review there were no such news releases and no presentation was made to institutional investor or to the analysts.

(v) SCORES

The Company has registered itself on SCORES and endeavors to resolve all investor complaints received through SCORES or otherwise within stipulated time period.

Para 8. GENERAL SHAREHOLDER INFORMATION**(i) AGM : Date, time and venue :**

The forthcoming Annual General Meeting of the Company will be held as given below :

| | |
|------------------------|--|
| Date & Time | 26th September, 2018 at 1.00 P.M. |
| Venue | "Somani Conference Hall" Merchants Chamber of Commerce 15B, Hemanta Basu Sarani Kolkata - 700 001 |

(ii) Financial year :

Financial Year is 1st April, 2018 to 31st March, 2019 and the quarterly results will be declared as per the following schedule :

| Tentative Schedule | |
|---|------------------------------|
| Financial Results for the quarter ending June 30, 2018 | Second week of August 2018 |
| Financial Results for the quarter ending September 30, 2018 | Second week of November 2018 |
| Financial Results for the quarter ending December 31, 2018 | Second week of February 2019 |
| Financial Results for the year ending March 31, 2019 | End of May 2019 |
| AGM for the year ending March 31, 2019 | End of September 2019 |

(iii) Date of Book closure :

The Company's Register of Members and Share Transfer Books will remain closed from Thursday, 20th September, 2018 to Wednesday, 26th September, 2018 (both days inclusive).

(iv) Dividend Payment Date:

No dividend has been recommended by the Board for the year under review.

(v) Listing on Stock Exchanges:

Your Company's shares are listed on the following stock exchanges as on 31st March, 2018.

1. The Calcutta Stock Exchange Limited
7, Lyons Range,
Kolkata 700 001.

(vi) Stock Code :

| Name of the Exchange | Code |
|---|--------------|
| The Calcutta Stock Exchange Limited | 024154 |
| International Securities Identification Number (ISIN) | INE186F01018 |

(vii) Market Price Data : High, Low during each month in the last financial year :

There has been no trading in stock exchanges during the financial year 2017-2018.

(viii) Registrar and Transfer Agents :

The Board has delegated the work of processing of share transfers to Maheshwari Datamatics Private Limited, Registrar and Share Transfer Agents. Their complete address is as follows :

Maheshwari Datamatics Private Limited
23, R. N. Mukherjee Road
5th Floor,
Kolkata - 700 001
Tel No : (033) 2243-5029, 2248-2248
Fax No : (033) 2248-4787
Email: mdpldc@yahoo.com

(ix) Share Transfer System :

The transfer of shares in physical form is processed and completed by Maheshwari Datamatics Private Limited within the statutory time period. In case where shares are held in electronic form, the transfers are processed by NSDL through the Depository Participants and Registrars.

(x) Distribution of Shareholding :

The distribution of shareholding as on 31st March 2018, pursuant to Regulation 31(1)(b) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is as under :

A. Shareholding Pattern of Equity Shares as on 31st March, 2018 :

| | Categories | No. of Shares held | % of Shareholding |
|----------|--|--------------------|-------------------|
| A | PROMOTERS & PROMOTERS' GROUP | | |
| 1. | Indian | | |
| | a) Bodies Corporate | 134,900 | 2.3645 |
| | Sub-total (A1) | 134,900 | 2.3645 |
| 2. | Foreign | NIL | NIL |
| | Sub-total (A2) | NIL | NIL |
| | Total Shareholding of Promoter & Promoter Group A- (A)(1)+(A)(2) | 134,900 | 2.3645 |
| B | PUBLIC SHAREHOLDING | | |
| 1. | Institutions | NIL | NIL |
| | Sub-total (B1) | NIL | NIL |
| 2. | Non-Institutions | | |
| | a) Individuals | 2,401,120 | 42.0861 |
| | b) Bodies Corporate | 3,169,235 | 55.5494 |
| | Sub-total (B2) | 5,570,355 | 97.6355 |
| | Total Public Shareholding B= (B)(1)+(B)(2) | 5,570,355 | 97.6355 |
| | GRAND TOTAL (A)+(B) | 5,705,255 | 100.0000 |

Note : Total Foreign Shareholding is Nil.

B. Distribution of Equity Shareholding as on 31st March, 2018 :

| Share Holding | Holders | Percentage | No. of Shares | Percentage |
|--------------------|------------|-----------------|----------------|-----------------|
| 1 to 500 | 49 | 8.6268 | 11805 | 0.2069 |
| 501 to 1000 | 77 | 13.5563 | 64600 | 1.1323 |
| 1001 to 2000 | 96 | 16.9014 | 160500 | 2.8132 |
| 2001 to 3000 | 54 | 9.5070 | 145750 | 2.5547 |
| 3001 to 4000 | 75 | 13.2042 | 268490 | 4.7060 |
| 4001 to 5000 | 46 | 8.0986 | 221100 | 3.8754 |
| 5001 to 10000 | 87 | 15.3169 | 654550 | 11.4728 |
| 10001 and above | 84 | 14.7887 | 4178460 | 73.2388 |
| Grand Total | 568 | 100.0000 | 5705255 | 100.0000 |

(xi) Dematerialisation of shares and liquidity :

As on 31st March, 2018, 65.33 % of the total equity capital was held in dematerialised form with National Securities Depository Limited only.

(xii) Outstanding GDRs/ADRs/Warrants or any Convertible instruments :

As on 31st March 2018, there are no outstanding GDRs/ADRs/Warrants or convertible instruments which are likely to have an impact on the Equity Shares.

(xiii) Plant Locations :

The Company does not have any plant.

