



**36<sup>th</sup> ANNUAL REPORT 2018-2019**

<b>SL.No.</b>	<b>CONTENTS</b>	<b>PAGE NO.</b>
1	MANAGING DIRECTOR'S MESSAGE	1
2	BRIEF PROFILE OF THE COMPANY	2
3	MANAGEMENT DISCUSSION AND ANALYSIS REPORT	3-5
4	REPORT ON CORPORATE GOVERNANCE	5-12
5	DIRECTOR'S REPORT(INCLUDING SECRETARIAL AUDIT REPORT & EXTRACT OF ANNUAL RETURN)	13-36
6	AUDITOR'S REPORT	37-43
7	BALANCE SHEET	44
8.	PROFIT & LOSS STATEMENT	45
9.	CASH FLOW STATEMENT	46
10.	NOTES ALONG WITH ANNEXURES	47-55
11.	NOTICE OF ANNUAL GENERAL MEETING	56-69
12.	ATTENDANCE SLIP	70
13.	PROXY FORM	71-73
14.	Route Map of the Venue of the AGM	73



## FROM THE DESK OF MANAGING DIRECTOR

**Dear Shareholders,**

It gives me immense pleasure to share with you the Financial Results of the Company for the financial year 2018-2019. This year was undoubtedly upside-down not only for Indian Economy but also for the world at large. According to the reports provided by International Monetary Fund (IMF) India's growth rate tends to revolve around 7 percent in Financial Year 2018- 2019 due to subdued domestic demand. The current year growth rate of the NBFCs are not likely to grow as compared to the previous growth rate due to slowdown in credit to various loans facilities provided by the NBFCs to SMEs and commercial vehicles.

The backbone of a successful lending model lies in the direct sourcing of loans through its strong loan origination strategy, superior credit underwriting skills and a robust risk management and collection mechanism. These three strong pillars uphold the pile of our victories. With a great year behind us, we're hoping for an even better one ahead, where we will continue to work hard for our shareholders and be constructive partners to our clients, all the while aiming to support the government's mission of inclusion, by providing essential financial services to those who need it the most.

NBFCs have carved niche business areas for them within the financial sector space and are also popular for providing customized products. It brings the much needed diversity to the financial sector. It also plays an important role to promote financial inclusion agenda of the government by catering to the financial needs of people belonging to weaker sections of the society.

I would like to thank all my stakeholders for their dedication, innovation and hard work. By creating new benchmarks in the business we operate in, our company is delivering on our mission to generate sustainable value for our stakeholders and India. These efforts also help us to deliver inclusive growth and make life better for everyone.

I would like to place on record my sincere appreciation to the Board of Directors for their guidance. I would like to express my gratitude to all our stakeholders for their continuing faith in Neil Industries Limited.

I solicit your continued cooperation.

With warm regards,  
Yours sincerely,

SD/-  
(Arvind Kumar Mittal)  
Managing Director  
DIN: 02010445



## PROFILE OF THE COMPANY

### BOARD OF DIRECTORS

Mr. Arvind Kumar Mittal	Managing Director
Mr. Rajesh Bajpai	Non- Executive Independent Director
Mr. Vivek Awasthi	Non- Executive Independent Director
Mrs. Pinki Yadav	Non- Executive Independent Director
Mr. Chandra Kant Dwivedi	Non- Executive Non Independent Director

### CHIEF FINANCIAL OFFICER

Mrs. Ruchi Shukla(Sharma)

### AUDITORS

Ranjit Jain & Co.  
Diamond Heritage, Suit  
H-605A, 16, Strand Road, 6<sup>th</sup> Floor,  
Kolkata-700001,

### C.S & COMPLIANCE OFFICER

Ms. Amanpreet Kaur

### BANKERS

UNION BANK OF INDIA  
Birhana Road, Kanpur-208001

YES BANK  
Civil Lines, Kanpur-208001

IDFC FIRST BANK  
Mall Road, Kanpur-208001

### REGISTERED OFFICE

88B (Ground Floor),  
Lake View Road,  
Kolkata-700029  
West Bengal

### CORPORATE OFFICE

14/113, Civil Lines,  
402-403, Kan Chambers,  
Kanpur-208001

**CIN: L51109WB1983PLC036091**

### REGISTRAR AND SHARE TRANSFER AGENT

M/S Skyline Financial Services Private Limited  
D-153-A, 1<sup>st</sup> floor, Okhala Industrial Area,  
Phase I, New Delhi- 110020  
Email: admin@skylinerta.com

### E-MAIL I.D. & CONTACT NO. FOR INVESTORS

E- Mail ID: neilil@rediffmail.com, neilindustrieslimited@gmail.com  
Contact No. : 0512- 2303325  
Web: www.neil.co.in

## MANAGEMENT DISCUSSION & ANALYSIS

### ECONOMIC CONDITION

At the beginning of FY 2018-2019 there was an expectation of higher growth as the economy seemed to have overcome the teething troubles of the Goods and Service Tax (GST). However a rise in the current account deficit (CAD), concerns relating to the rising non-performing assets (NPAs), decline in liquidity, tighter bank credit to industry, and relatively lackluster sectoral performance contributed to uncertainties around whether India would actually post higher GDP Growth. The Central Statistic Office (CSO) estimates real GDP growth in FY 2018-2019 at 7% versus 7.2% in FY 2017-2018. Quarterly growth also reduced-from 8% in Q1 FY 2018-2019 to 7% in Q2 and then to 6.6% in Q3.

According to ICRA Research Report, The assets under management (AUM) of retail non-banking finance companies (Retail-NBFCs) witnessed a sharp slowdown in growth in Financial Year 2018-2019 as entities facing tightened liquidity moderated their incremental disbursements. Retail-NBFC AUM stood at Rs. 8.4 trillion as on December 31, 2018, registering a year-on-year (YoY) growth of 21.5%. All key segments of Retail-NBFC credit, which contributed to higher year-on-year growth of 24-25% in Financial Year 2019 namely, Loan against property, Micro Small and Medium Enterprises and business loan, commercial vehicle (CV), personal credit (unsecured including consumer durables) and microfinance, witnessed a deceleration in growth. While it was expected that the liquidity to NBFCs would improve and conditions would normalize by Financial Year 2018-2019, it is taking longer as market liquidity remains tight and cost is high. The share of unsecured personal credit (including microfinance) witnessed a steady increase in the recent past (currently 19% of total Retail-NBFC credit compared to 13% in December 2016). Moreover, entities are expected to focus on other riskier and high-yielding segments, including the used vehicle segment, personal credit and unsecured SME credit etc, to offset the impact of the increase in the cost of funds and competitive pressure from banks.

### BUSINESS OVERVIEW

The NBFC Sector in India has undergone a significant transformation over the past few years. It has one to be recognized as one of the systematically important components of the financial system and has shown consistent year-on-year growth.

The Company continues to believe in the potential of Indian financial Market and rising income level. The Company wants to expand its presence, thereby strengthening its area of operations into the MSME markets across the Country. The Non Banking Financial Company sector saw a largely stable outlook for major NBFCs. From the perspective of the larger financial system, scheduled commercial banks continued to be the dominant players. NBFCs are considered as very important financial intermediary mainly for small-scale sectors. In Indian financial system, there is a great importance of NBFC segment. In India, for NBFC, there is stringent regulation as prescribed by Reserve Bank of India (RBI). Now they are giving tough competition to private sector banks.. In NBFCs, there is a simpler procedure of sanctioning the credit. There are more flexible terms of repayment. From past ten years, NBFCs have shown phenomenal growth.



## **PERFORMANCE**

During the financial year 2018-2019 Company earned profit of 72.92 (Rs in '00000) as compared to last financial year's profit of 112.55 (Rs in '00000). The profit of the Company has decreased due to unfavourable external business environment factors. The Company is determined to perform better during the current year by expanding its area of operations.

## **OUTLOOK**

The markets will continue to grow and mature leading to differentiation of products and services. Each financial intermediary will have to find its niche in order to add value to consumers. Company offers a huge opportunity for credit intermediation and expansion owing to the economic policies in the country. We are focusing on maintaining stringent follow ups for recovery installments of principal and interest amounts. The Company is cautiously optimistic in its outlook for the year 2019-20.

## **RISK AND CONCERNS**

Risk is an integral part of the business and cannot be avoided however it can be minimized. In the financial services sector, it becomes imperative to ensure that profitability does not come at the cost of asset quality. The Company has put in place adequate risk identification, risk management and mitigation processes to keep any such trade-off at bay. The Company has built sound systems and processes for both its verticals i.e. MSME and Wholesale Lending, to take care of the respective risks associated with them. It is also constantly gauging the external conditions and government policies to ensure that the business is one step ahead of the industry and monetary cycles, thereby insulating the Company from downtrends and enabling it to ride uptrend's. For Credit Risk Assessment, a set of questions are used to evaluate the ability and willingness of borrower. There are some tests which are used to evaluate credibility. The biggest opportunity and risk to our business today is technology disruption but we must build an organization that is agile.

## **INTERNAL CONTROL SYSTEM**

The Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. The internal control system is supported by an internal audit process for reviewing the design, adequacy and efficacy of the Company's internal controls, including its systems and processes and compliance with regulations and procedures. Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board, which also reviews the adequacy and effectiveness of the internal controls in the Company.

The Company's internal control system is commensurate with the size, nature and operations of the Company.

## **HUMAN RESOURCE CAPITAL**

Acknowledging that human resources play a crucial role in enabling it to meet its objectives, the Company chooses its people very carefully, ensuring that they conform to the company's culture and follow its values and belief system. Setting the benchmark high, with its good governance the promoters



are hands-on involved in the management of the Company with strategic inputs from a well-diversified and competent board.

During FY 2018-19, the Company continued to show signs of positivity and growth, providing the Management an appetite for enhancing potential and driving growth and development of its people.

### **DISCLAIMER**

The statements and projections made in this report may vary depending on the economic conditions, government policies, and other factors beyond the control of the Company. Company is not under any obligation to amend, modify or revise any statement.

## **REPORT ON CORPORATE GOVERNANCE**

Your Company believes in managing its affairs with full compliance, transparency and accountability. We believe that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics. As the Corporate Governance Section forms an integral part of your Company and the through its disclosures and compliance it creates a sense of belief in the minds of stakeholders connected with the company.

The Company has complied with the requirements of Corporate Governance as laid down under the the SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 under which the Corporate Governance provisions are specified in Chapter IV. In addition to this, a Certificate from the practicing Company Secretary has been obtained as stipulated under part E of Schedule V of the SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015. A Certificate from the Chief Director (Managing Director) and the Chief Financial Officer (CFO) has been obtained as required under regulation 17(8) of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 for compliance as specified in Part B of Schedule II. The report on Corporate Governance is duly filed in every quarter with the exchange within the prescribed time period.

### **1. BOARD OF DIRECTORS**

The Board of the Company comprises of Five Directors having three Directors as Non-executive independent Directors, one director as Non-executive non-independent director and one Director as Executive Promoter Director as follows:

<b>SL NO.</b>	<b>NAME</b>	<b>DESIGNATION</b>
1.	Mr. Arvind Kumar Mittal	Managing Director
2.	Mr. Rajesh Bajpai	Non-Executive Independent Director
3	Mr. Chandra Kant Dwivedi	Non-Executive Non Independent Director
4.	Mr. Vivek Awasthi	Non-Executive Independent Director
5.	Mrs. Pinki Yadav	Non-Executive Independent Director



### 1.1 NUMBER OF BOARD MEETINGS:

During the year the Board met 7 times on 26/04/2018, 29/05/2018, 27/07/2018, 24/10/2018, 02/11/2018, 28/12/2018, 07/02/2019 and the maximum gap between two board meetings was not more than 120 days.

### 1.2 DIRECTORS ATTENDANCE RECORD & DIRECTORSHIP HELD

The Composition and category of the Directors on the Board, and their attendance at the Board meetings during the year and at the last Annual General Meeting as also number of Directorship and Committee Membership/Chairmanship as on 31<sup>st</sup> March, 2019 are as follows:

Name of Director	Category of Directorship	No. of Board Meeting held	No. of Board Meeting attended	Last AGM Attended	Other Directorship	Other Committees
Mr. Arvind Kumar Mittal	Executive Director	07	07	Yes	1. U.P Stock & Capital Limited 2. Unlock Wealth Securities Limited.	Member of Shareholders / Investors Grievance Committee & Member of Audit Committee
Mr. Rajesh Bajpai	Non-Executive Director	07	01	No	Nil	Member of Nomination & Remuneration committee
Mr. Chandra Kant Dwivedi	Non-Executive Director	07	05	No	Nil	NIL
Mrs. Pinki Yadav	Non-Executive Director	07	06	No	Nil	Member of Audit Committee, Member of Nomination & Remuneration Committee & Member of Investor grievance Committee





Mr. Vivek Awasthi	Non-Executive Director	07	04	Yes	Nil	Chairman of Audit Committee, Chairman of Nomination & Remuneration Committee & Chairman of Investor grievance Committee
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### **DISCLOSURES REGARDING APPOINTMENT/RE-APPOINTMENT**

As per Section 152 of Companies Act 2013 two third of the Directors should retire by rotation. One third of these Directors are required to retire every year and if eligible they can offer themselves for reappointment. All the directors are Non Executive Independent Directors which are not liable to retire by rotation. In addition to this Mr. Arvind Kumar Mittal is the Managing Director of the Company and hence not liable to retire by rotation. Accordingly Shri Chandra Kant Dwivedi, Director, is liable to retire by rotation and offers himself for reappointment subject to approval of members in general meeting.

