



### 30TH ANNUAL GENERAL MEETING

Date : 26th September, 2014  
 Day : Friday  
 Time : 10.30 A.M.  
 Place : Bengal National Chamber  
 of Commerce & Industry  
 23, Sir R. N. Mukherjee Road  
 Kolkata - 700 001

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NICCO UCO ALLIANCE CREDIT LIMITED

## BOARD OF DIRECTORS

As on 31st July, 2014

Mr. Debdatta Saila  
Mr. Lakshmi Narain Kaul  
Mr. Kartick Kumar Chatterjee  
Mr. Bimalendu Sankar Gupta  
Mr. Biswajit Roy  
Mrs. Aparna Dey

Chairman (Non-Executive)  
Managing Director  
Non-Executive Director  
Non-Executive Independent Director  
Non-Executive Independent Director  
Non-Executive Independent Director

## Company Secretary & Compliance Officer

Mr. S. S. Majumdar

## Chief Financial Officer

Mr. J. Mukherjee

## BOARD COMMITTEES

### Audit Committee

Mr. Debdatta Saila	Chairman
Mr. Kartick Kumar Chatterjee	Member
Mr. Bimalendu Sankar Gupta	Member

### Shareholders'

### Grievances Committee

Mr. Bimalendu Sankar Gupta	Chairman
Mr. Lakshmi Narain Kaul	Member
Mr. Kartick Kumar Chatterjee	Member

### Remuneration Committee

Mr. Debdatta Saila	Chairman
Mr. Kartick Kumar Chatterjee	Member
Mr. Bimalendu Sankar Gupta	Member
Mr. Biswajit Roy	Member

## BANKERS

UCO Bank  
United Bank of India  
Punjab & Sind Bank  
The Federal Bank Ltd.  
Dena Bank  
Canara Bank  
State Bank of India  
State Bank of Travancore  
Indian Overseas Bank  
Central Bank of India  
The South Indian Bank Ltd.  
Bank of Baroda  
State Bank of Mysore  
Catholic Syrian Bank  
The Indusind Bank Ltd.

## AUDITORS

Messrs. G. Basu & Company  
Chartered Accountants, Kolkata

## REGISTERED OFFICE

Nicco House  
2, Hare Street, Kolkata - 700001  
Ph. No. : (033) 66285260 / 5261  
Fax No. : (033) 22429465, 22309443  
E-mail : nufslcal@gmail.com

## SHARE TRANSFER AGENT

R & D INFOTECH PVT.LTD.  
1st Floor, 7A, Beltala Road  
Kolkata - 700 026  
Ph. No. : (91-33) 2419-2641/2642  
Fax No. : (91-33) 2463-1658  
E-mail : rdinfotec@yahoo.com

## SHARE LISTED AT :

Bombay Stock Exchange, Mumbai  
PJ Towers, Dalal Street, Fort  
Mumbai - 400 001

There is no arrear of Annual  
Listing fee payable to Bombay  
Stock Exchange.



### Notice of the 30th Annual General Meeting to the Members

NOTICE is hereby given that the 30th Annual General Meeting of the Company will be held on Friday, the 26th September, 2014 at 10.30 a.m. at Bengal National Chamber of Commerce & Industry, 23, Sir R. N. Mukherjee Road, Kolkata - 700 001 to transact the following business :

#### ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Profit & Loss Account of the Company for the year ended 31st March, 2014 and the Audited Balance Sheet as on that date with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Kartick Kumar Chatterjee (DIN 00198722), who retires by rotation and, being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :

"RESOLVED that pursuant to the provision of Sec.139 and other applicable provisions, if any, of the Companies Act, 2013 (New Act) and Rules framed thereunder as amended from time to time, M/s. G. Basu & Company, Chartered Accountants (Firm Registration No. 301174E), be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM at a remuneration to be decided by the Board of Directors.

#### SPECIAL BUSINESS :

4. Appointment of Mr. Biswajit Roy as an Independent Director.

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 ("new Act") and the Rules made thereunder read with Schedule IV of the new act, as amended from time to time, Mr. Biswajit Roy (DIN 00198746), 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 new Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company.

5. Appointment of Ms. Aparna Dey as an Independent Director.

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 ("new Act") and the Rules made thereunder read with Schedule IV of the new Act, as amended from time to time, Ms. Aparna Dey (DIN 06941580), a non-executive director of the Company, who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the new Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company.