(xiv) Address for correspondence :

Investors' correspondence may be addressed to :-

1. The Compliance Officer
Niharika India Limited
10, Princep Street, 2nd Floor,
Kolkata 700 072
Phone No. (033) 4002-2880
Website: www.niharikaindia.com
2. Share Registrar and Transfer Agent
Maheshwari Datamatics Private Limited
23, R. N. Mukherjee Road, 5th Floor,
Kolkata - 700 001
Phone No. (033) 2243-5029, 2248-2248
Fax No. (033) 2248-4787
Email: mdpldc@yahoo.com

(xv) E-mail ID of the grievance redressal division / compliance officer exclusively for the purpose of registering complaints by investors : info@niharikaindia.com / niharikaindialtd@gmail.com

Para 9. DISCLOSURES**(i) Disclosure of materially significant related party transactions :**

During the financial year 2017-2018, the Company had not entered into any materially significant transaction with any related party that may have potential conflict with the interests of the Company at large. The Directors and KMPs have no direct, indirect or on behalf of third party, material interest in any transaction or matter directly affecting the company. The Omnibus approval of the Audit Committee is taken for all proposed Related Party Transactions. The transactions with related parties, in normal course of business, have been disclosed separately in the Notes on Accounts.

The Policy on related Party transactions has been uploaded on Company's website : www.niharikaindia.com

(ii) Accounting treatment :

In view of the management, all applicable accounting standards are being followed for preparation of financial statements.

(iii) Details of non-compliance by the company :

The Company has complied with all the requirements of the Regulations and Guidelines prescribed by Securities and Exchange Board of India (SEBI). No penalties or strictures have been imposed by Stock Exchange, SEBI or any other statutory authority, on any matter relating to capital markets, during last three years.

(iv) Whistle Blower Policy :

The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

(v) Details of compliance with the mandatory requirements :

Your Company has complied with all the mandatory requirements of the Listing Regulations. The details of these compliances have been given in the relevant sections of this Report.

(vi) Disclosures regarding weblink of the Company :

During the year ended 31st March, 2018, the Company does not have any material listed/unlisted subsidiary companies as defined in Listing Regulations, therefore the Company has not formed as of now any such policy on Material Subsidiaries.

Policy on dealing with related party transactions are posted on the Company's website at www.niharikaindia.com.

(vii) Commodity price risk or foreign exchange risk and hedging activities :

The Company did not engage in the commodity hedging activities during the year under review.

(viii) Non-compliance of any requirement of Corporate Governance Report :

There has been no such non compliance of any requirement of Corporate Governance Report.

(ix) Extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted :**Modified/Unmodified opinion(s) in audit report**

The Company has moved towards a regime of financial statements with unmodified audit opinion.

Reporting of internal auditor

The internal auditor of the Company directly reports to the audit committee.

(x) Confirmation :

The Company has fully complied with the Applicable requirements specified under Regulation 17 to 27 and clause (b) to (i) of Sub regulation (2) of Regulation 46 of SEBI (LODR) Regulations, 2015.

(xi) Demat Suspense account/unclaimed suspense account :

None of shares of the company are lying in the demat suspense account or unclaimed suspense account.

RECONCILIATION SHARE CAPITAL AUDIT :

The Company Secretary in practice carried out a Reconciliation of Share Capital Audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT :

The Management's Discussion and Analysis Report forms part of the Director's Report.

RISK MANAGEMENT POLICY :

The Company has formulated a comprehensive Risk Management Policy to reduce the inherent risk associated with the business activities of the Company but formation of Risk Management Committee is not applicable as per SEBI Circular dated 17th April, 2014.

CODE OF CONDUCT :

The Company has adopted a Code of Conduct for its Directors and Senior Management Personnel and the said code is uploaded on the Company's website at www.niharikaindia.com. The Directors and Senior Management Personnel have affirmed the compliance with the same for the financial year 2017-2018. A declaration to this effect is given below :

ANNUAL DECLARATION BY MANAGING DIRECTOR ON CODE OF CONDUCT PURSUANT TO PARAGRAPH D OF SCHEDULE V OF THE SEBI (LODR) REGULATIONS, 2015

I, Shyam Sundar Chatterjee, Managing Director of NIHARIKA INDIA LIMITED having its registered office at 10, Princep Street, 2nd Floor, Kolkata - 700 072 hereby declare that all Board Members and Senior Management Personnel have affirmed the compliance of the Code for the financial year 2017-2018.

Place : Kolkata
Dated : 25th May, 2018

For Niharika India Ltd.
Shyam Sundar Chatterjee
Managing Director
DIN : 00200263

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**To the Members of NIHARIKA INDIA LIMITED**

We have examined the compliance of conditions of Corporate Governance by Niharika India Limited ('the Company') for the year ended 31st March, 2018, as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015").

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations as applicable and no investor grievances are pending as on 31st March, 2018 against the Company as per the records maintained by the Company.

We further 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.

Place : Kolkata
Dated : 25th May, 2018

For **P. K. Ajitsaria & Co.**
Chartered Accountants
Firm Regd. No. 317046E
Pawan Kumar Ajitsaria
Partner
Membership No. 053109

**CERTIFICATION BY
MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER**

[Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015]

We hereby certify that for the financial year, ending 31st March, 2018, on the basis of the review of the financial statements and the cash flow statement and to the best of our knowledge and belief that :-

- a. We have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief :
 - 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. To the best of our knowledge and belief, no transactions entered into by the company during the year ended 31st March, 2018 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 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 they have taken or propose to take to rectify these deficiencies.
- d. We have indicated, based on our most recent evaluation, wherever applicable, to the auditor and audit committee.
 - i. There has not been any significant changes in internal control over financial reporting during the year under reference.
 - ii. There has not been significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. We are not aware of any instance during the year of significant fraud with involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Shyam Sundar Chatterjee
Managing Director
DIN : 00200263

Soumen Mukherjee
Chief Financial Officer

Place : Kolkata

Dated : 25th May, 2018

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Economic Overview :

There have been a number of causes behind growth of Indian economy in last couple of years. A number of reforms have been instituted by Indian Government and there has been significant amount of foreign direct Investment made in India.

India's foreign exchange reserve has gone up in last few years. Real estate/Infra sector as well as information technology industries of India have taken off. Capital Markets of India are doing pretty well too. All these factors have contributed to the growth of Indian economy.