In terms of the requirements of the Companies Act, 2013, the Independent Directors of the Company were appointed for a period of five years. Such term of appointment of the Independent Directors shall come to an end on 36<sup>th</sup> Annual General Meeting. In view of the same, the Board of Directors have on the basis of recommendation of the Nomination and Remuneration Committee proposed to re-appoint Mr. Vivek Awasthi and Mr. Rajesh Bajpai, the Non-Executive Independent Directors as the the Non-Executive Independent Directors of the Company for a second term. A resolution proposing re-appointment of Independent Directors of the Company for the second term pursuant to Section 149(6) of the Companies Act, 2013 forms part of the Notice of Annual General Meeting.

Further in terms of the requirement of Mr. Arvind Kumar Mittal being the Managing Director of the Company were appointed for the period of five years. Such term of the appointment of the Managing Director shall come to an end on October 14<sup>th</sup>, 2019. The Board of Directors has on the basis of Recommendation of nomination and Remuneration Committee proposed to re-appoint Mr. Arvind Kumar Mittal as the Managing Director of the Company for the second term pursuant to Section 196 of the Companies Act, 2013 forms part of the Notice of the Annual General Meeting.

During the year, Mr. Vaibhav Agnihotri, Company Secretary, KMP and Compliance Officer of the Company resigned from the services of the Company. The resignation was effective from December 20, 2018.

Consequent to Mr. Vaibhav Agnihotri's resignation, the Board appointed Ms. Amanpreet Kaur as the Company Secretary, KMP and Compliance Officer of the Company. The appointment was effective from December 28, 2018.

## **2. COMMITTEES OF THE BOARD**

### **2.1 AUDIT COMMITTEE**

The Composition of Audit Committee is as mentioned herein below:

Sl No.	Name	Designated position in the committee	No. of Meetings held	No. of Meetings attended
1.	Vivek Awasthi	Chairman	4	4
2.	Arvind Kumar Mittal	Member	4	4
3.	Pinki Yadav	Member	4	4

During the year the Committee met 4 times on 29/05/2018, 27/07/2018, 02/11/2018, 07/02/2019 and the maximum gap between two board meetings was not more than 120 days.

### **2.2 NOMINATION AND REMUNERATION COMMITTEE**

The composition of remuneration committee is as follows:

SL No.	Name	Designated position in the committee	No. of Meetings held	No. of Meetings attended
1.	Vivek Awasthi	Chairman	2	2
2.	Rajesh Bajpai	Member	2	0
3.	Pinki Yadav	Member	2	2

During the year the Committee met 2 times on 27/07/2018 and 28/12/2018 respectively.

### **2.3 SHAREHOLDER/INVESTOR'S GRIEVANCE COMMITTEE**

The Composition of shareholder/investor's grievance committee is as follows:

Sl No.	Name	Designated position in the committee	No. of Meetings held	No. of Meetings attended
1.	Vivek Awasthi	Chairman	1	1
2.	Arvind Kumar Mittal	Member	1	1
3.	Pinki Yadav	Member	1	1

No. of Shareholder Complaints received so far	Nil
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During the year the Committee met on 07/02/2019



### **3. DETAILS OF REMUNERATION TO THE DIRECTORS**

SL NO	Name and designation	Salary(per month)	Other Benefits	Total
1.	Arvind Kumar Mittal (Managing Director)	50000/- for 5 months 100000/- for 7 months	Travelling allowance	9 lacs 50 Thousand P.a
2.	Rajesh Bajpai (Director)	Nil	Nil	nil
3.	Chandra Kant Dwivedi (Director)	Nil	Nil	nil
4.	Vivek Awasthi (Director)	Nil	Nil	nil
5.	Pinki Yadav (Director)	Nil	Nil	nil

### **4. GENERAL BODY MEETING**

(i) Details regarding the last three Annual General Meetings are as follows:

Financial year	Date of Meeting	Venue of Meeting	Timing of Meeting
2015-2016	23/09/2016	88B, (Ground Floor), Lake View Road Kolkata-700029	11:00 A.M.
2016-2017	22/09/2017	88B, (Ground Floor), Lake View Road Kolkata-700029	10:00 A.M.
2017-2018	07/09/2018	88B, (Ground Floor), Lake View Road Kolkata-700029	10:00 A.M.

(ii) The Details regarding Special Resolution passed in the previous three Annual General Meeting:

Financial Year	Special Resolution
2015-16	No
2016-17	No
2017-18	No

### **5. ADOPTION OF MANDATORY REQUIREMENTS OF SEBI(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015**

The Company has complied with the mandatory requirements of SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015.

### **6. MEANS OF COMMUNICATION**

The Company has timely published its quarterly results in the newspapers and has posted on its website.



## **7. GENERAL SHARE HOLDER INFORMATION**

I. Annual General Meeting : Date: 20<sup>TH</sup> September, 2019

Time : 10:00 A.M

Venue: 88B. (Ground Floor),  
Lake View Road, Kolkata-700029

II. Financial Year : 01/04/2018- 31/03/2019

III. Date of book closure : 13/09/2019– 20/09/2019

IV. Dividend payment date : N/A

The Directors of the company are of the opinion not to declare dividend for the financial year.

V. Listing on Stock Exchange: BSE Limited, Mumbai  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai- 400001

VI. Stock Code : 539016 (BSE)

VII. Market Price : Monthly high/ low of the closing Price and trading volumes on BSE of Equity shares of the Company is given hereunder:

Month	High	Low	Volume
April ‘18	00.00	00.00	00
May ‘18	19.00	19.00	2
June ‘18	00.00	00.00	00
July ‘18	00.00	00.00	00
August‘18	00.00	00.00	00
Sept ‘18	00.00	00.00	00
Oct ‘18	20.90	19.00	54
Nov ‘18	19.00	19.00	11
Dec ‘18	19.00	19.00	3
Jan ‘19	00.00	00.00	00



Feb '19	00.00	00.00	00
March '19	00.00	00.00	00

VIII. Registrar and Transfer Agent: M/S Skyline Financial Services Private Limited  
D-153-A, 1<sup>st</sup> floor, Okhala Industrial Area,  
Phase I, New Delhi- 110020

IX. Share Transfer System: The Company has provided a common agency regarding the Share Registration and Transfer by our Registrar and Transfer Agent i.e M/S Skyline Financial Services Private Limited, New Delhi within a period of 15 days from the date of receiving, subject to the validity and completeness of documents in all respect.

X. Distribution of shareholding:  
Shareholding pattern of the Company as on 31<sup>st</sup> March 2019

Category	No. of Shares	Percentage of Holding
Govt(Central & States)	0	0
Govt Companies	0	0
Public financial institution	0	0
Nationalized/Other Institutions/Bank	0	0
Mutual Funds	0	0
Venture Capital	0	0
Foreign Holding	0	0
Bodies Corporate	2315293	11.84
Directors/Relative	368000	1.88
Others	16869907	86.28
TOTAL	19553200	100

**Distribution of Shareholding:**

CATEGORY		SHAREHOLDERS	
FROM	TO	NUMBER	PERCENTAGE
Up to	5000	344	40.61
50001	10000	08	0.94
10001	20000	05	0.59
20001	30000	05	0.59
30001	40000	15	1.77
40001	50000	30	3.54
50001	100000	98	11.57
100001	and Above	342	40.38
TOTAL		847	100



- XI Dematerialization of Shares and Liquidity:  
99.52% of the shares of Company are in dematerialized form.
- XII Address for correspondence:  
14/113, Civil Lines, 402-403, Kan Chambers, Kanpur- 208001

## **8. PAPER LESS COMPLIANCE OF CORPORATE GOVERNANCE**

Dear Shareholder, alike last years, We would again like to inform you that the Ministry of Corporate Affairs (MCA) has taken a Green Initiative and Companies Act, 2013 has also allowed the Corporate, accordingly, to send their Notices, Annual Reports, etc. in electronic form. Accordingly, your Company wishes to take part in the said Green Initiative and make its contribution towards providing green atmosphere by reducing the use of paper and inturn saving the cutting of trees. Accordingly, you are requested to please register / update your e mail id with your Depository Participant (in case of Demat holding) / Company or its Registrar (in case of physical holding) to enable the Company to send the above through email instead of physical form. Please also note that as a Member of the Company you are always entitled to request and receive, free of cost, a copy of Annual Report of the Company and other documents in physical form. We look forward for your continued support to this unique initiative by the MCA and become a part as a savior of the green atmosphere.

## **9. CORPORATE SOCIAL RESPONSIBILITY**

The Company recognizes the responsibility that it holds towards the Society. Being a Corporate Citizen, it is truly making all possible endeavors for the upliftment of the weaker sections of the Society. Although the provisions of Section 135 of the Companies Act, 2013, are not applicable on the Company, still it realizes the fact that whatever resources the Society provides to a Company, it automatically attracts an obligation on the part of the Company to pay back the never ending supplies and support that it receives from the citizens of the Society. The Company has taken measures for successful implementation of “Green Initiative” in the Corporate Governance for allowing paperless compliances as per the Circular issued by the hon’ble Ministry of Corporate Affairs. Your Company realizes that it is the need of the hour that emphasis should be laid on the profound objective that a healthy environment today is the key to a healthier tomorrow (in terms of growth & prosperity) for the upcoming generations and also the Corporate world. The Company has been continuously every year donating in various social organizations like Samaj Sebi Sangha and Kali Pooja Sangha, which are very famous organizations in the Lake View area around which the registered office of the company is situated.



## DIRECTOR'S REPORT

**Dear Shareholders,**

Your Directors have pleasure in presenting the 36<sup>th</sup> Annual Report on the business, operations and financial performance of the Company along with Audited Balance Sheet and Statement of Profit & Loss for the year ended 31<sup>st</sup> March, 2019.

### **FINANCIAL RESULTS:**

**(Amt: In Lakhs)**

	<b>2018-2019</b>	<b>2017-2018</b>
	<b>(Rs.in`00000)</b>	<b>(Rs.in`00000)</b>
Income (sales and other income)	931.43	1824.13
Profit/ (Loss) before interest & dep.	131.18	159.12
Less:		
Interest	0.00	0.00
Depreciation and amortization	5.29	4.20
Profit / (Loss) Before Tax	125.90	154.92
Provision for Taxation	50.85	42.42
Deferred Tax	0.87	(0.05)
Adjustment related to previous year	1.26	0.00
<b>Net Profit</b>	<b>72.92</b>	<b>112.55</b>

### **OPERATIONAL RESULTS:**

The NBFC Sector in India Continued its Consistent growth parallel to India's economic Growth even facing some circumstantial irregularities like unfavourable external business environment factors. During the financial year under review, irrespective of dispersed risk retail lending and strategic growth in the MSME sector the company has earned an income of Rs. 931.43 (in '00000) as compared to the previous year income of Rs. 1824.13 (in '00000'). It simultaneously earned a profit after tax of Rs. 72.92 (in`00000) as compared to the previous year profit of Rs. 112.55 (in`00000).

**DIVIDEND:**

Board of Directors do not recommend any dividend for the year 2018-19. The entire profit being ploughed back in the business.

**FIXED DEPOSIT:**

Your company has not accepted any deposit prescribed U/s 73 of the companies Act 2013 during the financial year.

**AUDITORS AND TAX CONSULTANTS:**

M/s Ranjit Jain & Company, (Firm Reg. No. 322505E) having its office at Diamond heritage-Unit 605A, 6<sup>th</sup> Floor, Strand Road, Kolkata -700001, West Bengal were appointed as the statutory auditors of the Company to hold office from the Annual General Meeting held in the year 2016 till the Conclusion of the 37<sup>th</sup> Annual General Meeting.

However, MCA vide its notification dated May 07, 2018 has amended Companies (Audit and Auditors) Rules, 2014 inserting Companies (Audit and auditors) Second Amendment Rules, 2018 by omitting the first proviso to sub-section (1) of Section 139 of the Companies Act, 2013 relating to ratification of the existing auditors at every Annual General Meeting. Hence, ratification by the shareholders of the Company is not applicable.

In addition to this M/s Vishal Maheshwari & Company Chartered Accountants were also appointed as Accountancy and tax Consultants of the Company to advise the Company on various taxation matters.

**CHANGE IN MANAGEMENT & TAKEOVER:**

During the Financial Year there was no change in management and take over in the Company.

**INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. The internal control system is supported by an internal audit process for reviewing the design, adequacy and efficacy of the Company's internal controls, including its systems and processes and compliance with regulations and procedures. Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board, which also reviews the adequacy and effectiveness of the internal controls in the Company. The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. In order to maintain stabilization in to the affairs of the company the Company Secretary and Compliance officer of the Company has been appointed as the Internal Auditor who would directly report to the Chairman of the Audit Committee of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and





recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

**PARTICULARS PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

**STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

A) Details pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

<b>Sl. No.</b>	<b>Requirement of Rule 5(1)</b>	<b>Disclosure</b>
1	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year	Mr. Arvind Kumar Mittal is drawing salary of Rs. 50000/- from April 2018 to August 2018 and Rs. 1,00,000/- per month from Sept 2018 to March 2019 which is 2.99 times of the median remuneration of the employees for the financial year.
2	Percentage increase in remuneration of each director, CFO, CEO, CS or Manager in the financial year	Percentage increase in remuneration of:- a) Directors -NA b) MD – NA c) CFO - NA d) CEO -NA e) Company Secretary -16.11% decrease f) Manager –NA
3	The percentage increase in the median remuneration of employees in the financial year	% increase in the median remuneration of the Employees in the financial year. 18.70 approx.
4	The number of permanent employees on the rolls of the company	There were 5 employees on permanent roll of the company as on March 31, 2019.
5	The explanation on the relationship between average increase in remuneration and company performance	The Company's profit decrease to 18.73% in comparison to that the average increase of remuneration of employees was 18.70 % during the year.
6	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company.	The total remuneration paid to KMP's (MD, CFO and CS) was approx 11.53 % of the net profit for the FY 2018-19 which was based on the terms of the service contract which must be paid for availing there services.
7	Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current FY	Variations in the market capitalization: Rs. Market Capitalization as on 31-03-2018=Rs. 39.11 Crores



	and previous FY and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer	31-03-2019=Rs. 37.15 Crores Price Earnings Ratio (Price/EPS): - As on 31-03-2018-Rs. 36.21 As on 31-03-2019-Rs. 51.35  5% decrease in the share price from the price on 31.03.2019 i.e. Rs. 19.00/- due to the normal trading of shares in due course.
8	Average percentile increase already made in the salaries of employees <i>other than</i> the managerial personnel in the financial year i.e. 2015-16 and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	No
9	Comparison of each remuneration of the Key Managerial Personnel against the performance of the company	Comparison of each remuneration of the Key Managerial Personnel against the performance of the company: - MD- 7.54 % (of the Net Profit) CFO- 1.43 % (of the Net Profit) CS- 2.55 % (of the Net Profit)
10	The key parameters for any variable component of remuneration availed by the directors	The Company was not paying variable component of Remuneration to any director during the year.
11	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	NA
12	Affirmation that the remuneration is as per the remuneration policy of the company	We affirm that the remuneration paid to employees and KMP's was based on the remuneration policy.

B) Details of every employee of the Company as required pursuant to rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:-

- Drawing salary of 60 Lakhs or above for the year if employed throughout the year -Nil
- Drawing salary of 5 Lakhs p/m or above for a month if employed for part of the year -Nil
- Drawing salary more than the salary of MD and having 2% stake in the company -Nil



C) No Managing Director or Whole-time Director of the Company is receiving any commission from the Company as well as from the Holding Company or Subsidiary Company of the Company.

#### **DIRECTORS RESPONSIBILITY STATEMENT:**

As stipulated in section 134(5) of Companies Act 2013, The Directors of the Company would like to state:

- 1) 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 the 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.

#### **INDUSTRIAL RELATIONS:**

During the period under review the relation between employee and Management remained cordial. All the problems of the employees were patiently heard by the Management and proper solutions pertaining to their problems were provided by the management.

#### **DIRECTORS:**

The Board of the company is duly constituted. None of the Directors are Disqualified u/s 164 of the companies Act, 2013. All the Independent Directors have given their declaration as per Section 134 read along with section 149 of the Companies Act 2013.

In the ensuing Annual General Meeting Mr. Chandrakant Dwivedi being the Non Executive Non Independent Director of the Company whose office is subject to retire by rotation will retire by rotation due to the provisions of Section 149 & 152 of the Companies Act, 2013. as rest of the directors are Independent Directors leaving Mr. Arvind Kumar Mittal who is the Managing Director of the Company and hence cannot retire by rotation.



In the 31<sup>st</sup> Annual General Meeting held on 30<sup>th</sup> September, 2014 Mr. Vivek Awasthi and Mr. Rajesh Bajpai being the Non- Executive Independent Director of the Company were appointed for the period of five years. Such term of appointment of the Independent Directors shall come to an end on 36<sup>th</sup> Annual General Meeting of the Company. The Board of Directors has on the basis of recommendation of the Nomination and Remuneration Committee proposed to re-appoint Mr. Vivek Awasthi and Mr. Rajesh Bajpai as the Independent Directors of the Company for a second term. A resolution proposing re-appointment of Independent Directors of the Company for the second term pursuant to Section 149(6) of the Companies Act, 2013 forms part of the Notice of Annual General Meeting.

Further, in the ensuing Annual General Meeting Mr. Arvind Kumar Mittal being the Managing Director of the Company were appointed for the period of five years. Such term of the appointment of the Managing Director shall come to an end on 14<sup>th</sup> October, 2019. The Board of Directors has on the basis of recommendation of nomination and remuneration committee proposed the matter for re-appointment of Mr. Arvind Kumar Mittal as the Managing Director of the Company for the second term pursuant to Section 196 of the Companies Act, 2013 forms part of the Notice of the Annual General Meeting.

#### **CHANGE IN KEY MANAGERIAL PERSONNEL**

During the year, Mr. Vaibhav Agnihotri, Company Secretary, KMP and Compliance Officer of the Company resigned from the services of the Company. The resignation was effective from December 20, 2018.

Consequent to Mr. Vaibhav Agnihotri's resignation, the Board appointed Ms. Amanpreet Kaur as the Company Secretary, KMP and Compliance Officer of the Company. The appointment was effective from December 28, 2018.

#### **AUDITORS REPORT:**

The observation as per Auditors Report is self-explanatory and does not does not contain any qualification, reservation or adverse remark.

#### **CORPORATE GOVERNANCES:**

As the company is required to comply with clause 17 to 27 as applicable of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 confirming the compliance of conditions of corporate Governance forms part of the Annual Report.

#### **BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and as mentioned in the last year's annual report, the Management has carried out the annual performance evaluation of its performance, the Directors individually as well as the evaluation of the working of its Audit, Appointment and



Remuneration Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

#### **DECLARATION BY INDEPENDENT DIRECTORS:**

The Company has received necessary declaration from each of the Independent Directors, under Section 149(7) of the Companies Act, 2013 that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

#### **LISTING OF SHARES**

The Company's shares are listed with the

1. BSE Ltd., P.J Towers, Dalal Street, Mumbai- 400001,

#### **CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING OUTGO:**

Your Company is not engaged in any manufacturing activity which is power intensive, it basically engaged in trading activities and use power saving devices by implementing the advanced and latest technology in carrying out its operational activities. There is a system of proper check and control in order to avoid unnecessary wastage of power and energy.

Foreign Exchange earnings and outgo is **NIL**.

#### **BUSINESS RISK MANAGEMENT:**

Pursuant to section 134 (3) (n) of the Companies Act, 2013 the Company has formed an internal committee in order to evaluate the risk factor in the concern. The Board carries out a brief synopsis of the key elements that threatens the existence of the company. The internal policy related to risk management ensures growth and continuity of business. However SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 exempts your company to mandatory form the Risk and Management Committee.

**CODE OF CONDUCT:**

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The code laid down by the Board is known as “code of conduct” which forms an Appendix to the Code. The Code has been posted on the Company’s website [www.neil.co.in](http://www.neil.co.in). The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance on the expected behavior from an employee in a given situation and the reporting structure. All the Board Members and the Senior Management personnel have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.

**WHISTLE BLOWER POLICY:**

In order to comply with the provisions of Section 177 (9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014 The Company has established a vigil mechanism through a Whistle Blower Policy which shall be headed by the Chairman of the Audit Committee. The Company can oversee the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who may express their concerns pursuant to this policy. The policy is uploaded on the Website of the Company at [www.neil.co.in](http://www.neil.co.in).

**PREVENTION OF INSIDER TRADING:**

The Company has updated the Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company’s shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All the Board of Directors and the designated employees have confirmed compliance with the Code. The Updated Code of Conduct has already posted on Company’s website.

**RELATED PARTY TRANSACTIONS:**

There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large. There was no requirement of disclosure in AOC-2 from the company pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014.



**DISCLOSURE UNDER SEXUAL HARRASMENT POLICY FOR WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT 2013:**

Your Company has already framed the Sexual harassment policy regarding the women and female employees of the Company. During the year under review there were no complaints from any employee regarding the said issue.

**SECRETARIAL AUDIT REPORT**

As required under section 204 (1) of the Companies Act, 2013 The company has engaged **M/s V. Agnihotri & Associates**, Company Secretaries as Secretarial Auditor to conduct Secretarial audit for the year 2018-19. The report on secretarial audit is annexed as “**Annexure-A**” to the Board’s Report. The report does not contain any qualification, reservation or adverse remark.

**WEB-LINK OF ANNUAL RETURN**

As per Sub Section 3 of Section 92 every company has to place a copy of the Annual Return on the website of the Company. The same shall be made available as and when it will be completed and posted on the website of the Company having the web link <http://neil.co.in>. In addition to this the extract of the annual return in form MGT-9 as provided under is annexed in the report as “**Annexure-B**”

**ACKNOWLEDGEMENT:**

Your Directors wish to express and place on record their thanks to the Company’s Employees, Shareholders for the continued support and trust they have reposed in the Management.

Your Directors also appreciate the valuable cooperation and continued support received from Company’s bankers and all the government agencies and departments.

By the Order and on behalf of the Board of Directors  
**For Neil Industries Limited**

DATE: 09/08/2019  
 PLACE: KANPUR

SD/-  
**ARVIND KUMAR MITTAL**  
**(MANAGING DIRECTOR)**  
**DIN: 02010445**

SD/-  
**PINKI YADAV**  
**(DIRECTOR)**  
**DIN: 06995315**



**DECLARATION REGARDING ADHERENCE TO THE CODE OF CONDUCT**

As provide under Clause 26(3) of SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, all the Board Members and Senior Management Personnel have confirmed compliance with the code of conduct for the year ended March 31, 2019.

**For Neil Industries Limited**

**Place: Kanpur**  
**Date: 09/08/2019**

**SD/-**  
**ARVIND KUMAR MITTAL**  
**(MANAGING DIRECTOR)**  
**DIN: 02010445**

**SECRETARIAL AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To the Members of  
**Neil Industries Limited**

We have examined the conditions of Corporate Governance as complied by Neil Industries Limited, for the year ended on 31<sup>st</sup> March 2019, as stipulated in Schedule V of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 of the said Company with stock exchanges.

The compliance of the 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 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 explanation given to us and representations made by the management, we certify that the Company has complied with the condition of Corporate Governance as Stipulated in Schedule V of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015.

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: Kanpur**  
**Date: 09/08/2019**

**SD/-**  
**For V. Agnihotri & Associates.**  
**(Prop: Vaibhav Agnihotri)**

**ACS No. 36594**  
**C P No.: 21596**





### CEO & CFO CERTIFICATION

We, Arvind Kumar Mittal, Managing Director and Mrs. Ruchi (Sharma) Shukla, Chief Financial Officer of Neil Industries Limited, hereby certify to the Board that:

- (a) We have reviewed financial statements and the cash flow statement for the year ending 31<sup>st</sup> March, 2019 and that to the best of our 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) There are, to the best of our knowledge and belief, no transactions entered into by Neil Industries Limited during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We are responsible for establishing and maintaining internal controls for financial reporting in Neil Industries Limited and we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee.
- (i) Significant changes in internal control over financial reporting during the year;
- (ii) Significant changes in Accounting Policies during the year and the same have been disclosed in the notes to the financial statements; and
- (e) We certify that there have been no instances of significant fraud of which we have become aware and the involvement therein, of management or any employee having significant role in the Company's internal control systems.
- (f) We affirm that we have not denied any personnel, access to the Audit Committee of the company (in respect of matters involving alleged misconduct).

**Place: Kanpur**  
**Date: 29 May 2019**

**Sd/-**  
**(Arvind Kumar Mittal)**  
**Managing Director**  
**DIN: 02010445**

**Sd/-**  
**(Ruchi Shukla)**  
**Chief Financial Officer**  
**PAN: BXZPS4522A**



**ANNEXURE-A TO THE DIRECTOR'S REPORT**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March 2019

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

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To,  
The Members,  
**NEIL INDUSTRIES LIMITED**  
**(L51109WB1983PLC036091)**

Reg. office: 88/B, Ground Floor, Lake View Road Kolkata-29  
Corp Office: 14/113, Civil Lines, 402-403, Kan Chambers,  
Kanpur-208001.

I have conducted the Secretarial Audit of the compliance of applicable Statutory Provisions and the adherence to good corporate practices by **NEIL INDUSTRIES LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the NEIL INDUSTRIES LIMITED( the company's) books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and; authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by "the Company" for the financial year ended on 31<sup>st</sup> March 2019, to the extent applicable, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder ;



- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (NA);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
  - (a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
  - (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 (Issue of Capital and Disclosure Requirements) Regulations, 2009; (NA)
  - (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (NA)
  - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (NA)
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (NA) and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (NA)
- (vi) other Acts- As per the information provided by the company ,its officers and authorize representative there is no such other act /s applicable specifically to the Company.

\*NA signifies not applicable during the reporting period.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. (as applicable).
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with Bombay Stock Exchange.

To the best of my understanding, during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I further report** that based on the information provided by the company, its officers and its authorized representatives during the conduct of the audit , and also on the review of the Quarterly Compliance Report by respective department heads /Company Secretary/CEO taken on record by the Board of Directors of the Company, in my opinion, adequate system and processes and control mechanism exist in the company to monitor and to ensure the compliance with applicable general laws such as labour laws and environmental laws to the extent applicable to it.

**I further report**, that the compliance by the company of the applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by statutory financial auditor and other designated professionals.

**I further report**, that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors/ KMP that took place during the period under review were carried out in compliance with the provisions of the Act.

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 except for the Board meeting held on 24.10.2019 which was called for an urgent matter and the presence of an Independent Director in the meeting duly ratified the decisions of the board.



In addition to this, 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. Majority decisions are carried through while the dissenting members' views are captured and recorded as part of the minutes.