Ms. Aparna Dey shall hold office for 5 consecutive years not liable to retire by rotation for a term upto the conclusion of the 35th Annual General Meeting in the Calendar year 2019."

Registered Office :  
NICCO HOUSE  
2, Hare Street  
Kolkata - 700 001  
Date : 31st July, 2014

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

**S. S. MAJUMDAR**  
Company Secretary



NICCO UCO ALLIANCE CREDIT LIMITED

**Annexure to Notice**

**Explanatory Statement as required under section 102 (I) of the Companies Act, 2013**

**Item No. 4**

Mr. Biswajit Roy is a Non-Executive (Independent) Director of the Company in terms of section 149 and any other applicable provision of the Companies Act, 2013. Mr. Roy being eligible and having given his consent, is proposed to be appointed as an Independent Director for a term of five years.

The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with requisite deposit proposing the candidature of Mr. Roy for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received declaration from Mr. Roy that he meets the criteria of Independence as prescribed both under Section 149 of the Companies Act, 2013 and the Listing Agreement.

The resolution seeks the approval of members for the appointment of Mr. Roy as an Independent Director of the Company for a period of five years pursuant to section 149 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder. He is not liable to retire by rotation.

In the opinion of the Board of Directors, Mr. Roy, who is proposed to be appointed as an Independent Director, fulfills the conditions specified in the Act and rules made thereunder and he is independent of the Management. A copy of the draft letter for the appointment of Mr. Roy as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the registered office of the company during normal business hours on working days up to the date of AGM.

The Board considers that his continued association would be of immense benefit to the company and it is desirable to continue to avail the services of Mr. Roy as an Independent Director.

Excepting Mr. Biswajit Roy, who is interested in the appointment, no other Director or Key Managerial Personnel or their relatives is/are concerned or interested in the said appointment.

The Board recommends the resolution set forth in item No.4 for the approval of the members.

**Item No. 5**

- (i) Ms. Aparna Dey was appointed as an Additional Director in the Board Meeting held on 31st July, 2014 and she holds her office upto the date of Thirtieth Annual General Meeting.
- (ii) In terms of section 149 and any other applicable provision of the Companies Act, 2013, Ms. Dey being eligible and having given her consent to act as a Director, is proposed to be appointed as an Independent Director for a term of five years.
- (iii) The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with requisite deposit proposing the candidature of Ms. Aparna Dey for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received declaration from Ms. Dey that she meets the criteria of Independence as prescribed both under Section 149 of the Companies Act, 2013 and the Listing Agreement.

The resolution seeks the approval of members for the appointment of Ms. Aparna Dey as an Independent Director of the Company for a period of five years pursuant to section 149 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder. She is not liable to retire by rotation.

In the opinion of the Board of Directors, Ms. Dey, who is proposed to be appointed as an Independent Director, fulfills the conditions specified in the Act and Rules made thereunder and she is independent of the Management. A copy of the draft letter for the appointment of Ms. Dey as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the registered office of the company during normal business hours on working days up to the date of AGM.

The Board considers that her continued association would be of immense benefit to the company and it is desirable to continue to avail the services of Ms. Dey as an Independent Director.

Excepting Ms. Aparna Dey, who is interested in the appointment, no other Director or Key Managerial Personnel or their relatives is/are concerned or interested in the said appointment.

The Board recommends the resolution set forth in item No. 5 for the approval of the members.

Registered Office :  
NICCO HOUSE  
2, Hare Street  
Kolkata - 700 001

Date : 31st July, 2014

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

**S. S. MAJUMDAR**  
Company Secretary

**NOTES :**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Proxies, in order to be effective, must be submitted at the Company's Registered Office, not less than 48 hours before the commencement of the meeting.  
The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company shall remain closed from Thursday, the 18th September, 2014 to Friday, the 26th September, 2014 (both days inclusive).
2. Considering present financial health of the Company and finding that transaction in CDSL is negligible the company has discontinued with the transaction facility with CDSL. Members are requested to have their transaction in NSDL only, as this would bring in cost saving to Company.
3. In accordance with the new Act read with the relevant Rules, the Annual Reports are sent by electronic mode to those members whose shareholding is in dematerialized format and whose e-mail ID are registered with the Depository for communication purposes. To support the "Green Initiative", the Members who have not yet registered their e-mail ID are requested to register their email ID addresses with R&D Infotech Pvt.Ltd., 1st Floor, 7A, Beltala Road, Kolkata – 700 026, the Company's Registrars and Transfer Agents.