Industry Structure and Development – Overview :

Indian economy is going through a period of rapid 'financial liberalisation'. Today, the 'intermediation' is being conducted by a wide range of financial institutions through a plethora of customer friendly financial products. The segment consisting of NBFCs, such as equipment leasing/hire purchase finance, loan and investment companies, etc. have made great strides in recent years and are meeting the diverse financial needs of the economy. These NBFCs provide a variety of services including fund-based and fee-based activities and cater to retail and non-retail markets and niche segments. They are being recognized as complementary to the banking sector due to their customer-oriented services, simplified procedures, attractive rates of return on deposits, flexibility and timeliness in meeting the credit needs of specified sectors.

With virtually all finance company business lines coming under greater competitive pressure, defining strategic initiatives and backing each with the necessary resources has become imperative for success. On the consumer side of the business, the ability to compete in various product offerings often is dictated by operational efficiencies and economies of scale. In this respect NBFC's face problems of high cost of funds because they lack the nation wide branch network and have a comparatively lower Tier-I and Tier- II capital base.

We witness that NBFC sector, in India are facing stiff competition from different banks and financial institutions. The cost of funds of banks is lower as compared to NBFC's. Not only this, they have a very wide network and huge capital base which makes them more attractive than NBFC'. However as the market is volatile in nature, the long term growth of capital market calls for a matter of concern.

Opportunities, threats, risks and concerns :

Being a Financial company, Niharika India Ltd. is exposed to specific risks that are particular to its business and the environment within which it operates, including interest rate volatility, economic cycle, credit risk and market risk. The most important among them are credit risk, market risk and operational risk. The measurement, monitoring management of risk remains key focus areas for the company.

Your Company has operations in finance and equity investments. The independent finance industry issues debt and lends the proceeds to individuals (consumer finance companies) and corporations (commercial finance companies) on both a secured and unsecured basis. Unlike the commercial banks, whose deposit taking ability adds significantly to funding availability, finance companies rely almost exclusively on institutional borrowings and access to the public debt markets for funding. Consequently, the ability to access the short, medium and long-term markets at competitive rates is critical to their ongoing viability. Your company faces tough competition from Nationalized, Foreign and Private Sector Banks due to their inability to grant loan at a considerably low rate of interest.

The company has its own specific risks that are particular to its business including default risk, fluctuation of interest rates, economic cycles etc. Moreover existing banks are moving into retail sector and regional banks like Assamese banks are coming into play, which poses major concern for your company. The volatility in the market is a matter of concern. However economic parameters being strong will upsurge the

economy. Your company has a well defined and prudent business practice and a comprehensive Risk Management Policy to manage this risk.

Future Outlook :

Your Company is currently engaged in NBFC activities & Financial Management Services. The Company intends to continue focusing on NBFC activities including financing, Inter-corporate Investments & Capital Market activities. At the same time the company has plans to expand its business by offering a wide array of financial products and services.

With a dedicated team of people, the Company expects to establish growth ahead of market in the coming years. It would definitely try to establish itself and remain as a strong player in the finance industry. With the Capital market expected to be in a better mode than the previous few years and with our efforts we can look forward to a prosperous year for the Company.

Internal Control Systems and their adequacy :

The Company has a proper and adequate system of internal control in all spheres of its activities to ensure that all its assets are safeguarded and protected against loss from unauthorized use or disposition and that the transactions are authorized, recorded and reported diligently.

The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines.

Financial and Operational Performance :

Please refer Directors Report for financial performance.

Material Development in Human Resources/industrial relations front number of people employed :

The Company has been able to maintain its existing resources by keeping pace with the changing business environment and by ensuring staff continuity. The Company has a team of able and experienced industry professionals and employees. The Company believes that people are the key ingredient to the success of an organization. Looking after people makes good business sense because, if people are motivated, service excellence will follow. The relations remain cordial throughout the year between employees and the management.

Cautionary Statement :

The Board of Directors have reviewed the Management Discussion and Analysis prepared by the Management, and the Independent Auditors have noted its contents. Statement in this report of the Company's objective, projections, estimates, exceptions, and predictions are forward looking statements subject to the applicable laws and regulations. The statements may be subjected to certain risks and uncertainties. Company's operations are affected by many external and internal factors which are beyond the control of the management. Thus the actual situation may differ from those expressed or implied. The Company assumes no responsibility in respect of forward looking statements that may be amended or modified in future on the basis of subsequent developments, information or events.

INDEPENDENT AUDITORS' REPORT

To the Members of

NIHARIKA INDIA LIMITED

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **M/s. NIHARIKA INDIA LIMITED** (CIN : L36900WB1995PLC072857) ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

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

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

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

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

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give

a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018 and its Loss and its cash flow for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure - "A" a statement on the matters specified in paragraph 3 and 4 of the order.
2. As required by Section 143(3) of the Act, we report that :
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts;
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the 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"; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us :
 - I. The Company does not have any pending litigations which would impact its financial position.
 - II. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as on the Balance Sheet date.
 - III. There are no such amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2018.

Place : Kolkata

Date : The 25th day of May, 2018

For **P. K. Ajitsaria & Co.**
Chartered Accountants
Firm Regd. No. 317046E
Pawan Kumar Ajitsaria
Partner
Membership No. 053109

ANNEXURE - "A"
TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of **M/s. NIHARIKA INDIA LIMITED** (CIN : L36900WB1995PLC072857) on the financial statements for the year ended on 31st March, 2018, we report that :

1. The Company does not have any Fixed Assets during the year, so this clause is not applicable to it.
2. As explained to us, the inventories were physically verified by the management during the year at reasonable intervals and no material discrepancies were noticed on such physical verification.
3. The Company has not granted any loans, secured or unsecured to the Companies, Firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, this clause is not applicable to it.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made. The Company has not given any guarantee(s) or provided any security for loan taken by third party.
5. The Company has not accepted any deposits from the public. According, the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the companies Act, 2013 and the rules framed there under are not applicable to the Company.
6. The Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the Companies Act, 2013. In respect of service carried out by the Company. Accordingly this clause is not applicable to it.
7. a) According to the information and explanations given to us and on the basis of our examination of the records of the company, amounts deducted/accrued in the books of accounts in respect of undisputed statutory dues including provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31st March, 2018 for a period of more than six months from the date they became payable.
b) According to the information and explanations given to us and based on our examination of the records of the Company, there are no material dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited with the appropriate authorities on account of any dispute.
8. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders. Accordingly, paragraph 3(viii) of the Order is not applicable to the Company.
9. The Company did not raise any money by way of initial public offer or further public offer (including

debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable to the Company.