**I further report that** the Forensic Audit as ordered by BSE Limited vide its letter dated 01.02.2018 was conducted by M/s BDO India LLP during the year 2018-2019 . Several Papers were demanded by the Auditors which were duly forwarded by the Company to them and hence after the scrutiny of documents and remarks submitted no queries of the forensic auditor remained pending on the part of the Company till date.

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

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.

Place: Kanpur

Date: 09/08/2019

Name of Company Secretary in practice / Firm:

**For V. Agnihotri & Associates.**

**(Prop: Vaibhav Agnihotri)**

**ACS No. 36594**

**C P No.: 21596**



**“ANNEXURE – A” to the Secretarial Audit Report**

To,  
The Members,  
**M/S NEIL INDUSTRIES LIMITED**  
14/113, Civil Lines,  
402- 403 Kan Chambers,  
Kanpur- 208001.

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

1. Maintenance of Secretarial records 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 process 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 process and practices we have 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. Wherever 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 and standards is the responsibility of the 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: Kanpur

Date: 09/08/2019

Name of Company Secretary in practice / Firm:

**For V. Agnihotri & Associates.**

**(Prop: Vaibhav Agnihotri)**

**ACS No. 36594**

**C P No.: 21596**



## **ANNEXURE “B” TO THE DIRECTOR’S REPORT**

### **EXTRACT OF ANNUAL RETURN** As on the financial year ended on 31/03/2019 of **NEIL INDUSTRIES LIMITED**

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

#### **I. REGISTRATION AND OTHER DETAILS:**

1.	CIN	L51109WB1983PLC036091
2.	Registration Date	25.03.1983
3.	Name of the Company	Neil Industries Limited
4.	Category/Sub-Category of the Company	Public Company Listed by Shares
5.	Address of the registered office and contact details	88/B Ground Floor, Lake View Road, Kolkata-700029 033-40088545
6.	Whether listed company	Yes
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	SKYLINE FINANCIAL SERVICES PVT. LTD D-1 53 A, 1 <sup>st</sup> Floor, Okhla Industrial Area, Phase-1, New Delhi-110020 Tele.; 011-26812682-83

#### **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 and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Financial Services except insurance and pension funding activities	64920	100

#### **III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-**

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	NIL	NA	NA	NA	NA







b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>									
a) Bodies Corp.	2277647	2800	2280447	11.66	2312493	2800	2315293	11.84	+0.18
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	915662	-	915662	4.68	902915	1	902916	4.62	-0.06
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	14478193	92000	14570193	74.52	14456093	92000	14548093	74.4	-0.12
c) Others (Specify)	<b>1418898</b>	--	<b>1418898</b>	<b>7.26</b>	<b>1418898</b>	--	<b>1418898</b>	<b>7.26</b>	-
HUF-	1418649		1418649	7.26	1418649	--	1418649	7.26	
NRI-	249	--	249	0.001	249		249	--	
Clear. Mem-Trust-									
<b>Sub-total (B)(2):-</b>	19090400	94800	19185200	98.12	19090399	94801	19185200	98.12	--
Total Public Shareholding (B)=(B)(1)+(B)(2)	19090400	94800	19185200	98.12	19090399	94801	19185200	98.12	



C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>19458400</b>	<b>94800</b>	<b>19553200</b>	<b>100</b>	<b>19458399</b>	<b>94801</b>	<b>19553200</b>	<b>100</b>	

**(ii) Shareholding of Promoters**

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year		
		No. of shares	% of total shares of the company		No. of shares	% of total shares of the company	
1	Arvind kumar Mittal HUF	184000	-	0.94	184000	-	0.94
2	Arvind kumar Mittal	184000	-	0.94	184000	-	0.94

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

Sl. No.		Share holding 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	368000	1.88	<b>368000</b>	1.88
	There was no change in the Promoter's holding (Mr. Arvind Kumar Mittal & Arvind Kumar Mittal HUF during the year)				
	At the End of the year	368000	1.88	368000	1.88

**(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		Transaction Details			Shareholding at the end of the year	
		No. of shares	% of total shares of the	Sale	Purchase	Date	No. of shares	% of total shares of the
1.	SURENDRA KUMAR GUPTA	1012000	5.18	-	-	-	1012000	5.018



2.	SHAILJA CHAURASIA	750000	3.84	-	-	-	750000	3.84
3.	ACHINTYA SECURITIES PRIVATE LIMITED	636550	3.26	-624915	-11300	27/07/2018 26/10/2018 02/11/2018 18/01/2019	6700	0.03
4.	BAKLIWAL VYAPAAR PRIVATE LIMITED	00	00	-	-	+624915	27/07/2018 624915	3.20
5.	MADHU RANI GOENKA	506000	2.59	-	-	-	506000	2.59
6.	SOM PRAKASH GOENKA	506000	2.59	-	-	-	506000	2.59
7.	SAPNA GUPTA	368000	1.88	-	-	-	368000	1.88
8.	RUCHI AGARWAL	368000	1.88	-	-	-	368000	1.88
9.	SANDHYA AGARWAL	368000	1.88	-	-	-	368000	1.88
10.	RAJIV CHAURASIA	320000	1.64	-	-	-	320000	1.64

Sr. No.	Top Ten 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	SURENDRA KUMAR GUPTA	1012000	5.18	1012000	5.18



2	SHAILJA CHAURASIA	750000	3.84	750000	3.84
3	ACHINTYA SECURITIES PRIVATE LIMITED	636550	3.26	6700	0.03
4	BAKLIWAL VYAPAAR PRIVATE LIMITED	00	00	624915	3.20
5	MADHU RANI GOENKA	506000	2.59	506000	2.59
6	SOM PRAKASH GOENKA	506000	2.59	506000	2.59
7	SAPNA GUPTA	368000	1.88	368000	1.88
8	RUCHI AGARWAL	368000	1.88	368000	1.88
9	SANDHYA AGARWAL	368000	1.88	368000	1.88
10	RAJIV CHAURASIA	320000	1.64	320000	1.64
11.	MANISH AGARWAL	299900	1.53	299900	1.53

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

Sl. No.	For Each of the Directors and KMP	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	184000	0.94	184000	0.94
	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc ):	THERE WAS NO	CHANGE IN THE	HOLDING OF MR.	ARVIND KUMAR MITTAL
	At the End of the year	184000	0.94	184000	0.94

Sl. No.	For Each of the Directors and KMP	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.	Arvind Kumar Mittal	184000	0.94	184000	0.94

**V. INDEBTEDNESS**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtednes
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-



iii) Interest accrued but not due	-	-	-	-
<b>Total( i+ ii + iii )</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>	-	-	-	-
- Addition	-	-	-	-
- Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total(i+ii+iii)</b>	-	-	-	-

#### 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 MD/WTD/ Manager	Total Amount
	Gross salary	Mr. Arvind Kumar Mittal	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	50000/- per month for 5 months 1,00,000/- per month for 7 months	2,50,000 7,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify	-	-
5	Others, please specify	-	-
	Total (A)		9 Lacs Fifty Thousand Per annum
	Ceiling as per the Act	5% of the Net Profits of the Company	



**B .Remuneration to other directors:**

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount
	3. Independent Directors	-	-	--	-	-
	· Fee for attending board committee meetings	-	-	-	-	-
	· Commission	-	-	-	-	-
	· Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
	4. Other Non-Executive Directors	-	-	-	-	-
	· Fee for attending board committee meetings	-	-	-	-	-
	· Commission	-	-	-	-	-
	· Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary		322145	180000	502145
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	322145	180000	502145
	(b) Value of perquisites u/s17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	322145	180000	502145

**VII. PENALTIES/PUNISHMENT/COMPOUNDINGOFFENCES:**

**NONE**



**RANJIT JAIN & CO.**

Chartered Accountants



Diamond Heritage, Unit  
No H605A, 16, Strand  
Road, Kolkata, West  
Bengal 700001  
Contact: +91-33-6645  
1281/1282

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## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Neil Industries Limited

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of Neil Industries Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2019, and the Statement of Profit and Loss, and the Statement of Cash Flows for the year ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and its cash flows for the year ended on that date.

#### **Basis for Opinion**

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

#### **Key Audit Matters**

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



### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **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 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.





### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31st March,2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March,2019 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 A".Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

**For Ranjit Jain & Co.**  
**Chartered Accountants**  
**FRN: 322505E**

**(Alok Jain)**  
**(Chartered Accountant)**  
**(Membership Number: - 062283)**

**Place: Kolkata**  
**Date: 29.05.2019**



## **Annexure-A to the Auditor's 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 **NEIL INDUSTRIES LIMITED** ("the Company") as of 31 March, 2019 in the conjunction with our audit of 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, the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 Standard 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 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 risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control system 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 the financial statements in accordance with generally accepted accounting principles, and that the receipts and expenditures of the company are being made only in accordance with authorizations of the 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 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Ranjit Jain & Co.  
Chartered Accountants  
FRN: 322505E**

**(Alok Jain)  
(Chartered Accountant)  
(Membership Number: - 062283)**

**Place: Kolkata  
Date: 29.05.2019**



### **Annexure - B to the Auditors' Report**

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

- i. In respect of its fixed assets:
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
  - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, at present no immovable property is owned by the Company. Accordingly, clause (c) of paragraph 3 (i) of the Order is not applicable.
- ii. The physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed.
- iii. As per the records produced before us and explanations given to us, the Company has not granted any loans, secured and unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013, therefore, the relevant provisions of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act, with respect to loans and investments made.
- v. In our opinion and according to information and explanations given to us, the Company has not accepted any deposits within the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013, therefore, the relevant provisions of the Order are not applicable to the Company.
- vi. The Central Government has not prescribed maintenance of cost records under Section 148 (1) of the Companies Act, 2013 in respect of business activities of the Company.
- vii. (a) Based on the records produced before us, the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues such as provident fund, employees state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it.
  - (b) An Income Tax demand of ₹ 12, 15,520 is outstanding with respect to A.Y. 2009-10 against order u/s 148 of the I T Act. An appeal has already been filed against the demand with the Commissioner of Income Tax (Appeals). The provision for payment has not been provided as the appeal proceedings are yet to be completed.
  - (c) An Income Tax demand of ₹ 41, 21,520 is outstanding with respect to A.Y. 2011-2012 against order u/s 142(1) of the I T Act. An appeal has already been filed against the demand with the Commissioner of Income Tax (Appeals). The provision for payment has not been provided as the appeal proceedings are yet to be completed.



- (d) An Income Tax demand for Rs 58,15,610 is outstanding with respect to A.Y 2014-15 against order u/s 143(3) of the I T Act. An appeal has already been filed against the demand with the Commissioner of Income Tax (Appeals).
- (e) In Income Tax demand for Rs 1,74,990 is outstanding with respect to A.Y 2015-16 also, against order u/s 143(3) of the I T Act. An appeal has already been filed against the demand with the Commissioner of Income Tax (Appeals).
- viii. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees have been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3 (xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and on the basis of 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.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is a Non-banking Financial Company (NBFC) registered under section 45-IA of the Reserve Bank of India Act 1934.

**For Ranjit Jain & Co.**  
**Chartered Accountants**  
**FRN: 322505E**

**(Alok Jain)**  
**(Chartered Accountant)**  
**(Membership Number: - 062283)**

**Place: Kolkata**  
**Date: 29.05.2019**



<b>NEIL INDUSTRIES LIMITED</b>			
88B, LAKE VIEW ROAD KOLKATA 700029			
CIN : L51109WB1983PLC036091			
<b>BALANCE SHEET AS AT 31ST MARCH, 2019</b>			
Particulars	Note No.	As at 31st March 2019	As at 31st March 2018
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
(a)Share Capital	2	195,532,000.00	195,532,000.00
(b)Reserves and Surplus	3	341,420,231.00	334,128,158.00
<b>Non Current Liabilities</b>			
<b>Current Liabilities</b>			
(a)Other Current Liabilities	4	33,840.00	112,210.00
(b)short term provisions	5	7,056,877.00	1,873,550.00
<b>Total Equity &amp; Liabilities</b>		<b>544,042,948.00</b>	<b>531,645,918.00</b>
<b>ASSETS</b>			
<b>Non-Current Assets:</b>			
<b>(a)Fixed Assets:</b>			
Tangible Assets	6	1,976,729.00	1,546,812.00
(b)Non current investments	7	498,245.00	498,245.00
(c)Deferred Tax Assets(Net)	8	393,823.00	480,325.00
(d)Long-term Loans and Advances	9	510,204,336.00	418,929,240.00
<b>Current Assets:</b>			
(a)Current Investments	10	9,034,976.00	41,500,000.00
(b)Inventories	11	14,247,866.00	7,949,664.00
(c)Trade Receivables	12	-	28,730,269.00
(d)Cash and Bank Balances	13	2,784,201.00	26,737,574.00
(e)Short-term Loans and Advances	14	4,902,772.00	5,273,789.00
<b>Total Assets</b>		<b>544,042,948.00</b>	<b>531,645,918.00</b>
Summary of Significant Accounting Policies and other explanatory information.			
The notes on accounts form an integral part of the financial statements.			
Signed in terms of our audit report of even date.			
<b>For RANJIT JAIN &amp; CO.</b>		For & on behalf of the Board	
CHARTERED ACCOUNTANTS			
FRN-322505E			
		Arvind Kumar Mittal	Chandra Kant Dwivedi
		(Managing Director)	(Director)
<b>CA ALOK JAIN</b>		DIN:02010445	DIN:06396144
PARTNER			
Membership No.062283			
Place : Kolkata		Ruchi Sharma	Amanpreet Kaur
Dated: 29/05/2019		(Chief Financial Officer)	(Company Secretary)
		PAN:BXZPS4522A	PAN:ECYPK7618L



