

CONTENTS

| | Pages |
|-------------------------------------------------|-------|
| 1. BOARD OF DIRECTORS AND CORPORATE INFORMATION | 2 |
| 2. BOARD'S REPORT | 3-26 |
| 3. MANAGEMENT DISCUSSION AND ANALYSIS REPORT | 27-29 |
| 4. CORPORATE GOVERNANCE REPORT | 30-42 |
| 5. INDEPENDENT AUDITORS REPORT | 43-48 |
| 6. BALANCE SHEET | 49 |
| 7. STATEMENT OF PROFIT AND LOSS | 50 |
| 8. CASH FLOW STATEMENT | 51 |
| 9. NOTES TO ACCOUNTS | 52-70 |
| 10. NOTICE | 71-77 |

NAKAMICHI SECURITIES LIMITED

| | | |
|-------------------------------------|---|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| DIRECTORS | : | MRS. SARITA TIBREWALA (DIN: 00629538) MS. SNIGDHA TIBREWALA (DIN:02801711) MR. JUGAL KISHORE KYAL (DIN: 02379994) MR. CHANDIDAS GHOSH (DIN: 03014825) MR. SANJAY KUMAR KOTHARI (DIN: 02751509) |
| CFO | : | MS. SNIGDHA TIBREWALA |
| AUDITORS | : | M/S BDS & Co (BHARAT D. SARAWGEE & CO.) |
| COMPANY SECRETARY | : | MR. SANJEET KUMAR SINGH |
| BANKERS | : | HDFC BANK UNITED BANK OF INDIA AXIS BANK ICICI BANK |
| REGISTERED OFFICE | : | MERCANTILE BUILDING 9/12 LAL BAZAR STREET, 'A' BLOCK, 1 ST FLOOR KOLKATA-700 001 TEL: 033 2210-4841 Extn.:42, FAX:033-30629271 EMAIL:investorcell@nakamichi.co.in WEBSITE: www.nakamichi.co.in |
| CORPORATE OFFICE | : | 27B, CAMAC STREET, 4 TH FLOOR, KOLKATA-700 016 PHONE:033 4017-5200 |
| CIN | : | L67120WB1990PLC048496 |
| REGISTRAR & SHARE TRANSFER AGENT | : | M/s MCS SHARE TRANSFER AGENT LTD. 12/1/5 MANOHARPUKUR ROAD GROUND FLOOR, KOLKATA-700 026 EMAIL: mcssta@rediffmail.com WEBSITE: www.mcsdel.com |

NAKAMICHI SECURITIES LIMITED

BOARD'S REPORT

To the Members,

Your Directors have pleasure in presenting the Twenty-Ninth Annual Report and the Audited Financial Statements of the Company for the financial year 2017-18.

FINANCIAL HIGHLIGHTS

(₹ in Lacs)

| Particulars | 2017-2018 | 2016-2017 |
|---------------------------------------------------|-----------|-----------|
| Net Sales / Income from Operations | 1784.86 | 1175.61 |
| Profit before Finance Costs, Depreciation and Tax | 209.03 | 85.20 |
| Finance Costs | 37.26 | 42.54 |
| Depreciation | 09.16 | 04.71 |
| Profit before Tax | 162.61 | 37.94 |
| Tax Expenses | 46.43 | 6.40 |
| Profit for the year | 116.18 | 31.54 |
| Balance in Profit and Loss Account (b/f) | 156.38 | 124.83 |
| Balance Profit and Loss Account (c/f) | 272.56 | 156.38 |

DIVIDEND

No dividend has been recommended for the year under review.

TRANSFER TO RESERVES

During the year, the Company does not propose to transfer any amount to the General Reserve and hence no disclosure required in this regard in terms of Section 134 (3) (j) of the Companies Act 2013 ("Act").

REVIEW OF PERFORMANCE

During the year Profit after tax of the Company amounted to 116.18 Lacs as compared to 31.54 Lacs in the previous year.

SHARE CAPITAL

The Company did not allot any securities during the year.