10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations give to us and based on our examination of the records of the Company, 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.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to it.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to it.
16. The Company is Non-Banking Financial Company (Non-deposit taking), registered with the Reserve Bank of India, under section 45-IA of the Reserve Bank of India Act 1934.

Place : Kolkata

Date : The 25th day of May, 2018

For **P. K. Ajitsaria & Co.**
Chartered Accountants
Firm Regd. No. 317046E
Pawan Kumar Ajitsaria
Partner
Membership No. 053109

ANNEXURE - "B"
TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **NIHARIKA INDIA LIMITED** (CIN : L36900WB1995PLC072857) as of 31 March, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that;

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, 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.

Place : Kolkata

Date : The 25th day of May, 2018

For **P. K. Ajitsaria & Co.**
Chartered Accountants
Firm Regd. No. 317046E
Pawan Kumar Ajitsaria
Partner
Membership No. 053109

BALANCE SHEET AS AT 31ST MARCH, 2018

| <u>Particulars</u> | <u>Note No.</u> | <u>As at</u> <u>March 31, 2018</u> | | <u>As at</u> <u>March 31, 2017</u> | |
|--|-----------------|---------------------------------------|-----------|---------------------------------------|-----------|
| | | <u>Rs.</u> | <u>P.</u> | <u>Rs.</u> | <u>P.</u> |
| EQUITY AND LIABILITIES | | | | | |
| Shareholder's Funds | | | | | |
| Share Capital | 2 | 57,052,550.00 | | 57,052,550.00 | |
| Reserves and Surplus | 3 | 38,291,484.47 | | 38,721,240.47 | |
| Current Liabilities | | | | | |
| Short Term Borrowings | 4 | 12,000,000.00 | | 12,000,000.00 | |
| Trade Payables | 5 | 46,729.00 | | 244,762.00 | |
| Other Current Liabilities | 6 | 234,801,587.47 | | 240,543,646.50 | |
| | Total | 342,192,350.94 | | 348,562,198.97 | |
| ASSETS | | | | | |
| Non-Current Assets | | | | | |
| Long Terms Loans and Advances | 7 | 52,401,333.32 | | 52,401,333.32 | |
| Current Assets | | | | | |
| Current Investments | 8 | 4,434,991.60 | | 4,434,991.60 | |
| Inventories | 9 | 282,727,535.06 | | 289,125,411.09 | |
| Trade Receivables | 10 | 2,484,300.00 | | 2,484,300.00 | |
| Cash and Cash Equivalents | 11 | 144,190.96 | | 116,162.96 | |
| | Total | 342,192,350.94 | | 348,562,198.97 | |
| Significant Accounting Policies | 1 | | | | |
| The accompanying notes are an integral part of the Financial Statements. | 2-28 | | | | |

As per our Report of even date annexed
For **P. K. Ajitsaria & Co.**
Chartered Accountants
Firm Regd. No. 317046E
Pawan Kumar Ajitsaria
Partner
Membership No. 053109
Kolkata, 25th May, 2018

For and on behalf of the Board
Shyam Sundar Chatterjee
Managing Director
DIN No. 00200263
Jayanta Barik
Director
DIN No. 03567709
Soumen Mukherjee
Chief Financial Officer

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

| <u>Particulars</u> | <u>Note No.</u> | <u>For the year ended</u> <u>March 31, 2018</u> | | <u>For the year ended</u> <u>March 31, 2017</u> | |
|---|-----------------|--|-----------|--|-----------|
| | | <u>Rs.</u> | <u>P.</u> | <u>Rs.</u> | <u>P.</u> |
| Revenue : | | | | | |
| Revenue from Operations | | 6,397,876.03 | | 1,590,000.00 | |
| Other Income | 12 | 474,966.00 | | — | |
| Total Revenue | | 6,872,842.03 | | 1,590,000.00 | |
| Expenses : | | | | | |
| Cost of Share Purchase | | — | | 235,000.00 | |
| Changes in Inventories of Stock-in-Trade | 13 | 6,397,876.03 | | 1,355,000.00 | |
| Employee Benefits Expenses | 14 | 258,000.00 | | 258,000.00 | |
| Finance Costs | 15 | 449,806.00 | | 889,028.00 | |
| Other Administrative Expenses | 16 | 196,916.00 | | 305,716.75 | |
| Total Expenses | | 7,302,598.03 | | 3,042,744.75 | |
| Profit/(Loss) before Exceptional Item, Extra Ordinary Item and Tax | | (429,756.00) | | (1,452,744.75) | |
| Extra Ordinary Item | | — | | — | |
| Profit/(Loss) before Tax | | (429,756.00) | | (1,452,744.75) | |
| Tax Expense | | | | | |
| Current Tax Expense | | — | | — | |
| Profit/(Loss) after tax | | (429,756.00) | | (1,452,744.75) | |
| Earning per Equity Share : | | | | | |
| Basic & Diluted (in Rs) | 21 | (0.08) | | (0.25) | |
| Face Value per Equity Share | | Rs. 10/- | | Rs. 10/- | |

The accompanying notes are an integral part of
the Financial Statements.