<b>NEIL INDUSTRIES LIMITED</b>			
88B, LAKE VIEW ROAD KOLKATA 700029			
CIN : L51109WB1983PLC036091			
Statement of Profit & Loss for the year ended 31st of March,2019			
PARTICULARS	Note No.	For the year Ended 31st March 2019	For the year Ended 31st March 2018
I Revenue From Operations	15	90,699,140.00	182,033,668.00
II Other Income	16	2,443,591.00	379,644.00
III Total Revenue (I + II)		<b>93,142,731.00</b>	<b>182,413,312.00</b>
<b>IV. EXPENSES</b>			
Purchases of Stock in Trade	17	77,277,110.00	160,578,166.00
Changes in Inventory	18	(6,298,202.00)	2,563,227.00
Employee Benefits Expense	19	1,610,645.00	1,307,100.00
Depreciation & Amortisation Expenses	6	528,754.00	420,333.00
Other Expenses	20	7,434,900.00	2,052,744.00
		<b>80,553,207.00</b>	<b>166,921,570.00</b>
V. Profit before Tax (III-IV)		<b>12,589,524.00</b>	<b>15,491,742.00</b>
<b>VI. Tax Expenses:</b>			
(1) Current Provision for Income Tax		5,085,000.00	4,242,100.00
(2) Deferred Tax		86,502.00	(5,218.00)
(3) (Excess)/Short provision for Income tax in earlier years		125,949.00	-
Total Tax Expenses		<b>5,297,451.00</b>	<b>4,236,882.00</b>
VII. Profit for the year (V-VI)		<b>7,292,073.00</b>	<b>11,254,860.00</b>
<b>VIII. Earnings per equity share:</b>			
(1) Basic		0.37	0.58
(2) Diluted		0.37	0.58
Summary of Significant Accounting Policies and other explanatory information.	1		
The notes on accounts form an integral part of the financial statements.	1.1		
Signed in terms of our audit report of even date.			
<b>For RANJIT JAIN &amp; CO.</b>		For & on behalf of the Board	
CHARTERED ACCOUNTANTS			
FRN-322505E			
		Arvind Kumar Mittal	Chandra Kant Dwivedi
<b>CA ALOK JAIN</b>		(Managing Director)	(Director)
PARTNER		DIN:02010445	DIN:06396144
Membership No.062283			
Place : Kolkata			
Dated: 29/05/2019		Ruchi Sharma	Amanpreet Kaur
		(Chief Financial Officer)	(Company Secretary)
		PAN:BXZPS4522A	PAN:ECYPK7618L



<b>NEIL INDUSTRIES LIMITED</b>			
88B, LAKE VIEW ROAD KOLKATA 700029			
CIN : L51109WB1983PLC036091			
<b>CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019</b>			
	Particulars	As at 31st March, 2019	As at 31st March, 2018
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit Before Tax	12,589,524.00	15,491,742.00
	<b>Add/(Less) Adjustment for :</b>		
	Depreciation	528,754.00	420,333.00
	Prior Period Income Tax Exp	125,949.00	0.00
	Provision for Standard assets & Sub Standard Assets	5,187,793.00	116,114.00
	<b>Operating Profit Before Working Capital Changes</b>	<b>18,432,020.00</b>	<b>16,028,189.00</b>
	<b>Add/(Less): Adjustments for Working Capital changes :</b>		
	Trade and other Receivables	28,730,269.00	(28,730,269.00)
	Short Term Loans & Advances	(505,868.00)	(854,065.00)
	Inventories	(6,298,202.00)	2,563,227.00
	Trade Payable & Other Liabilities	(82,836.00)	42,926.00
	<b>Cash generated Form Operations</b>	<b>40,275,383.00</b>	<b>(10,949,992.00)</b>
	Tax Paid (Net)	(4,460,013.00)	(3,994,177.00)
	<b>Net Cash Flow From Operating Activities</b>	<b>A 35,815,370.00</b>	<b>(14,944,169.00)</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Fixed Assets	(958,671.00)	(21,799.00)
	Investment In Mutual Funds	32,465,024.00	(41,500,000.00)
	Property purchase advance	(162,206,020.00)	(61,530,160.00)
	Loan Granted	70,930,924.00	143,449,374.00
	<b>Net Cash Flow from Investing Activities</b>	<b>B (59,768,743.00)</b>	<b>40,397,415.00</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Increase/(Decrease) in Secured Loans	0.00	0.00
	Increase/(Decrease) in Unsecured Loans	0.00	0.00
	<b>Net Cash Flow from Financing Activities</b>	<b>C 0.00</b>	<b>0.00</b>
	Net Increase/(Decrease) in Cash & Cash Equivalent (A+B+C)	(23,953,373.00)	25,453,246.00
	<b>Opening Cash &amp; Cash Equivalent:</b>	<b>26,737,574.00</b>	<b>1,284,328.00</b>
	<b>Closing Cash &amp; Cash Equivalent:</b>	<b>2,784,201.00</b>	<b>26,737,574.00</b>
	<b>For RANJIT JAIN &amp; CO.</b>	For & on behalf of the Board	
	CHARTERED ACCOUNTANTS		
	FRN-322505E		
		Arvind Kumar Mittal	Chandra Kant Dwivedi
		(Managing Director)	(Director)
	<b>CA ALOK JAIN</b>	DIN:02010445	DIN:06396144
	PARTNER		
	Membership No.062283		
	Place : Kolkata	Ruchi Sharma	Amanpreet Kaur
	Dated: 29/05/2019	(Chief Financial Officer)	(Company Secretary)
		PAN:BXZPS4522A	PAN:ECYPK7618L



<b>Note 1 : Summary of significant accounting policies &amp; other explanatory information :</b>							
<b>1.1 Basis of Preparation :</b>							
<p>The Standalone financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (accounting Standards) Amendments Rules, 2016 and the guidelines issued by the Reserve Bank of India is applicable to a Systematically Important Non Deposit accepting NBFC. The Standalone Financial Statements have been prepared under the historical cost convention and on accrual basis except for interest and discounts on non-performing assets which are recognized on realization basis.</p>							
<p>The accounting policies adopted in the preparation of standalone financial statement are consistent with those of previous year, except for the changes required as per the Companies (accounting Standards) Amendments Rules, 2016.</p>							
<b>1.2 Significant Accounting Policies :</b>							
<p>The Financial statements are prepared to comply in all material aspects with the applicable accounting standards issued by the Institute of Chartered Accountants of India and the relevant provisions of "The Companies Act, 2013". The Significant Accounting Policies are as follows:-</p>							
<b>(a) Use of Accounting Estimates:</b>							
<p>The preparation of standalone Financial Statements in conformity with the Indian GAAP requires the management to make judgments, estimates and judgments that affect the reported amounts of revenue, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcome requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.</p>							
<b>(b) Impairment of Tangible and Intangible Assets :</b>							
<p>The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an assets or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In accessing value in use, the estimated future cash flow are discounted to their present value using a pre-tax discount rate the reflects current market assessments of the time value of money and the risk specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transaction can be identified, an appropriate valuation method is used. There was no impairment loss on Fixed Assets on the basis of review carried out by the Management in accordance with the Accounting Standard 28 issued by The Institute of Chartered Accountants of India.</p>							
<b>(c) Depreciation :</b>							
<p>After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life, at the rates and in the manner as prescribed in Schedule II to the Companies Act, 2013.</p>							
<b>(d) Investments :</b>							
<p>Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Any inter class transfer should be with the approval of the Board and as per RBI regulation.</p>							
<p>Current investments are carried at a lower rate of cost and fair value determined on an individual investment basis. Unquoted investments in the unit of Mutual Fund in the nature of current investment are also carried at lower of cost and fair value determined on an individual investment basis.</p>							
<p>Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.</p>							



(e)	<b>Revenue Recognition:</b>	Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. In a situation where management believes that the recovery of interest is uncertain..
		Interest income on loans given is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Such interests, where installments are overdue in respect of non-performing assets are recognized on realization basis. Any such income recognized and remaining unrealized after they become overdue in respect of secured and unsecured loans is reversed.
(f)	<b>Derivative Instruments and Hedge Accounting :</b>	Derivative contracts are initially measured at fair value and re-measured at subsequent reporting dates. Change in fair value of these Derivative contracts are designated and effective as hedges of future cash flows are recognized directly in "Hedge Reserve Account" under Shareholders' Funds and the ineffective portion is recognized immediately in Statement of Profit and Loss. Changes in fair value of Derivative Contracts that do not qualify for hedge accounting are recognized in Statement of Profit and Loss as they arise. The amount recognized in the Hedge Reserve is transferred to the Statement of Profit and Loss when the hedged transaction crystallizes. If the forecast transactions are no longer expected to occur, the cumulative gain or loss previously recognized in the hedge reserve is transferred to Statement of Profit and Loss. Hedge Accounting is discontinued when the hedging instrument expires or sold, terminated or exercised or no longer qualifies for hedge accounting. If any of these events occur or if a hedge transaction is no longer expected to occur, the net cumulative gain or loss recognized under Shareholders' Fund is transferred to the Statement of Profit and Loss for the year.
(g)	<b>Inventories Valuation</b>	Finished goods and Trading goods including equity shares are valued at cost or net realizable value which are lower and are arrived as per FIFO basis.
(h)	<b>Recognition of Expenditure:</b>	
	<b>a. Employee Benefits:</b>	
		Short Term Employee Benefit is recognised as an expense in the Profit and Loss Account of the year in which related service is rendered. Post employment and other Long term Benefit are not yet being provided for in the accounts. These benefit scheme has not yet been framed by the company.
	<b>b. Taxes on Income:</b>	
		Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India Deferred Tax is recognised, subject to consideration of prudence, in respect of deferred tax Assets/Liabilities arising on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period.
(i)	<b>Provisions :</b>	i) A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation on the balance sheet date. These are reviewed on each balance sheet date and adjusted to reflect the current management estimates.
(j)	<b>Contingent Liabilities :</b>	A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. There is an outstanding demand with the Income Tax Authorities for the following years : A.Y. 2009-10 : ₹ 12,15,520 A.Y. 2011-12: ₹ 41,21,520 A.Y. 2014-15 : ₹ 58,15,610 A.Y. 2015-16 : ₹ 1,74,990 The Company has already filed an Appeal with the C.I.T(Appeal) against the said Orders, which is pending for disposal as on 31.03.2019, and hence no Liability has been created.



(k)	<b>Cash &amp; Cash Equivalents :</b>			
	Cash and Cash Equivalents in the Balance Sheet comprise of Cash at Bank, Cash in Hand and Short-term investments with an original maturity of three months or less.			
<b>1.3</b>	<b>Notes to the Accounts</b>			
(a)	<b>Related Party Disclosures as required in terms of Accounting Standard AS 18</b>			
	Related parties and transactions as specified in Accounting Standard 18 on "Related Parties Disclosure" prescribed under Companies (Accounting Standards) Rules, 2006 has been identified and given below on the basis of the information available with the company.			
	<b>Relationships (Related Party relationship are as identified by the Company)</b>			
(a)	Holding Company		: N. A.	
(b)	Subsidiary Company		: N. A.	
(c)	Fellow Subsidiary Company		: N. A.	
(d)	Associates		: N.A.	
(e)	Key Management Personnel:		1) Arvind Kumar Mittal (M.D.)	
			2) Ruchi (Shukla) Sharma (CFO)	
			3) Amanpreet Kaur (CS)	
			4) Vaibhav Agnihotri (CS) (resigned on 20.12.2018)	
(f)	Relative of Key Management Personnel:		: Deepa Mittal	
	<b>Transaction with Related Party</b>			
	PARTICULARS		Year Ended	
			3/31/2019	3/31/2018
1)	Director Remuneration Paid to Key management personnel Arvind Kumar Mittal		9,50,000	600,000
2)	Salary Paid to Key Management Personnel, Company Secretary		277,145	384,000
3)	Salary Paid to Key Management Personnel, Amanpreet Kaur		45,000	-
4)	Salary Paid to Key Management Personnel, Chief Financial Officer Ruchi (Shukla) Sharma		180,000	154,500
5)	Rent Paid to Deepa Mittal		120,000	120,000
(b)	<b>Earning per share</b>			
	The Earning Per Share (EPS) has been calculated as specified in Accounting Standard - 20 prescribed under Companies (Accounting Standards) Rules, 2006 and related disclosures in this regard are:			
	PARTICULARS		As on 31st March, 2019 (Rs.)	As on 31st March, 2018 (Rs.)
a	Net profit after Tax		7,292,073	11,254,860
b	Weighted average number of Equity Shares		19,553,200	19,553,200
	- Diluted		19,553,200	19,553,200
d	Basic Earning per share (Rs.)		0.37	0.58
(c)	The Company has not received any intimation from its suppliers regarding their status under The Micro, Small and			
(d)	The balances of sundry debtors, creditors and loans & advances are subject to confirmation.			
(e)	The Company has not made any Expenditure / Remittances in Foreign Currencies			
	<b>For RANJIT JAIN &amp; CO.</b>			
	CHARTERED ACCOUNTANTS			
	FRN-322505E			
	<b>CA ALOK JAIN</b>			
	PARTNER			
	Membership No.062283			
	Place : Kolkata			
	Date : 29.05.2019			