Process for Members for e-voting is as under :-

In compliance with the provisions of Section 108 of the Companies Act, 2013 and the relevant Rules framed thereunder, the Members are provided with the facility to exercise their vote at the 30th AGM by electronic means and the business may be transacted through e-voting services provided by National Securities Depository Ltd.(NSDL).

The instruction for e-voting are as under :-

- A. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/ Depositories) :-
  - i. Open the e-mail and also open PDF file namely "NUACL\_e-voting.pdf" with your Client ID or Folio No, as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
  - ii. Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>
  - iii. Click on Shareholder – Login
  - iv. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
  - v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
  - vi. The password change menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
  - vii. Once the e-voting home page opens, click on e-voting>Active Voting Cycles.
  - viii. Select "EVEN" (E-Voting Event Number) of Nicco Uco Alliance Credit Limited.
  - ix. Now you are ready for e-voting and cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - x. Upon confirmation, the message "Vote cast successfully" will be displayed.
  - xi. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
  - xii. Institutional shareholders (i.e other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter, etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [pvs17@rediffmail.com](mailto:pvs17@rediffmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
  - xiii. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) – Shareholders and e-voting user manual – Shareholders, available at downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
- B. In case Member receives physical copy of Notice of AGM (for Members whose email addresses are not registered with the Company/ Depositories) :-
  - i. Initial password is provided in the enclosed ballot form: EVEN (EVoting Event Number), user ID and password.
  - ii. Please follow all steps from Sl. No. ii to xiii above, to cast vote.
- C. Other Instructions :-
  - i. The e-voting period commences on Thursday, the 18th September, 2014 (9.00 A.M. IST) and ends on Saturday, the 20th September, 2014 (5.30 P.M. IST). During this period, Members of the Company, holding shares either in physical form or in



**NICCO UCO ALLIANCE CREDIT LIMITED**

dematerialized form, as on 14th August, 2014 may cast their vote electronically. The e-voting module shall be disabled by NSDL, for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.

- ii. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 14th August, 2014 and as per the Register of Members of the Company.
- iii. Mr. P. V. Subramanian, Practicing Company Secretary, has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- iv. The Scrutinizer shall, within a period of not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- v. Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, at R & D Infotech Pvt. Ltd, 1st Floor, 7A, Beltala Road, Kolkata - 700 026 in the enclosed postage pre-paid self-addressed envelope, not later than Saturday, the 20th September, 2014 (1.30 P.M. IST). Ballot Forms deposited in person or sent by post or courier at the expense of the Member will also be accepted. The duly completed Ballot Form should reach the Scrutinizer not later than Saturday, the 20th September, 2014 (1.30 P.M. IST). Ballot Form received after this date will be treated as invalid. A Member can opt for only one mode of voting i.e, either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
- vi. The results declared shall be published within two days of the passing of the resolutions at the 30th AGM of the Company on 26th September, 2014 and communicated to the BSE Limited where the shares of the Company are listed.

Registered Office :  
NICCO HOUSE  
2, Hare Street  
Kolkata - 700 001  
Date : 31st July, 2014

By Order of the Board of Directors

**S. S. MAJUMDAR**  
Company Secretary

**ANNEXURE - A**

**Details of Directors seeking appointment/re-appointment at the  
Thirtieth Annual General Meeting  
[ In pursuance of Clause 49VI(A) of Listing Agreement ]**

Name of the Director	Mr. K. K. Chatterjee	Mr. Biswajit Roy	Ms. Aparna Dey
Date of Birth	09.01.1957	10.02.1970	25.09.1968
Date of appointment	21.06.2004	27.03.2006	31.07.2014
Expertise	Wide experience in Legal field and Corporate affairs	Legal practitioner at High Court at Calcutta.	15 years experience including Finance and Accounts
Qualifications	B.A. (ECO) M.COM, LL.B., MBA	B. COM, L.L.B.	B.A.
List of other Companies in which directorship held	Nil	Nil	Nil
Membership/Chairmanship of Committee of Directors in the Company	Audit Committee - Member, Shareholders' Grievances Committee Member, Remuneration Committee - Member	Remuneration Committee - Member	Nil



## REPORT OF THE DIRECTORS

For the year ended 31st March, 2014

The directors hereby present their 30th Annual Report together with the audited statement of accounts for the year ended 31st March 2014.