2-28

As per our Report of even date annexed

For **P. K. Ajitsaria & Co.**

Chartered Accountants

Firm Regd. No. 317046E

Pawan Kumar Ajitsaria

Partner

Membership No. 053109

Kolkata, 25th May, 2018

For and on behalf of the Board

Shyam Sundar Chatterjee

Managing Director

DIN No. 00200263

Jayanta Barik

Director

DIN No. 03567709

Soumen Mukherjee

Chief Financial Officer

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

| DESCRIPTION | For the year ended March 31, 2018 | | For the year ended March 31, 2017 | |
|---|--------------------------------------|----|--------------------------------------|----|
| | Rs. | P. | Rs. | P. |
| A. Cash Flow from Operating Activities | | | | |
| Net Profit/(Loss) Before Tax & Extraordinary Items | (429,756.00) | | (1,452,744.75) | |
| Adjustment for : | | | | |
| Interest Paid | 449,113.00 | | 888,463.00 | |
| Income Tax Relating to Earlier Year | — | | — | |
| Operating Profit/(Loss) before Working Capital Changes | 19,357.00 | | (564,281.75) | |
| Changes in Working Capital : | | | | |
| Inventories | 6,397,876.03 | | 1,355,000.00 | |
| Other Current Assets | — | | 120,363.00 | |
| Trade Payables | (198,033.00) | | — | |
| Other Current Liabilities | (5,742,059.03) | | (66,626.00) | |
| Adjustment for : | | | | |
| Extraordinary Items | — | | — | |
| Net Cash from Operating Activities (A) | 477,141.00 | | 844,455.25 | |
| B. Cash Flow from Investing Activities | | | | |
| Long Term Loan and Advances repaid | — | | — | |
| Net Cash Flow from Investing Activities (B) | — | | — | |
| C. Cash Flow from Financing Activities | | | | |
| Interest Paid | (449,113.00) | | (888,463.00) | |
| (C) | (449,113.00) | | (888,463.00) | |
| Net Increase in Cash and Cash Equivalents (A+B+C) | 28,028.00 | | (44,007.75) | |
| Cash and Cash Equivalents (Opening Balance) | 116,162.96 | | 160,170.71 | |
| Cash and Cash Equivalents (Closing Balance) | 144,190.96 | | 116,162.96 | |

As per our Report of even date annexed

For **P. K. Ajitsaria & Co.**

Chartered Accountants

Firm Regd. No. 317046E

Pawan Kumar Ajitsaria

Partner

Membership No. 053109

Kolkata, 25th May, 2018

For and on behalf of the Board

Shyam Sundar Chatterjee

Managing Director

DIN No. 00200263

Jayanta Barik

Director

DIN No. 03567709

Soumen Mukherjee

Chief Financial Officer

NOTE ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018**1. SIGNIFICANT ACCOUNTING POLICIES****A. BASIS OF ACCOUNTING :**

- (a) These Financial Statements have been prepared in accordance with Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The Financial Statements have been prepared under the historical cost convention on accrual basis, except for certain financial instruments which are measured at fair value.
- (b) Items of Income & Expenditure are accounted for on accrual basis except Dividend which is accounted for on cash basis.

B. INVESTMENT :

Investments being long term are carried at cost. Temporary Diminution, if any, in the value of such investment is not recognised. Cost is calculated on FIFO basis.

C. TAXATION :

Income Tax Expenses comprises of current tax and deferred tax charges or mat credit. Provision for current tax is made on the basis of assessable income at the tax rate applicable to the relevant year. The deferred tax charge or credit is recognised using current tax rates. When there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Others deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future. Deferred tax assets / liabilities are reviewed as at each balance sheet date based on development during the year to reassess realisation/liabilities.

D. RETIREMENT BENEFITS :

Provision for retirement benefits has not been made as no employee has put in the qualifying period of service for entitlement of the benefits.

E. CONTINGENT LIABILITIES :

Contingent liabilities are generally not provided for in the books of account and are separately shown in the notes on accounts.

| <u>Particulars</u> | <u>31st March, 2018</u> | | <u>31st March, 2017</u> | |
|---|-------------------------|-----------|-------------------------|-----------|
| | <u>Rs.</u> | <u>P.</u> | <u>Rs.</u> | <u>P.</u> |
| 2. SHARE CAPITAL | | | | |
| AUTHORISED | | | | |
| 57,50,000 Equity Shares of Rs. 10/- each | 57,500,000.00 | | 57,500,000.00 | |
| | 57,500,000.00 | | 57,500,000.00 | |
| ISSUED, SUBSCRIBED & PAID UP CAPITAL | | | | |
| 5,00,000 Equity Shares of Rs. 10/- each fully paid up in cash | 5,000,000.00 | | 5,000,000.00 | |
| 52,05,255 Equity Shares of Rs. 10/- each fully paid up issued for consideration other than cash to the shareholders of amalgamated Companies. | 52,052,550.00 | | 52,052,550.00 | |
| Total | 57,052,550.00 | | 57,052,550.00 | |

NOTE ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018 (Contd.)**(i) Reconciliation of shares outstanding at the beginning and at the end of the reporting period :**

| Equity Shares | As at 31.03.2018 | | As at 31.03.2017 | |
|------------------------------------|------------------|---------------|------------------|---------------|
| | Nos. | Rs. | Nos. | Rs. |
| At the beginning of the year | 5,705,255 | 57,052,550.00 | 5,705,255 | 57,052,550.00 |
| Issued during the year | — | — | — | — |
| Outstanding at the end of the year | 5,705,255 | 57,052,550.00 | 5,705,255 | 57,052,550.00 |

(ii) Terms / Rights attached to Equity Shares

The Company has only one class of shares having a par value at Rs. 10/- per share. Each holder of Equity shares is entitled to one vote per share.