<b>NEIL INDUSTRIES LIMITED</b>		
88B, LAKE VIEW ROAD KOLKATA 700029		
CIN : L51109WB1983PLC036091		
<b>Notes forming part of Balance Sheet as on 31st March 2019</b>		
<b>Note: 2</b>		
<b>SHARE CAPITAL</b>	<b>As at 31st March 2019 (Rs.)</b>	<b>As at 31st March 2018 (Rs.)</b>
<b>AUTHORISED</b>		
20000000 Equity Shares of Rs.10/-each	200,000,000.00	200,000,000.00
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
19553200 Equity Shares of Rs.10/- each fully paid up	195,532,000.00	195,532,000.00
<b>(a) Rights, preference, repayability and restriction, if any, on equity shares</b>		
The Company has only one class of equity shares having a par value of Rs. 10 per share. Each Shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.		
<b>(b) Details of shareholders holding more than 5% shares</b>	<b>As at 31st March 2019</b>	<b>As at 31st March 2018</b>
	<b>Number % of holding</b>	<b>Number % of holding</b>
Surendra Kumar Gupta	1012000 5.18%	1012000 5.18%
<b>Note: 3</b>		
<b>RESERVES &amp; SURPLUS</b>	<b>As at 31st March 2019 (Rs.)</b>	<b>As at 31st March 2018 (Rs.)</b>
<b>(a) Securities Premium</b>		
Opening Balance	284,875,000.00	284,875,000.00
Add: Adjustment during the year (Utilised with Issue of Bonus Shares)	-	-
<b>Closing Balance</b>	<b>284,875,000.00</b>	<b>284,875,000.00</b>
<b>(b) Special Reserve u/s 45IC of RBI Act</b>		
Opening Balance	7,037,793.00	4,786,821.00
Add: Transfer from Profit for the year	1,458,415.00	2,250,972.00
<b>Closing Balance</b>	<b>8,496,208.00</b>	<b>7,037,793.00</b>
<b>(c) Surplus</b>		
Opening Balance	42,215,365.00	33,211,477.00
Add: Profit for the year	7,292,073.00	11,254,860.00
	49,507,438.00	44,466,337.00
Less : Transferred to special reserve u/s 45IC of RBI Act	1,458,415.00	2,250,972.00
<b>Closing Balance</b>	<b>48,049,023.00</b>	<b>42,215,365.00</b>
<b>Closing Balance(a+b+c)</b>	<b>341,420,231.00</b>	<b>334,128,158.00</b>

**Note: 4**

<b>Other Current Liabilities</b>	<b>As at 31st March 2019 (Rs.)</b>	<b>As at 31st March 2018 (Rs.)</b>
<b>Others Payables</b>		
Sundry Creditors for expenses	33,840.00	112,210.00
	-	
<b>Total</b>	<b>33,840.00</b>	<b>112,210.00</b>

**Note: 5**

<b>Short Term provisions</b>	<b>As at 31st March 2019 (Rs.)</b>	<b>As at 31st March 2018 (Rs.)</b>
Tax Payable	-	4,466.00
Provisions against Standard Assets	553,588.00	1,411,284.00
Provision against Sub Standard Assets	6,503,289.00	457,800.00
<b>Total</b>	<b>7,056,877.00</b>	<b>1,873,550.00</b>

**Note: 6****FIXED ASSETS -TANGIBLE ASSETS**

NAME OF ASSETS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As on 01.04.2018	Addition during the year	Deductions during the year	As on 31.03.2019	Upto 31.03.2018	Provided for the year	Adjustment on sale	Upto 31.03.2019	As on 31.03.2019	As on 31.03.2018
Motor Car	5,736,450.00	958,671.00	-	6,695,121.00	4,852,275.00	461,014.00	-	5,313,289.00	1,381,832.00	884,175.00
Computer	150,149.00	-	-	150,149.00	143,064.00	-	-	143,064.00	7,085.00	7,085.00
New Office	842,383.00	-	-	842,383.00	201,873.00	60,885.00	-	262,758.00	579,625.00	640,510.00
Mobile Phone	21,799.00	-	-	21,799.00	6,757.00	6,855.00	-	13,612.00	8,187.00	15,042.00
<b>TOTAL</b>	<b>6,750,781.00</b>	<b>958,671.00</b>	<b>-</b>	<b>7,709,452.00</b>	<b>5,203,969.00</b>	<b>528,754.00</b>	<b>-</b>	<b>5,732,723.00</b>	<b>1,976,729.00</b>	<b>1,546,812.00</b>
<b>PREVIOUS YEAR</b>	<b>6,728,982.00</b>	<b>21,799.00</b>	<b>-</b>	<b>6,750,781.00</b>	<b>4,783,636.00</b>	<b>420,333.00</b>	<b>-</b>	<b>5,203,969.00</b>	<b>1,546,812.00</b>	<b>1,945,346.00</b>



<b>NEIL INDUSTRIES LIMITED</b>		
88B, LAKE VIEW ROAD KOLKATA 700029		
CIN : L51109WB1983PLC036091		
<b>Notes forming part of Balance Sheet as on 31st March 2019</b>		
<b>Note: 7</b>		
<b>NON CURRENT INVESTMENTS</b>	<b>As at 31st March 2019 Rs.</b>	<b>As at 31st March 2018 Rs.</b>
i) Trade Investments		
(a) Investment in Equity Instruments	10000.00	10000.00
Non Trade -Investment in other Companies (Unquoted Valued at cost) 100 (Previous year-100) Equity shares of Rs. 100 each fully paid in Key Man Laminators Pvt. Ltd.		
(b) Investment in Mutual Funds	488245.00	488245.00
<b>Total</b>	<b>498245.00</b>	<b>498245.00</b>
<b>Note:</b>		
1. Aggregate amount of unquoted investments.	498245.00	498245.00
2. Aggregate provision for diminution in value of investments.	0.00	0.00
<b>Note: 8</b>		
<b>DEFERRED TAX ASSETS (NET)</b>	<b>As at 31st March 2019 (Rs.)</b>	<b>As at 31st March 2018 Rs.</b>
Deferred Tax Asset	480325.00	475107.00
Fixed Assets - Impact of Difference between Tax depreciation and depreciation / amortization charged for the financial reporting	(86502.00)	5218.00
	0.00	
<b>Net Deferred Tax Asset</b>	<b>393823.00</b>	<b>480325.00</b>
<b>Note: 9</b>		
<b>LONG TERM LOANS &amp; ADVANCES</b>	<b>As at 31st March 2019 Rs.</b>	<b>As at 31st March 2018 Rs.</b>
Others loan and advances( Unsecured Considered Good)		
Inter Corporate Loan	194854047.00	324368204.00
Others	26581222.00	28452876.00
Others loan and advances( Unsecured Considered Sub Standard)	65032887.00	4578000.00
<b>Advance Against Property:</b>		
Singhpur, Bithoor Property of Dinesh Oil Mill	126351010.00	0.00
Vishnupuri Property of Dinesh Oil Mill	35855010.00	0.00
Property Purchased Advance at Lucknow	61530160.00	61530160.00
<b>Total</b>	<b>510204336.00</b>	<b>418929240.00</b>
Note: Interest for last Quarter not recognized for Jawan Mining And Construction Equipments Pvt Ltd and the same is also considered as Sub Standard Asset and provisioning for same is done as per RBI guidelines. Case has been filed against the party and recovery proceeding filed with NCLT is pending for disposal.		
<b>Note: 10</b>		
<b>CURRENT INVESTMENTS</b>	<b>As at 31st March 2019 Rs.</b>	<b>As at 31st March 2018 Rs.</b>
Trade Investments		
(b) Investment in Mutual Funds	9000000.00	41500000.00
Investment in FDR	34976.00	
<b>Total</b>	<b>9034976.00</b>	<b>41500000.00</b>
<b>Note:</b>		
1. Value of unquoted investments @ NAV as on 31.03.2019	9050484.00	41773502.00
2. Aggregate provision for diminution in value of investments.	0.00	0.00

<b>Note: 11</b>		
<b>INVENTORIES</b>	<b>As at 31st March 2019 (Rs.)</b>	<b>As at 31st March 2018 (Rs.)</b>
Stock-in-Trade	14247866.00	7949664.00
<b>Total</b>	<b>14247866.00</b>	<b>7949664.00</b>
<b>Note: 12</b>		
<b>TRADE RECEIVABLES</b>	<b>As at 31st March 2019 (Rs.)</b>	<b>As at 31st March 2018 (Rs.)</b>
<b>Sundry Debtors (Unsecured &amp; considered Good)</b>		
Outstanding for more than six months from the date they became payable	0.00	0.00
Others	0.00	28730269.00
<b>Total</b>	<b>0.00</b>	<b>28730269.00</b>
<b>Note: 13</b>		
<b>CASH &amp; BANK BALANCES</b>	<b>As at 31st March 2019 (Rs.)</b>	<b>As at 31st March 2018 (Rs.)</b>
<b>Cash &amp; Cash Equivalents</b>		
Cash in hand	202641.00	245129.00
<b>Balances with Banks</b>		
<b>In Current Account:</b>		
IDFC Bank	129205.00	0.00
Union Bank Of India	433258.00	892030.00
Yes Bank	2019097.00	25600415.00
<b>Total</b>	<b>2581560.00</b>	<b>26492445.00</b>
<b>Total</b>	<b>2784201.00</b>	<b>26737574.00</b>
<b>Note: 14</b>		
<b>SHORT TERM LOANS &amp; ADVANCES</b>	<b>As at 31st March 2019 (Rs.)</b>	<b>As at 31st March 2018 (Rs.)</b>
<b>Others</b>		
(unsecured ,considered good)		
GST	949623.00	855928.00
Prepaid Insurance	23083.00	22827.00
Security Deposit (Rent)	75000.00	75000.00
	1047706.00	953755.00
Advance and other Income Tax (Net of Provision) for earlier years	1733263.00	3169467.00
TDS Refundable Assessment Year 2013-14	1398490.00	1398490.00
TDS Refundable Assessment Year 2017-18	1348300.00	0.00
	2746790.00	1398490.00
TDS for current year	3029013.00	3994177.00
Advance Tax	1431000.00	0.00
Less : Provision for income tax for current year	5085000.00	4242100.00
	(624987.00)	(247923.00)
<b>Total</b>	<b>4902772.00</b>	<b>5273789.00</b>



<b>NEIL INDUSTRIES LIMITED</b>		
88B, LAKE VIEW ROAD KOLKATA 700029		
CIN : L51109WB1983PLC036091		
<b>Notes forming part of profit &amp; loss account for the year ended 31st March 2019</b>		
<b>Note: 15</b>		
<b>REVENUE FROM OPERATIONS</b>	<b>For the year ended 31st March 2019 (Rs.)</b>	<b>For the year ended 31st March 2018 (Rs.)</b>
<b>A) Sales:</b>		
Equity Shares & Derivatives	53,198,001.00	6,115,422.00
Trading Goods	-	131,550,437.00
Commodity Derivatives	-	1,567,385.00
<b>B) Other Operating Revenues:</b>		
Interest on Loans & Advances	37,501,139.00	42,800,424.00
<b>Total</b>	<b>90,699,140.00</b>	<b>182,033,668.00</b>
<b>Note:16</b>		
<b>OTHER INCOME</b>	<b>For the year ended 31st March 2019 (Rs.)</b>	<b>For the year ended 31st March 2018 (Rs.)</b>
Dividend Income	204,302.00	100,000.00
Income from Mutual Fund	2,239,289.00	279,644.00
Income Related to Previous Year	-	-
<b>Total</b>	<b>2,443,591.00</b>	<b>379,644.00</b>
<b>Note: 17</b>		
<b>PURCHASES OF STOCK IN TRADE</b>	<b>For the year ended 31st March 2019 (Rs.)</b>	<b>For the year ended 31st March 2018 (Rs.)</b>
Equity Shares & Derivatives	69,769,131.00	4,770,452.00
Trading Goods	-	136,202,730.00
Commodity Derivatives	7,507,979.00	19,604,984.00
<b>Total</b>	<b>77,277,110.00</b>	<b>160,578,166.00</b>
<b>Note: 18</b>		
<b>CHANGE IN INVENTORIES</b>	<b>For the year ended 31st March 2019 (Rs.)</b>	<b>For the year ended 31st March 2018 (Rs.)</b>
Closing Stock in trade	14,247,866.00	7,949,664.00
Opening Stock in trade	7,949,664.00	10,512,891.00
<b>Total</b>	<b>(6,298,202.00)</b>	<b>2,563,227.00</b>



<b>Note: 19</b>		
<b>EMPLOYEE BENEFITS EXPENSE</b>	<b>For the year ended 31st March 2019 (Rs.)</b>	<b>For the year ended 31st March 2018 (Rs.)</b>
Salary, Bonus & Allowances	1,610,645.00	707,100.00
Director's Remuneration	-	600,000.00
<b>Total</b>	<b>1,610,645.00</b>	<b>1,307,100.00</b>
<b>Note: 20</b>		
<b>OTHER EXPENSES</b>	<b>For the year ended 31st March 2019 (Rs.)</b>	<b>For the year ended 31st March 2018 (Rs.)</b>
Advertisement Expenses	43,312.00	46,926.00
Auditors' remuneration	40,000.00	40,000.00
Balances Written Off	(1.48)	0.00
Bank Charges	3,203.00	0.00
Car Running & Maintenance Charges	11,978.00	0.00
Conveyance	5,153.00	0.00
Credit Rating Fee	55,400.00	0.00
Demat Charges	3,531.00	0.00
Donation	6,400.00	2,500.00
Electricity	84,935.00	71,927.00
Financial charges	14,743.00	8,012.97
Freight and cartage	0.00	62,662.00
Filing Fees	18,500.00	0.00
GST Expenses	20,120.00	0.00
GST Late Fees	5,400.00	0.00
General Insurance	67,417.00	44,096.00
Legal & Professional Expenses	454,425.00	296,362.00
Listing Expenses	250,000.00	287,500.00
Misc Expenditure	0.00	27,734.00
Office Expenses	104,593.00	189,675.20
Postage & Telegram	1,093.00	0.00
Printing and Stationary	35,918.00	22,793.00
Provision for Standard assets	(857,696.00)	(341,686.00)
Provision for Sub Standard assets	6,045,489.00	457,800.00
Rent	456,000.00	582,000.00
Settlement(Cash Segment)	61,670.00	0.00
Telephone & Internet Expenses	31,177.00	32,208.00
Travelling Expenses :		
Inland	472,140.00	222,234.00
<b>Total</b>	<b>7,434,900.00</b>	<b>2,052,744.00</b>



## NEIL INDUSTRIES LIMITED

CIN: L51109WB1983PLC036091

R/O: 88B, (Ground Floor), Lake View Road, Kolkata-700029

Corporate Office: 14/113, Civil Lines, 402-403, Kan Chambers, Kanpur-208001

**E Mail: [neilil@rediffmail.com](mailto:neilil@rediffmail.com); [neilindustriesslimited@gmail.com](mailto:neilindustriesslimited@gmail.com)**

**Ph: Corp Office: 0512-2303325 WEB: [www.neil.co.in](http://www.neil.co.in)**

### NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 36<sup>th</sup> Annual General Meeting of the Members of Neil Industries Limited will be held on Friday, the 20<sup>th</sup> day of September 2019 at 10.00 A.M. at the Registered Office of the Company at 88B, (Ground Floor), Lake View Road, Kolkata -700029, to transact the following business.