### 1. FINANCIAL RESULTS

Rs. In Lacs

	2013-14	2012-13
Loss : For the year	6695.40	5368.24
Add : Balance of loss brought from last year	50203.00	44834.76
<b>Transfer to Balance Sheet</b>	<b>56898.40</b>	<b>50203.00</b>

### 2. DIVIDEND :

In view of the loss, your Directors regret their inability to recommend any dividend for the year under review.

### 3. OPERATIONS :

There was income of Rs.11,62,049/- from Hire purchase/lease deals as all such deals have matured. Constant increase in loss was mainly due to provisioning on account of interest on Banks/FIs borrowings and fixed deposit. Although collection resources are drying up still the company's collection under the item " other income" amounted to Rs.135 lacs. Constant efforts are on to collect dues and it is expected that in the current financial year collection from a few clients will materialize.

A few meetings with the Consortium of banks for arriving at out of court settlement took place. It is expected that mutually acceptable settlement would emerge in the current financial year. Company shall be moving an application in Hon'ble Calcutta High Court for early hearing of Scheme of arrangement for reorganization of share capital of the company and compromise with fixed deposit holders under Sec.391 & 394 of the Companies Act, 1956. Meanwhile, company is paying to such fixed deposit holders who are approaching the company under hardship condition provided fund flow permits.

The case filed by the Consortium of Banks in DRT Kolkata was being contested by the Company on the ground of maintainability and Contempt proceedings against the company and its Directors in the Board in 2005-06 was also opposed and the matter is pending. Another case in DRT Kolkata had been filed by UCO Bank for the funding of Mehta Transport deal; AXIS Bank and Indusind Bank, for their respective Securitised loan, had filed separate suits in DRT Chennai; IFCI not being part of Consortium of Banks, had filed a separate suit in DRT Kolkata for their share of loan; IFCW had filed a suit in High Court in Calcutta for recovery of its loan. All these cases are being contested by the Company.

Being aggrieved by DRAT Order, Uco Bank with other Consortium of Banks moved a proceeding under Sarfaesi Act. Company filed a Writ Petition before Hon'ble High Court at Calcutta and due to some deficiency in the procedure followed by UCO Bank and others, the said Court had Ordered that no coercive steps should be taken by Bank. Bank had appealed against this Order which is pending.

### 4. INVESTIGATION U/S 235 OF THE COMPANIES ACT, 1956 :

Serious Fraud Investigation Office (SFIO) had completed their investigation in the year 2010 in respect of a few cases and these are being contested by the Company in court of law and follow up action in respect of them had been initiated. Supplementary investigation in respect of a few specific areas are still to be completed.

### 5. MIS-APPROPRIATION OF COMPANY'S FUND :

On Company's complaint DCDD Kolkata Police at Lal Bazar Street, following their investigation, had filed criminal case against 2 ex. employees in Chief Magistrate's Court at Bankshall Street in the year 2011.

Company had also filed money suit in Calcutta High Court against 2 ex.employees for the funds misappropriated by them and the case is in progress. One of the employees who had moved City Civil Court seeking injunction against the termination of his service is pending for hearing.

### 6. SUBSIDIARY COMPANY :

The wholly owned subsidiary, Nicco Insurance Agents and Consultants Ltd. (NIACL) has incurred a loss of Rs. 0.92 lacs as they could not generate any business.



## 7. STATUTORY INFORMATION :

There was no employee during the year ended 31st March, 2014 in respect of whom the particulars are required to be disclosed with reference to Section 217(2A) of the Company's Act 1956.

Since your Company has no manufacturing activities, the disclosure relating to conservation of energy and technology absorption is not applicable under the provisions of Companies (Disclosure of particulars in the Report of Board of Directors) Rule, 1988.

The Company had no Foreign exchange earnings and outgo during the year under review.

## 8. DIRECTORS :

Mr. Kartick Kumar Chatterjee retire by rotation in the ensuing Thirtieth Annual General Meeting and, being eligible, offer himself for reappointment.