(iii) Shareholders Holding more than 5% Shares in the Company :

| Name of the Company | As at 31.03.2018 | | As at 31.03.2017 | |
|------------------------------|------------------|--------------|------------------|--------------|
| | No. of Shares | % of Holding | No. of Shares | % of Holding |
| Mrinmoyee Vinimay Pvt. Ltd. | 530,000 | 9.29 | 530,000 | 9.29 |
| Sawaria Trading Pvt. Ltd. | 507,850 | 8.90 | 507,850 | 8.90 |
| Lower Vyapar Pvt. Ltd. | 367,800 | 6.45 | 367,800 | 6.45 |
| Anushree Tradelink Pvt. Ltd. | 300,000 | 5.26 | 300,000 | 5.26 |

| Particulars | 31st March, 2018 | | 31st March, 2017 | |
|--|----------------------|----|----------------------|----|
| | Rs. | P. | Rs. | P. |
| 3. RESERVES & SURPLUS | | | | |
| Amalgamation Reserve | 52,277,579.69 | | 52,277,579.69 | |
| Reserve Fund : | | | | |
| Opening Balance | 243,119.00 | | 243,119.00 | |
| Add : Transferred from surplus in Statement of Profit & Loss | — | | — | |
| | 243,119.00 | | 243,119.00 | |
| Surplus / (Deficit) in Statement of Profit & Loss : | | | | |
| Opening Balance | (13,799,458.22) | | (12,346,713.47) | |
| Add : Profit / (Loss) for the period | (429,756.00) | | (1,452,744.75) | |
| | (14,229,214.22) | | (13,799,458.22) | |
| Total | 38,291,484.47 | | 38,721,240.47 | |

NOTE ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018 (Contd.)

| <u>Particulars</u> | 31st March, 2018 | | 31st March, 2017 | |
|--|-----------------------|----|-----------------------|----|
| | Rs. | P. | Rs. | P. |
| 4. SHORT TERM BORROWINGS | | | | |
| Loans and Advances : | | | | |
| Unsecured | 12,000,000.00 | | 12,000,000.00 | |
| Total | 12,000,000.00 | | 12,000,000.00 | |
| 5. TRADE PAYABLES | | | | |
| Sundry Creditors | 46,729.00 | | 244,762.00 | |
| Total | 46,729.00 | | 244,762.00 | |
| 6. OTHER CURRENT LIABILITIES | | | | |
| Other Payables | | | | |
| Listing Fees Payable | 287,163.50 | | 287,163.50 | |
| Other Dues Payable | 70,500.00 | | 7,500.00 | |
| Advances Received | 234,432,123.97 | | 240,237,483.00 | |
| Audit Fees Payable | 11,800.00 | | 11,500.00 | |
| Total | 234,801,587.47 | | 240,543,646.50 | |
| 7. LONG TERM LOANS & ADVANCES | | | | |
| Capital Advances | | | | |
| Unsecured, Considered Good | 1,123,398.16 | | 1,123,398.16 | |
| Other Loans & Advances | | | | |
| Unsecured, Considered Good | | | | |
| Body Corporates | 5,143,899.16 | | 5,143,899.16 | |
| Others | 46,134,036.00 | | 46,134,036.00 | |
| Total | 52,401,333.32 | | 52,401,333.32 | |

NOTE ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018 (Contd.)

| <u>Particulars</u> | 31st March, 2018 | | 31st March, 2017 | |
|---|-----------------------|----|-----------------------|----|
| | Rs. | P. | Rs. | P. |
| 8. CURRENT INVESTMENTS | | | | |
| Investment in Quoted Equity Shares | | | | |
| Amit Commercial Co. Ltd. | 338,400.00 | | 338,400.00 | |
| Anil Special Steel India Ltd. | 912,197.27 | | 912,197.27 | |
| Magadh Traders Ltd. | 94,992.00 | | 94,992.00 | |
| Manglam India Ltd. | 43,032.00 | | 43,032.00 | |
| Shalimar Wire Industries Ltd. | 1,938,392.16 | | 1,938,392.16 | |
| Silicon Valley Infotech Ltd | 650.00 | | 650.00 | |
| Sumangla Investment Co. Ltd. | 9,900.00 | | 9,900.00 | |
| Universal Media Network Ltd. | 122,093.77 | | 122,093.77 | |
| Investment in Mutual Fund | | | | |
| Reliance Liquid Fund - Treasury Plan | 17,810.40 | | 17,810.40 | |
| Investment in Unquoted Equity Shares | | | | |
| Amber Viacom Pvt. Ltd. | 215,300.00 | | 215,300.00 | |
| Bhumi Commotrade Pvt. Ltd. | 68,000.00 | | 68,000.00 | |
| Satya Sons Services Ltd. | 20,000.00 | | 20,000.00 | |
| Shalimar Industries Ltd. | 654,224.00 | | 654,224.00 | |
| Total | 4,434,991.60 | | 4,434,991.60 | |
| Aggregate Amount of Quoted Investments | 3,477,467.60 | | 3,477,467.60 | |
| Aggregate Market Value of Quoted Investments | 1,020,166.95 | | 1,013,964.46 | |
| Aggregate Amount of Unquoted Investments | 957,524.00 | | 957,524.00 | |
| 9. INVENTORIES | | | | |
| Unquoted Shares | 282,727,535.06 | | 289,125,411.09 | |
| Total | 282,727,535.06 | | 289,125,411.09 | |
| 10. TRADE RECEIVABLES | | | | |
| Trade Receivables (Considered Good) | | | | |
| Due for more than 6 months | 2,484,300.00 | | 2,484,300.00 | |
| others | — | | — | |
| Total | 2,484,300.00 | | 2,484,300.00 | |

NOTE ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018 (Contd.)