As on 31 st March, 2018, the issued, subscribed and paid up share capital of the Company was Rs. 3,00,00,000/- comprising 30,00,000 Equity shares of Rs. 10/- each.

CHANGE IN NATURE OF THE BUSINESS

There is no change in the major business activity of the Company.

MATERIAL CHANGES & COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY OCCURRING BETWEEN THE DATE OF THE FINANCIAL STATEMENTS AND THE BOARD'S REPORT

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

SIGNIFICANT AND MATERIAL ORDERS PASSED

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

DETAILS OF HOLDING, SUBSIDIARIES AND ASSOCIATES

The Company does not have any Holding, Subsidiary and Associate Company as on 31st March, 2018.

BOARD AND COMMITTEE MEETING

During the year, four Board Meetings were held on 18/05/2017, 14/08/2017, 14/11/2017 and 10/02/2018.

Details of the composition of the Board and its Committees including Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and of the Meetings held and attendances of the Directors at such meetings are provided in the Corporate Governance Report.

BOARD EVALUATION

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandates that the Board shall monitor and review the Board evaluation framework.

The Nomination and Remuneration Committee has defined the evaluation criteria, procedure and time schedule for the performance evaluation process for the Board and its Directors. The Nomination and Remuneration Committee has reviewed the performance of the Board and its Directors.

The functioning of the Board was evaluated on various aspects, inter alia degree of fulfillment of key responsibilities, Board structure and composition, establishment and delegation of responsibilities to various committees, effectiveness of Board processes, information and functioning etc.

In the separate meeting of Independent Directors, a performance of Non-Independent Directors was evaluated on various aspects such as attendance and contribution at Board / Committee Meetings and guidance/ support to the management outside Board/Committee Meetings. In addition, the Chairperson was evaluated on key aspects including office role, setting the strategic agenda of the Board encouraging active engagements by all Board members and motivating and providing guidance to them.

Areas on which the Committees of the Board were assessed included degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

The performance evaluation of the Independent Directors was carried out by the entire Board excluding the Director being evaluated.

The Chairman of the Board provided feedback to the Directors on an individual basis, as appropriate. Significant highlights, learning and action points with respect to the evaluation were presented to the Board.

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

The Company's policy on Directors appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which forms part of the Director's Report.

DIRECTORS & KEY MANAGERIAL PERSONNEL

In accordance with Section 152 of the Companies Act, 2013 and the Article of Association of the Company, Mr. Sanjay Kumar Kothari, Director of the Company is due to retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

DECLARATION BY INDEPENDENT DIRECTORS

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

DIRECTORS' RESPONSIBILITY STATEMENTS

Pursuant to Section 134 (5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

- (a) In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed and there are no material departures from the same;
- (b) The Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year March 31, 2018 and the Profit and Loss of the Company for that period;
- (c) The Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The Directors have prepared the Annual Accounts of the Company on a 'going concern' basis;
- (e) The Directors have laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and were operating effectively;
- (f) The Directors have devised proper systems to ensure adequate compliances with provisions of all the applicable laws and that such systems were adequate and operating effectively;

DEPOSITS FROM PUBLIC

The Company has not accepted any Deposits from public and as such, no amount on account of principle or interest on deposit from public was outstanding as on the date of the Balance Sheet.

RELATED PARTY TRANSACTIONS

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act 2013, in the prescribed form AOC-2, is appended as Annexure I to the Board's report.

PARTICULARS OF LOAN, GUARANTEE AND INVESTMENTS

No loan and / or guarantee have been given by the Company during the Current Financial Year. Investments made by the Company are disclosed in the Standalone Financial Statements.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 134(3) (a) and Section 92(3) of the Act, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return as at 31st March 2018 forms part of this report as Annexure II.