As mentioned in previous report, Company had submitted to Central Government an application for the reappointment of Mr. L. N. Kaul as Managing Director and Company Secretary with effect from 15.4.2013 and all the formalities in this connection were complied. Central Government, through Ministry of Corporate Affairs had considered application unfavourably stating that as per Companies Act, 1956, Mr. L. N. Kaul cannot hold dual position of Managing Director and Company Secretary.

As per legal opinion received, an application to Central Government was not necessary for the period 15.4.2013 to 31.3.2014 pursuant to the Notification dated 14th July, 2011, modifying Schedule XIII of the Companies Act, 1956. However, Mr. L. N. Kaul cannot hold dual position of Managing Director and Company Secretary as per Companies Act, 2013. Hence, to regularize the same Mr. Kaul had resigned from the position of Company Secretary w.e.f 1.4.2014 and Mr. S. S. Majumdar, a qualified Company Secretary had been appointed from 1st April, 2014.

Since the objection of Central Government had been taken care of, Board in its meeting held on 1st April, 2014 had decided that Company make a fresh application to Central Government for approving the proposed remuneration of Mr. L. N. Kaul for the period 1.4.2014 to 14.4.2018 which was already approved in the Extra Ordinary General Meeting held on 26.2.2013.

Independent Director, as per Companies Act, 2013 shall hold office for a term of 5 consecutive years on the Board of a Company and shall be reappointed by passing of a Special Resolution by the Shareholders of the Company. Independent Director shall be eligible to hold office for two consecutive terms of 5 years and retirement by rotation shall not be applicable to such Directors.

As per the requirement of Companies Act, 2013, Mrs. Aparna Dey, Woman Director, was co-opted as Additional Director in the Board Meeting held on 31.7.2014. She meets the requirements of Independent Director as stipulated in Companies Act, 2013.

Accordingly, Mr. B. Roy & Mrs. Aparna Dey, being eligible are proposed to be appointed as independent Directors for a term of 5 consecutive years on the Board of Directors of the Company.

Auditors in their report dated 30th May, 2014 under Report on other Legal and Regulatory Requirement, Clause 2(e) have stated that due to continuing default in repayment of fixed deposit the Directors of the Company are disqualified as on 31st March, 2014 from being appointed as Directors in other Public Companies in terms of clause (g) of subsection (1) of Section 274 of the Companies Act, 1956. Directors are not in agreement with the contention of the Auditors and their view has been supplemented by legal opinion received from a legal firm to the extent that such restriction on the Directors of the Company expired on 31st March, 2013.

## 9. DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to the provisions of Section 217(2AA) of the Act, the Directors state that:

- (a) In the preparation of the Annual Accounts for the year ended March 31, 2014, applicable Accounting Standards have been followed with no material departure;
- (b) Your directors have selected such accounting policies and applied them consistently and made judgments and estimate that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as on March 31, 2014 and of the loss for the year ended 31st March, 2014.
- (c) Your directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding assets of the company and/or for preventing and detecting frauds and other irregularities and while discharging their duties they had relied on the contention of the Management and also on the report of the Internal Auditors (outside firm), both of which required improvement in several aspects.





(d) The accounts for the year ended March 31, 2014 have been prepared on a going concern concept based on legal opinion obtained pending final outcome of the appeal preferred by the Company against cancellation of Certificate of Registration by RBI.

#### **10. MANAGEMENT DISCUSSION AND ANALYSIS & CORPORATE GOVERNANCE :**

In accordance with the requirement of the listing Agreements with the Stock Exchange, a report on the Management Discussion and Analysis is attached hereto (Annexure 'A'). A Report on the status of Compliance of Corporate Governance norms along with the certificate of the Auditors is also attached (Annexure 'B').

#### **11. AUDITORS & AUDITORS' REPORT :**

The name of M/s.G. Basu & Company, Chartered Accountants has been proposed for reappointment as Auditors of the Company to hold office of the Auditors from the ensuing Annual General Meeting.

In regard to qualifications made by the Auditors in Auditors' Report, Annexure to the Auditors' Report and Certificate issued on compliance of conditions of Corporate Governance, all dated 30th May, 2014, the comments of the Board of Directors are as under against respective clauses of the said report.