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Financial Statements of the Company for the year ended March 31<sup>st</sup>, 2019, the report of the Board of Directors and Auditors thereon.
2. To appoint Director in place of Shri **CHANDRA KANT DWIVEDI** (DIN: 06396144) who retires by rotation and being eligible offers himself for re appointment.

#### **SPECIAL BUSINESS:**

##### **3. SERVICE OF DOCUMENTS**

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

“**RESOLVED THAT** pursuant to Section 20 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made there under, upon receipt of a request from a member for delivery of any document through a particular mode an amount of Rs.50/- (Rupees Fifty Only) per each such document, over and above reimbursement of actual expenses incurred by the Company, be levied as fees for sending the document to him in the desired particular mode.

**RESOLVED FURTHER THAT** the estimated fees for delivery of the document shall be paid by the member in advance to the Company, before dispatch of such document.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper, desirable or expedient and to settle



any question, difficulty or doubt that may arise in respect of the matter aforesaid, including determination of the estimated fees for delivery of the document to be paid in advance. “

**4. TO RE-APPOINT MR. VIVEK AWASTHI (DIN: 06961442) AS AN INDEPENDENT DIRECTOR OF THE COMPANY FOR A SECOND TERM OF FIVE CONSECUTIVE YEARS**

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

“**RESOLVED THAT** pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meeting held on August 09, 2019 and pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) from time to time or any re-enactment thereof for the time being in force) and Regulation 17 along with other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read along with Article of Association of the Company, Mr. Vivek Awasthi (DIN: 06961442 ), who was appointed as an Independent Director at the 31st Annual General Meeting of the Company and who hold office up to 36<sup>th</sup> Annual General Meeting and who is eligible for re-appointment and meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and in respect of whom the company has received a Notice in writing from the member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, to hold office for a second term commencing from 36<sup>th</sup> Annual General Meeting up to 41<sup>st</sup> Annual General Meeting, not liable to retire by rotation .

**RESOLVED FURTHER THAT** Mr. Arvind Kumar Mittal, Managing Director and/or Ms. Amanpreet Kaur, Company Secretary of the Company be and is hereby authorized to take all actions and steps expedient or desirable to give effect to this aforesaid resolution”.

**5. TO RE-APPOINT MR. RAJESH BAJPAI (DIN: 05153951) AS AN INDEPENDENT DIRECTOR OF THE COMPANY FOR A SECOND TERM OF FIVE CONSECUTIVE YEARS**

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

“**RESOLVED THAT** pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meeting held on August 09, 2019 and pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) from time to time or any re-enactment thereof for the time being in force) and Regulation 17 along with other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read along with Article of Association of the Company, Mr. Rajesh Bajpai (DIN: 05153951 ), who was appointed as an



Independent Director at the 31<sup>st</sup> Annual General Meeting of the Company and who hold office up to 36<sup>th</sup> Annual General Meeting and who is eligible for re-appointment and meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and in respect of whom the company has received a Notice in writing from the member to proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, to hold office for a second term commencing from 36<sup>th</sup> Annual General Meeting up to 41<sup>st</sup> Annual General Meeting, not liable to retire by rotation .

**RESOLVED FURTHER THAT** Mr. Arvind Kumar Mittal, Managing Director and/or Ms. Amanpreet Kaur, Company Secretary of the Company be and is hereby authorized to take all actions and steps expedient or desirable to give effect to this aforesaid resolution”.

**6. TO RE-APPOINT MR. ARVIND KUMAR MITTAL (DIN: 02010445) AS A MANAGING DIRECTOR OF THE COMPANY FOR A SECOND TERM OF FIVE CONSECUTIVE YEARS**

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

“**RESOLVED THAT** pursuant to provisions of Sections 117(3),170,196,197,198 203 and any other applicable provisions, if any, read along with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) from time to time or any re-enactment thereof for the time being in force), prior consent of the members be and is hereby accorded for the re-appointment of Mr. Arvind Kumar Mittal (DIN:02010445 ) as Managing Director of the Company with effect from the expiry of his tenure for a period of five (5) years, not liable to retire by rotation upon the terms and conditions set out in the Statement annexed to the Notice convening this Meeting, including the remuneration to be paid during his said tenure within the limits of Section 197(1) of the Act.

**RESOLVED FURTHER THAT** the Board of Directors (on the recommendation of Nomination & Remuneration Committee) be and is hereby authorized to revise, amend, alter and vary the remuneration and other terms and conditions of the re-appointment of the Managing Director in such manner as may be permissible in accordance with the provisions of the Companies Act, 2013 and Schedule V as may be agreed to by and between the Board of Directors and Mr. Arvind Kumar Mittal, without any further reference to the shareholders in the General Meeting.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits during the tenure of service of Mr. Arvind Kumar Mittal as Managing Director of the Company, the payment of salary shall be governed by the limits prescribed under Section II of Part II of Schedule V of the Companies Act, 2013

**RESOLVED FURTHER THAT** Mr. Arvind Kumar Mittal as the Managing Director shall apart from his salary be entitled to travelling allowance as per the rules prescribed by the Company in this regard.



**RESOLVED FURTHER THAT** as the Managing Director of the Company, Mr. Arvind Kumar Mittal shall, subject to the supervision, control and directions of the Board of Directors of the Company, exercise substantial powers of management and manage the business and affairs of the Company.

**RESOLVED FURTHER THAT** Ms. Amanpreet Kaur, Company Secretary of the Company be and is hereby authorized to take all actions and steps expedient or desirable to give effect to this aforesaid resolution.”

Date: 09<sup>th</sup> August, 2019  
Place: Kanpur

By the order of Board  
For Neil Industries Limited

Sd/-  
(Amanpreet Kaur)  
Company Secretary  
ACS No. 56912

**Notes:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. The Proxy Form should be lodged with the Company at the Registered Office at least 48 hours before the time of the Meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other shareholder.

2. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
3. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
4. The Register of Members and Share Transfer Books will remain closed from **September 13th, 2019 to September 20<sup>th</sup>, 2019** (both days inclusive) for the purpose of AGM.
5. Shareholders are requested to promptly notify any changes in their address to the Company's Registrar and Share Transfer Agents, Skyline Financial Services Private Limited.
6. Members who have not registered their e-mail id addresses so far are requested to register their e-mail address in case of physical holding with the Company and in case of demat holding with the Depository Participant.



7. Electronic copy of the notice of the 36<sup>th</sup> Annual General Meeting of the Company *inter alia* indicating the e-voting procedure along with the attendance slip and proxy form is being sent to all the members whose e-mail address are registered with the Company/Depository Participant for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the notice of the 36<sup>th</sup> Annual General Meeting of the Company *inter alia* indicating the e-voting procedure along with the attendance slip and proxy form is being sent in the permitted mode.
8. All documents referred to in the Notice and the annexure to notice shall be open for inspection at the Registered Office of the Company during office hours on all working days except Saturdays between 11.00 a.m. to 1.00 p.m. up to the date of the 36<sup>th</sup> Annual General Meeting of the Company.
9. Members are requested to bring their identity cards along with copy of Annual Report to the Meeting.
10. Members desirous of obtaining any information concerning accounts of the Company are requested to address their questions to the Company Secretary, so as to reach at least 7 days before the date of meeting, to enable the information required to be made available at the Meeting, to the extent possible.
11. Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed form SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in demat / electronic form, the nomination form may be filed with the respective Depository Participant.
12. Corporate Members are requested to send to the Company, a duly certified copy of the Board resolution/Power of Attorney, authorizing their representatives to attend and vote at the Annual General Meeting.
13. In case a Member receives physical copy the Notice of the 36<sup>th</sup> AGM [for Members whose email IDs are not registered with the Company/Depository Participants(s) or requesting Physical Copy.  
Please follow Sl. No. (i) to Sl. No. (xiii) Above, to cast vote.
14. **Voting through electronic means**
  - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL):



- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
- III. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IV. The e-voting period commences on **17<sup>th</sup> September, 2019 (09:00 am) and ends on 19<sup>th</sup> September, 2019 (05:00 pm)**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **13<sup>th</sup> September, 2019** may cast their vote electronically. The e-voting module shall also be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- V. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cutoff date **13<sup>th</sup> September, 2019**.
- VI. A copy of this notice has been placed on the web site of the Company and website of NSDL. Mr. Anurag Fatehpuria Practicing Company Secretary, (Certificate of Practice no 12855) has been appointed as scrutinizer to scrutinize the e voting process in a fair and transparent manner.
- VII. Since the Company is required to provide members facility to exercise their right to vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **13<sup>th</sup> September, 2019** and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
- VIII. The Scrutinizer shall within a period of not exceeding three(3) working days from the conclusion of the e-Voting period unlock the votes in the presence of atleast two(2) 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.
- IX. The Results shall be declared on or after the 36<sup>th</sup> Annual General Meeting of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website **[www.neil.co.in](http://www.neil.co.in)** and on the website of NSDL within two(2) days of passing of the resolutions at the 36<sup>th</sup> Annual General Meeting of the Company on **20<sup>th</sup> September, 2019** and communicated to BSE Limited.

The Notice of the 36th AGM of the Company inter alia indicating the process and manner of e-Voting process along with printed Attendance Slip and Proxy Form is being dispatched to all the Members.



**The procedure to login to e-Voting website consists of two steps as detailed hereunder:**

**Step 1 : Log-in to NSDL e-Voting system**

- (i) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/>.
- (ii) Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
- (iii) A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
- (iv) Your User ID details will be as per details given below :
  - a) For Members who hold shares in demat account with NSDL:** 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300\*\*\* and Client ID is 12\*\*\*\*\* then your user ID is IN300\*\*\*12\*\*\*\*\*).
  - b) For Members who hold shares in demat account with CDSL:** 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12\*\*\*\*\* then your user ID is 12\*\*\*\*\*).
  - c) For Members holding shares in Physical Form:** EVEN Number followed by Folio Number registered with the company (For example if folio number is 001\*\*\* and EVEN is 101456 then user ID is 101456001\*\*\*).
- (v) Your password details are given below:
  - a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need enter the ‘initial password’ and the system will force you to change your password.
  - c. How to retrieve your ‘initial password’?
    - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.





- (ii) If your email ID is not registered, your ‘initial password’ is communicated to you on your postal address.
- (vi) If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
  - a. Click on **“Forgot User Details/Password?”**(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b. **“Physical User Reset Password?”** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c. If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
- (vii) After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
- (viii) Now, you will have to click on “Login” button.
- (ix) After you click on the “Login” button, Home page of e-Voting will open.

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

- (i) After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- (ii) After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
- (iii) Select “EVEN” of the Company.
- (iv) Now you are ready for e-Voting as the Voting page opens.
- (v) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
- (vi) Upon confirmation, the message “Vote cast successfully” will be displayed.
- (vii) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- (viii) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- (ix) 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 with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

## **STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT 2013**

### **Item No. 3:**

Section 20(2) of Companies Act, 2013 provides that a member may request for delivery of any documents through a particular mode, for which he shall pay such fees as may be determined by the company in its Annual General Meeting.

The amount of Rs. 50/- per each such documents over and above reimbursement of actual expenses incurred by the Company is proposed to be paid by the members in advance to the company before the dispatch of such documents.

Therefore, the resolution seeks approval of members for the same.

### **Item No. 4:**

Mr. Vivek Awasthi was appointed as an Independent Director of the Company by the Shareholders of the Company at the 31<sup>st</sup> Annual General Meeting held on September 30, 2014, for a period of five years with effect from September 30, 2014 up to the date of 36<sup>th</sup> Annual General Meeting.

The Board on August 09<sup>th</sup>, 2019 based on the recommendations of the Nomination and Remuneration Committee and pursuant to the performance evaluation of Mr. Vivek Awasthi as a Member of the Board and considering that the continued association of Mr. Vivek Awasthi would be beneficial to the Company, proposed to re-appoint Mr. Vivek Awasthi as an Independent Director of the Company, not liable to retire by rotation, for a second term effective from September 20, 2019 up to 41<sup>st</sup> Annual General Meeting. Further, the Company has, in terms of Section 160(1) of the Act, received a notice in writing from a Member proposing the candidature of Mr. Vivek Awasthi for the office of Director.