| <u>Particulars</u> | 31st March, 2018 | | 31st March, 2017 | |
|---|---------------------|----|---------------------|----|
| | Rs. | P. | Rs. | P. |
| 11. CASH & CASH EQUIVALENTS | | | | |
| Cash on Hand | | | | |
| Cash Balance | 31,219.06 | | 36,280.06 | |
| Balance with Banks | | | | |
| In Current Account | 112,971.90 | | 79,882.90 | |
| Total | 144,190.96 | | 116,162.96 | |
| 12. OTHER INCOMES | | | | |
| Sundry Balance written back | 474,966.00 | | — | |
| Total | 474,966.00 | | — | |
| 13. CHANGES IN INVENTORIES OF STOCK-IN-TRADE | | | | |
| Opening Stock | 289,125,411.09 | | 290,480,411.09 | |
| Less : Closing Stock | 282,727,535.06 | | 289,125,411.09 | |
| Total | 6,397,876.03 | | 1,355,000.00 | |
| 14. EMPLOYEE BENEFIT EXPENSE | | | | |
| Salaries & Wages | 198,000.00 | | 198,000.00 | |
| Director's Remuneration | 60,000.00 | | 60,000.00 | |
| Total | 258,000.00 | | 258,000.00 | |
| 15. FINANCE COSTS | | | | |
| Bank Charges | 693.00 | | 565.00 | |
| Interest Paid | 449,113.00 | | 888,463.00 | |
| Total | 449,806.00 | | 889,028.00 | |

NOTE ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018 (Contd.)

| <u>Particulars</u> | 31st March, 2018 | | 31st March, 2017 | |
|---------------------------------------|------------------|-------------------|------------------|-------------------|
| | Rs. | P. | Rs. | P. |
| 16. OTHER EXPENSES | | | | |
| Advertisement | 12,367.00 | | 13,275.00 | |
| Audit Fees | 11,800.00 | | 11,500.00 | |
| Commission Paid | 41,796.00 | | 40,733.00 | |
| Computer Maintenance | 4,189.00 | | 1,145.00 | |
| Custodian Charges | 23,411.00 | | 27,770.75 | |
| Filing Fees | 13,800.00 | | 31,200.00 | |
| Internal Audit Fees | 7,500.00 | | 7,500.00 | |
| Interest on TDS Paid for Earlier Year | | — | | 752.00 |
| Travelling & Conveyance | 8,651.00 | | 8,867.00 | |
| Miscellaneous Expenses | 9,356.00 | | 9,774.00 | |
| Postage & Telegram | 9,456.00 | | 10,159.00 | |
| Printing & Stationery | 9,388.00 | | 13,680.00 | |
| Professional Charges | 24,600.00 | | 16,063.00 | |
| Rates & Taxes | | — | | 5,000.00 |
| Repairs & Maintenance | 9,100.00 | | 2,760.00 | |
| Share Transfer Charges | 11,502.00 | | 1,150.00 | |
| Income Tax for Earlier Year | | — | | 104,388.00 |
| Total | | 196,916.00 | | 305,716.75 |

17. Contingent Liabilities and Commitments

a) Contingent Liabilities and Commitments not provided for in respect of :

Disputed amounts of Taxes and Duties and other claims
not acknowledged as debts

Rs. NIL (Rs. NIL)

b) Commitments :

Estimated amounts of contracts remaining to be executed
on Capital Account not provided for (Net of Advances)

Rs. NIL (Rs. NIL)

18. There are no Micro and Small Enterprises, to whom the company owes dues, which are outstanding for more than 45 days as at 31st March, 2018. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

19. Earning/Expenditure in Foreign Currency :

Rs. NIL (Rs. NIL).

20. In terms of AS 17 of the ICAI Segment information has not been given as the entire business activities of Investments & Finance is considered as one business segment.

NOTE ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018 (Contd.)

21. In accordance with the requirements of Accounting Standard - 18 "Related Party Disclosure" issued by the Institute of Chartered Accountants of India the name of the related party as identified and certified by the management is given below :

a) Related Party Disclosures :

List of Related Parties with whom transaction have taken place and Relationships :

Key Management Personnel & Relatives :**Remuneration**

| | | | | |
|-----------------------------|---|-------------------|--------------------|-----------|
| Mr. Shyam Sundar Chatterjee | - | Managing Director | (DIN : 00200263) | 60,000.00 |
| Mrs. Krishna Banerjee | - | Director | (DIN : 06997186) | — |
| Mr. Soumen Mukherjee | - | CFO | (PAN : AMEPM1764B) | 90,000.00 |
| Mr. Jayanta Barik | - | Director | (DIN : 03567709) | — |
| Mr. Bikash Adhikary | - | Director | (DIN : 07478898) | — |

b) Enterprises over which above person has significant influence :

Turnkey Infrastructures Ltd.

c) The transaction with the party mentioned in 'b' above :

| SL. No. | Name of Party | Purchase | Sales |
|---------|------------------------------|----------|------------|
| 1 | Turnkey Infrastructures Ltd. | — | 200,000.00 |

22. Earnings Per Share :-

The Company reports basic and diluted earnings per equity share in accordance with Accounting Standard - 20 'Earnings Per Share' issued by the Institute of Chartered Accountants of India.

| | 31.03.2018 | 31.03.2017 |
|--|-------------------|-------------------|
| I. Computation for Basic & Diluted earnings per Share | | |
| a) Net Profit / (Loss) for Equity Shareholders | (429,756.00) | (1,452,744.75) |
| b) Weighted Average No. of Share of Rs. 10/- each | 5,705,255 | 5,705,255 |
| II. Earning Per Share (Weighted Average) | | |
| Basic | (0.08) | (0.25) |
| Diluted | (0.08) | (0.25) |

23. As availability of future taxable income is not certain on consideration of prudence, provision for deferred tax assets have not been made in terms of Accounting Standard (AS) - 22.
24. Information pursuant to paragraph 13 of Non Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 are given in Annexure - II.

NOTE ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018 (Contd.)

25. Balances of Sundry Debtors / Sundry Creditors, Loans given to / received from Body Corporates & Others are subject to confirmation.
26. Figures in brackets represents previous years figures.
27. Previous Years figures have been regrouped, rearranged and recasted wherever considered necessary.
28. The Company has given Loans and advances of Rs. 5,24,01,333/- which are outstanding since long time. The management is of the opinion that there is Dispute with the concern entities hence the amount will be treated as NPA and hence no provision for Interest is required for Loans and advances.