#### **12. AUDITORS' REPORT :**

In regard to qualifications made by the Auditors in Auditors' Report, Annexure to the Auditors' Report and Certificate issued on compliance of conditions of Corporate Governance, all of them dated 30th May, 2014, the comments of the Board of Directors are as under against respective clauses of the said report :

##### **Comments & Clarifications to Auditors' qualifications in their Reports**

##### **Basis for qualified Opinion**

Clause (a) – Please refer to Note No.2.21 of Notes to Financial statement in this regard. Necessary action if any will be taken on disposal of the appeal.

Clause (b) – Please refer to Note No.2.3(ix) of Notes to Financial Statement in this regard. Huge loss suffered by the Company since F.Y – 2003-04 to date along with embargo on the Company by RBI for doing fund based business have adversely impacted the Cash flow position of the Company. Shortfall in repayment of fixed deposit as per modified CLB Order arose due to paucity of fund.

Clause (c) Please refer to Note No. 2.3(x) of Notes to Financial Statement in this connection.

##### **Emphasis of matter**

(i) Please refer to note no.2.3 and 2.5 of Notes to Financial Statement in this regard. Necessary action, if any, will be taken on disposal of the case.

(ii) Please refer to note no.2.11 (d) of Notes to Financial Statement in this regard. The investigation conducted by SFIO has been partially completed and follow up action in respect of them has been initiated.

(iii) Please refer to Note No.2.36 of Notes to Financial Statement which is self explanatory.

##### **Report on other Legal and Regulatory Requirements -**

Clause 2(e) – For disqualification of Directors u/s 274 (1)(g) of the Companies Act, 1956, please refer to clause 8, para - 7 of Directors Report.

#### **ANNEXURE TO AUDITORS' REPORT :**

##### **Clause :**

1.(a). The updation of Fixed Asset register destroyed in a fire in the office premises is under process.

2(a)(b)(c). Since there is no live agreement for Lease and Hire Purchase deals and the outstanding against the earlier deals have been provided for, the scope for physical verification of inventory doesn't exist and accordingly the same has not been verified.

(4). Appropriate steps have been initiated by devising a multi layer checking system to remove the weaknesses noticed in the internal control system which is under constant review for scope of up gradation, if any.

Clause.6: The net worth of the company has completely been eroded due to huge loss suffered by the company. Thus, present



NICCO UCO ALLIANCE CREDIT LIMITED

outstanding fixed deposit liability of the company has exceeded the prescribed limit though the deposits were accepted as per RBI norms and guidelines.

(a). Please refer to Note No.2.3 (x) & (xi) of Notes to Financial Statement in this regard. Huge loss suffered by the company since the F.Y 2003 – 2004 to date along with embargo on the company by RBI from doing fund based business have adversely impacted the cash flow position of the company. Shortfall in payment of fixed deposit as per modified CLB order arose due to paucity of fund.

Clause 9: (a) Due to closure of business resulting into exodus of executives and cancellation of certificate by RBI, the company is unable to identify the liability.

Clause 9: (b) Please refer to Note nos.2.7 and 2.23 (a) & (b) of Notes to Financial Statement. As the disputes have not yet been settled, the Company is not in a position to comment further.

Clause 11: Consequent upon cancellation of certificate of registration by RBI, projections made in the scheme filed u/s 391(1) and 391(6) of the Companies Act, 1956 for revival of the company was jeopardized. UCO Bank and other secured lenders have then initiated various legal actions against the company as detailed in Note No.2.3 iv(a) to (f). The company was then compelled to withdraw the said scheme filed u/s 391(1) and 391(6) of the Companies Act, 1956. As the matter is sub-judice, necessary action, if any, will be taken on disposal of the pending cases.

Clause 14: Please refer note 2.9(a) to 2.9(d) of Notes to Financial Statement in this regard which are self explanatory.

In regard to qualifications made under certificate issued on Corporate Governance, we state:

- (a) To cut cost, company is not having its own Website but sending financial data regularly to Stock Exchange in their required format for publishing at their website.
- (b) In view of present financial condition of the company, effort is made to cut /reduce cost and accordingly Membership of CDSL was given up in the financial year 2005-06 as maximum activity of company's shares are confined to NSDL. Shareholders were also informed to comply with this request through Annual Reports and Accounts. CDSL had stopped sending their data since financial year 2010-11.

### 13. APPRECIATION :

Your Directors wish to thank the company's stakeholders and fixed deposit holders for their support.

31st July, 2014

Kolkata

On behalf of the Board of Directors

**DEBDATTA SAILA**  
Chairman