The Company has received from Mr. Vivek Awasthi (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act (iii) Declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act read with Regulation 16 and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('Listing Regulations') and (iv) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, that he has not been debarred from holding office of a Director by virtue of any Order passed by Securities and Exchange Board of India or any other such authority.

In terms of Section 149, 152 and other applicable provisions of the Act, read with Schedule IV of the Act and the Rules made thereunder, and in terms of the applicable provisions of the Listing Regulations, each as amended, the re-appointment of Mr. Vivek Awasthi as an Independent Director of the Company for a second term commencing from September 30, 2019 up to 41<sup>st</sup> Annual General Meeting is being placed before the Shareholders for their approval by way of a



special resolution. Mr. Vivek Awasthi, once appointed, will not be liable to retire by rotation. In the opinion of the Board, Mr. Vivek Awasthi is a person of integrity, fulfils the conditions specified in the Act and the Rules made thereunder read with the provisions of the LODR Regulations, each as amended, and is independent of the Management of the Company.

The profile and specific areas of expertise of Mr. Vivek Awasthi are provided as annexure to this Notice.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except Mr. Vivek Awasthi, to whom the resolution relates, is concerned or interested in the Resolution mentioned at Item No. 4 of the Notice.

The Board recommends the Resolution set forth in Item No. 4 for the approval of the Members.

#### **Item No. 5:**

Mr. Rajesh Bajpai was appointed as an Independent Director of the Company by the Shareholders of the Company at the 31<sup>st</sup> Annual General Meeting held on September 30, 2014, for a period of five years with effect from September 30, 2014 up to the date of 36<sup>th</sup> Annual General Meeting.

The Board on August 09, 2019 based on the recommendations of the Nomination and Remuneration Committee and pursuant to the performance evaluation of Mr. Rajesh Bajpai as a Member of the Board and considering that the continued association of Mr. Rajesh Bajpai would be beneficial to the Company, proposed to re-appoint Mr. Rajesh Bajpai as an Independent Director of the Company, not liable to retire by rotation, for a second term effective from September 20, 2019 up to 41<sup>st</sup> Annual General Meeting. Further, the Company has, in terms of Section 160(1) of the Act, received a notice in writing from a Member proposing the candidature of Mr. Rajesh Bajpai for the office of Director.

The Company has received from Mr. Rajesh Bajpai (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act (iii) Declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act read with Regulation 16 and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('Listing Regulations') and (iv) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, that he has not been debarred from holding office of a Director by virtue of any Order passed by Securities and Exchange Board of India or any other such authority.

In terms of Section 149, 152 and other applicable provisions of the Act, read with Schedule IV of the Act and the Rules made thereunder, and in terms of the applicable provisions of the Listing Regulations, each as amended, the re-appointment of Mr. Rajesh Bajpai as an Independent Director of the Company for a second term commencing from September 20, 2019 up to 41<sup>st</sup> Annual General Meeting is being placed before the Shareholders for their approval by way of a special resolution. Mr. Rajesh Bajpai, once appointed, will not be liable to retire by rotation. In the opinion of the Board, Mr. Rajesh Bajpai is a person of integrity, fulfils the conditions specified in



the Act and the Rules made thereunder read with the provisions of the LODR Regulations, each as amended, and is independent of the Management of the Company.

The profile and specific areas of expertise of Mr. Rajesh Bajpai are provided as annexure to this Notice.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except Mr. Rajesh Bajpai, to whom the resolution relates, is concerned or interested in the Resolution mentioned at Item No. 5 of the Notice.

The Board recommends the Resolution set forth in Item No. 5 for the approval of the Members.

### **Item No. 6**

Mr. Arvind Kumar Mittal was appointed as the Managing Director of the Company for a period of five years, not liable to retire by rotation, and the said appointment was approved by the Board of Directors of the Company in the board meeting held on October 14, 2014.

Based on the recommendation of the Nomination and Remuneration Committee, it is proposed to re-appoint Mr. Arvind Kumar Mittal as the Managing Director of the Company, not liable to retire by rotation, for a further period of five years in the ensuing Annual General Meeting, subject to approval of the Shareholders.

While re-appointing Mr. Arvind Kumar Mittal as the Managing Director of the Company, his immense experience, expertise and contributions were taken into consideration by the board.

The main terms and conditions relating to the re-appointment and terms of remuneration Mr. Arvind Kumar Mittal as MD are as follows:

**(1) Period:** For a period of 5 years

**(2) Nature of Duties:** The MD shall devote his whole time and attention to the business of the Company and perform such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company.

**(3) Remuneration:**

Mr. Arvind Kumar Mittal being the Managing Director of the Company has been a major cause of continuous growth of the Company. His dedicated efforts, sincerity and hard work paid way for increase in the business of the Company. In compliance with the provisions of Section 196, 197, 203 and other applicable provisions of the Act, read with Schedule V to the Act as amended, and based on the recommendation of the Board and the Nomination & Remuneration Committee, the remuneration payable to him will be same as approved by the shareholder in the previous 35<sup>th</sup> Annual General Meeting of the Company i.e. Rs. 1,00,000/- per month.

The Board recommends the Resolution set forth in Item No. 6 for the approval of Members.



**ANNEXURE TO THE NOTICE:**

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AS REQUIRED UNDER SEBI (LODR) REGULATIONS 2015 :**

**ITEM No. 2:**

Mr. Chandra Kant Dwivedi is a non Executive non Independent Director of the Company whose office is subject to retirement in the Annual General Meeting of the Company as per Section 152 of the Companies Act 2013. The resolution seeks for his re- appointment at this Annual General Meeting. The particulars of the director are given below.

**CHANDRA KANT DWIVEDI**

NAME	CHANDRA KANT DWIVEDI
FATHER'S NAME	Late Shri Ganesh Prasad Dwivedi
D.O.B.	15/06/1951
ADDRESS	117/815A, M Block, Kakadev, Kanpur-208001  EMAIL- chandrakantdwivedi51@gmail.com
QUALIFICATION	M.A. (Economics), L.L.B., L.T.
EXPERIENCE	Mr. Dwivedi is an economist and has a rich experience of more than 40 years in the field of Economy, and education. He is also associated with a major agro business industry for a period of last 3 years.
THEIR DIRECTORSHIP	Nil
SHAREHOLDING IN THE COMPANY	Nil

**ITEM No. 4:**

Mr. Vivek Awasthi is a Non Executive Independent Director of the Company whose office is not liable to retire by rotation as per Section 152 of the Companies Act 2013. The resolution seeks for his re- appointment at this Annual General Meeting. The particulars of the director are given below.

**VIVEK AWASTHI**

NAME	VIVEK AWASTHI
FATHER'S NAME	Late Shri Prakash Narain Awasthi
D.O.B.	22/11/1963



ADDRESS	128/348, K Block, Kidwai Nagar, Kanpur-208011 EMAIL- cavawasthi@gmail.com
QUALIFICATION	B.Com. FCA
EXPERIENCE	Vivek Awasthi is a reputed & Senior Chartered Accountant having the experience of more than 21 years in the field of Tax, Audit and financial matters.
THEIR DIRECTORSHIP	Nil
SHAREHOLDING IN THE COMPANY	Nil

**ITEM No. 5:**

Mr. Rajesh Bajpai is a Non Executive Independent Director of the Company whose office is not liable to retire by rotation as per Section 152 of the Companies Act 2013. The resolution seeks for his re- appointment at this Annual General Meeting. The particulars of the director are given below.

**RAJESH BAJPAI**

NAME	RAJESH BAJPAI
FATHER'S NAME	Bal Krishna Bajpai
D.O.B.	28/05/1966
ADDRESS	R/33, Block No. 13, Ramasre Nagar ,Govind Nagar, Kanpur- 208006 EMAIL- rajeshbajpai2011@rediffmail.com
QUALIFICATION	Graduate
EXPERIENCE	Mr. Rajesh Bajpai is an able administrator and has a good experience in this field. He also has an experience in social and cultural activity.
THEIR DIRECTORSHIP	Nil
SHAREHOLDING IN THE COMPANY	Nil

**ITEM No. 6:**

Mr. Arvind Kumar Mittal is a Managing Director of the Company as pursuant to Section 196 of the Companies Act 2013. The resolution seeks for his re- appointment at this Annual General Meeting. The particulars of the director are given below.

**ARVIND KUMAR MITTAL**

NAME	ARVIND KUMAR MITTAL
FATHER'S NAME	Nirmal Kumar Mittal



D.O.B.	28/05/1972
ADDRESS	2A/220, Azad Nagar, Nawab Ganj, Kanpur Nagar-208002 EMAIL- <a href="mailto:arvindmittal666@gmail.com">arvindmittal666@gmail.com</a>
QUALIFICATION	Graduate
EXPERIENCE	Mr. Arvind Kumar Mittal is having more than 20 years of experience in the field of stock trading including derivative trading and held the post of Managing Director of Companies like UPSE Securities Limited.
THEIR DIRECTORSHIP	1. U.P. STOCK AND CAPITAL LIMITED (CIN:U67120UP1979PLC004876)
SHAREHOLDING IN THE COMPANY	Nil



**NEIL INDUSTRIES LIMITED**

CIN: L51109WB1983PLC036091

R/O: 88B, (Ground Floor), Lake View Road, Kolkata-700029

Corporate Office: 14/113, Civil Lines, 402-403, Kan Chambers, Kanpur-208001

**E Mail: [neilil@rediffmail.com](mailto:neilil@rediffmail.com), [neilindustriesslimited@gmail.com](mailto:neilindustriesslimited@gmail.com)**

**Ph: Corp Office: 0512-2303325 WEB: [www.neil.co.in](http://www.neil.co.in)**

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**ATTENDANCE SLIP**

(To be presented at the entrance)

Reg. Folio No:

No. of Shares held:

I certify that I am a member/proxy of the Company.

I hereby record my presence at the Annual General Meeting of the Company to be held at its Registered Office, 88B, (Ground Floor), Lake View Road, Kolkata-700029(West Bengal) on Friday, the 20<sup>th</sup> day of September, 2019 at 10:00 A.M.

Member's/ Proxy name in BLOCK letters

Signature of Member/Proxy

Note: Pease fill up this attendance slip and hand it over at the entrance of the venue for the meeting.





## NEIL INDUSTRIES LIMITED

CIN: L51109WB1983PLC036091

R/O: 88B, (Ground Floor), Lake View Road, Kolkata-700029

Corporate Office: 14/113, Civil Lines, 402-403, Kan Chambers, Kanpur-208001

**E Mail: [neilil@rediffmail.com](mailto:neilil@rediffmail.com), [neilindustrieslimited@gmail.com](mailto:neilindustrieslimited@gmail.com)**

**Ph: Corp Office: 0512-2303325 WEB: [www.neil.co.in](http://www.neil.co.in)**

### FORM NO. MGT 11 PROXY FORM

Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies  
(Management and Administration) Rules, 2014

Name of the Member  
Registered address  
E-mail Id:  
Folio No/  
DP ID- Client ID

I/We, being the member of \_\_\_\_\_ Shares of above mentioned company hereby appoints:

Name  
Address  
E-mail Id:  
Signature  
**Or failing him / her**  
Name  
Address  
E-mail Id:  
Signature  
**Or failing him / her**  
Name  
Address  
E-mail Id:  
Signature

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Friday, September 20<sup>th</sup>, 2019 at 10.00 A.M. at the registered office of the Company and at any adjournment thereof in respect of such resolutions as are indicated below:



Resolution No.	Resolutions	Optional <small>refer note 3 below</small>	
		For	Against
<b>Ordinary Business</b>			
1	Adoption of Balance Sheet, Statement of Profit and Loss and the Reports of the Board of Directors and Auditors thereon for the financial period ended on March 31, 2018.		
2.	Reappoint Mr. Chandra Kant Dwivedi, (DIN: 06396144) as a non Executive Non Independent Director of the Company whose office is subject to retire by rotation.		
<b>Special Business</b>			
<b>Ordinary Resolution</b>			
3.	Fees for Service of Documents		
<b>Special Resolution</b>			
4.	Reappoint Mr. Vivek Awasthi (DIN: 06961442) as a Non Executive Independent Director of the Company whose office of term expired on 36 <sup>th</sup> Annual General Meeting.		
5.	Reappoint Mr. Rajesh Bajpai (DIN: 05153951) as a Non Executive Independent Director of the Company whose office of term expired on 36 <sup>th</sup> Annual General Meeting.		
6.	Reappoint Mr. Arvind Kumar Mittal (DIN: 02010445) as Managing Director of the Company whose office of term is expiring on 14 <sup>th</sup> October, 2019.		

Signed this ..... day of ..... 2019.

Signature of the Member

Signature of the Proxy Holder(s)

AFFIX  
REVENUE  
STAMP NOT  
LESS THAN  
Re 1

**Note:-**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the Annual General Meeting.
3. It is optional to put a 'X' in the appropriate column against the Resolution indicated in the Box. If you leave the 'For' and 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he / she think appropriate.
4. Please complete all details including detail of member(s) in above box before submission.

**ROUTE MAP OF THE VENUE OF 36<sup>th</sup> ANNUAL GENERAL MEETING OF NEIL INDUSTRIES LIMITED**  
**ADDRESS: 88B(GROUND FLOOR), LAKE VIEW ROAD, KOLKATA-700029**