As per our Report of even date annexed

For **P. K. Ajitsaria & Co.**

Chartered Accountants

Firm Regd. No. 317046E

Pawan Kumar Ajitsaria

Partner

Membership No. 053109

Kolkata, 25th May, 2018

For and on behalf of the Board

Shyam Sundar Chatterjee

Managing Director

DIN No. 00200263

Jayanta Barik

Director

DIN No. 03567709

Soumen Mukherjee

Chief Financial Officer

Annexure - II

Schedule to the Balance Sheet of a non-deposit taking non-banking financial company

(as required in terms of Paragraph 13 on Non-Banking Financial (Non-Deposit Accepting or Holding)

Companies Prudential Norms (Reserve Bank) Directions, 2007)

(Rs. in Lakhs)

| Particulars | Amount Outstanding | Amount Overdue |
|--|---------------------------|-----------------------|
| LIABILITIES SIDE : | Amount Outstanding | Amount Overdue |
| 1. Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid : | | |
| (a) Debentures : Secured | NIL | NIL |
| Unsecured (other than falling within the meaning of public deposits*) | NIL | NIL |
| (b) Deferred Credits | NIL | NIL |
| (c) Term Loans | NIL | NIL |
| (d) Inter-corporate Loans and Borrowings | 51 | NIL |
| (e) Commercial Paper | NIL | NIL |
| (f) Other Loans (specify nature) | 69 | NIL |
| <i>*Please see Note 1 below</i> | | |
| ASSETS SIDE : | | |
| | Amount Outstanding | |
| 2. Break-up of Loans and Advances including bills receivables (other than those included in (4) below) : | | |
| (a) Secured | | NIL |
| (b) Unsecured | | 524.01 |
| 3. Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities : | | |
| (i) Lease assets including lease rentals under sundry debtors : | | |
| (a) Financial Lease | | NIL |
| (b) Operating Lease | | NIL |
| (ii) Stock on hire including hire charges under sundry debtors : | | |
| (a) Assets on hire | | NIL |
| (b) Repossessed Assets | | NIL |
| (iii) Other loans counting towards AFC activities : | | |
| (a) Loans where assets have been repossessed | | NIL |
| (b) Loans other than (a) above | | NIL |

| Particulars | Amount Outstanding |
|-------------------------------------|--------------------|
| 4. Break-up of Investments : | |
| Current Investments : | |
| 1. Quoted : | |
| (i) Shares : (a) Equity | 34.60 |
| (b) Preference | NIL |
| (ii) Debentures and Bonds | NIL |
| (iii) Units of Mutual Funds | 0.17 |
| (iv) Government Securities | NIL |
| (v) Others (Please specify) | NIL |
| 2. Un-Quoted : | |
| (i) Shares : (a) Equity | 9.58 |
| (b) Preference | NIL |
| (ii) Debentures and Bonds | NIL |
| (iii) Units of Mutual Funds | NIL |
| (iv) Government Securities | NIL |
| (v) Others (Please specify) | NIL |
| Long Term Investments : | |
| 1. Quoted : | |
| (i) Shares (a) Equity | NIL |
| (b) Preference | NIL |
| (ii) Debentures and Bonds | NIL |
| (iii) Units of Mutual Funds | NIL |
| (iv) Government Securities | NIL |
| (v) Others (Please specify) | NIL |
| 2. Un-Quoted : | |
| (i) Shares (a) Equity | NIL |
| (b) Preference | NIL |
| (ii) Debentures and Bonds | NIL |
| (iii) Units of Mutual Funds | NIL |
| (iv) Government Securities | NIL |
| (v) Others (Please specify) | NIL |

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

Please see Note 2 below

| Category | Amount net of provisions | | |
|---------------------------------|--------------------------|-----------|--------|
| | Secured | Unsecured | Total |
| 1. Related Parties** | | | |
| (a) Subsidiaries | NIL | NIL | NIL |
| (b) Companies in the same group | NIL | NIL | NIL |
| (c) Other related parties | NIL | NIL | NIL |
| 2. Other than related parties | NIL | 524.01 | 524.01 |
| Total | NIL | 524.01 | 524.01 |

6. Investor group-wise classification of all investments (Current and Long Term) in shares and securities (both quoted and unquoted) :

Please see Note 3 below

| Category | Market Value/Break-up or Fair Value or NAV | Book Value (Net of Provisions) |
|---------------------------------|--|--------------------------------|
| 1. Related Parties** | | |
| (a) Subsidiaries | NIL | NIL |
| (b) Companies in the same group | NIL | NIL |
| (c) Other related parties | NIL | NIL |
| 2. Other than related parties | 2,827.27 | 2,827.27 |
| Total | 2,827.27 | 2,827.27 |

** As per Accounting Standard of ICAI (Please see Note 3).

7. Other Information :

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

Notes :

- As defined in paragraph 2(1)(xii) of Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value / NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.

**E-MAIL REGISTRATION FORM
FOR SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM**

To,
Maheshwari Datamatics Pvt. Ltd.
Unit : Niharika India Limited
23, R. N. Mukherjee Road, 5th Floor
Kolkata - 700 001
Phone : 033-2243 5029/2248 2248

Dear Sirs,

Re : Registration of email ID for receiving communications in electronic form

I/We am/are shareholder of the Company. I/We want to receive all communication from the Company including AGM and other General Meeting notices and explanatory statement(s) thereto. Balance Sheets, Directors Report, Auditor's Report etc. through email. Please register my e-mail ID, set out below, in your records for sending communication through e-mail :

Folio No. :

Name of 1st Registered Holder :

Name of Joint Holder(s) :

Address :

Pin Code :

E-mail ID (to be registered) :

Contact Tel. Nos.: Mobile :

Landline :

PAN No. :

Date :

Signature :

Important Notes :

1. On registration, all the communication will be sent to the e-mail ID registered in the folio.
2. The form is also available on the website of the Company www.niharikaIndia.com
3. Any change in e-mail ID, from time to time, may please be registered in the records of the Company.

FOR SHAREHOLDERS HOLDING SHARES IN DEMAT FORM

Members holding share in demat form may register the e-mails with their respective depository participant.

NIHARIKA INDIA LIMITED



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2017-2018