CORPORATE GOVERNANCE

A separate section on Corporate Governance is included in the Annual Report along with Certificate from the Company's Auditor confirming compliance with condition on Corporate Governance as required by Schedule V of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

AUDITORS

Statutory Auditor

Pursuant to the provision of section 139 of the Act read with Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. BDS & Co. (M/s. Bharat D. Sarawgee & Co.) Chartered Accountant (Firm Registration No. 326264E), were appointed as statutory auditors from the conclusion of the Twenty-Eight Annual General Meeting (AGM) held on September 29, 2017 till the conclusion of the Thirty- third AGM of the Company in 2022, subject to the ratification of their appointment at every AGM, if required under law. Accordingly, necessary resolution for ratification of appointment of auditors is included in the Notice for this AGM.

QUALIFICATION, RESERVATION OR ADVERSE REMARK IN STATUTORY AUDIT REPORT AND SECRETARIAL AUDIT REPORT

There is no qualification, reservation or adverse remark made by the Statutory Auditors in their Auditors' Report to the Financial Statements or by the Secretarial Auditor in its Secretarial Audit Report for the financial year ended March 31, 2018.

INTERNAL AUDITORS

The Company has re-appointed Mr. Gautam Agarwala, Chartered Accountant, to conduct the Internal Audit of the Company in terms of the provisions of Section 138 of the Companies Act, 2013 and for Exchange and Depository participant compliances. The Internal Audit Reports thereon were submitted to the Stock Exchanges in which your Company is a member.

The reports of the Internal Auditors are reviewed by the Audit Committee at regular intervals. The Internal Audit System of the Company is commensurate with the size and business of the Company.

COST AUDIT

The provisions of Sec 148 of the Companies Act, 2013 related to Cost Audit is not applicable to the Company.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Board of Directors of the Company had re-appointed Mr. Vishal Patodia a Company Secretary in Practice to undertake the Secretarial Audit of the Company for the year ended 31st March, 2018. The Secretarial Audit Report is annexed as Annexure-III forming part of this report.

VIGIL MECHANISM

The Board of Directors on the recommendations of the Audit Committee has approved and adopted a Whistle Blower Policy to provide formal Mechanism for all employees of the Company to approach the Chairman of the Audit Committee and make protective disclosure about any unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct.

RISK MANAGEMENT POLICY

The Company has developed and implemented a Risk Management Policy to be followed by the Company, including the identification therein of elements of risk, if any, which in opinion of the Board may threaten the existence of the Company. The risk management framework is based on a clear understanding of various risk, disciplined risk assessment and measurement procedure and continuous monitoring. The policies and procedures established for this purpose are approved. The Board of Directors has oversight on all the risks assumed by the Company.

CORPORATE SOCIAL RESPONSIBILITY

The provision of Section 135 of the Companies Act, 2013 read with Rule 12 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, relating to Corporate Social Responsibility are not applicable to the Company.

INTERNAL FINANCIAL CONTROLS

The Company has designed and implemented the framework for Internal Financial Controls (“IFC”) within the meaning of explanation to Section 134 (e) of the Companies Act, 2013.

For the year ended March 2018, the Board believes that the Company has sound IFC commensurate with the nature and size of its business operations; wherein controls are in place and operating effectively and no material weakness exists.

The Company has a process in place to continuously monitor the existing controls and identify gaps, if any, and implement new /improved financial controls.

POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

The Company has adopted a policy on prevention, prohibition and redressal of Sexual Harassment at the workplace, to provide protection to employee at the workplace and protection and redressal of complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing safe working environment where employee feel secure. The Company has also constituted an internal complaints committee to consider and to redress complaints of sexual harassment. The Committee has not received any complaint of sexual harassment.

PARTICULARS OF EMPLOYEE

The information required under Section 197(12) of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report as Annexure IV.

DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information relating to Conservation of Energy and Technology Absorption as required to be disclosed under the provisions of Rule 8 of the Companies (Accounts) Rules, 2014, is not applicable to the Company. Further, there were no foreign exchange earnings and outgo during the year.

ACKNOWLEDGMENTS

Your Directors wish to express their gratitude for the continuous assistance and support received from the Employees, Investors, Customers, Bankers, Registrars and Transfer Agents, SEBI, Exchanges, NSDL and other regulatory and government authorities during the year.

Your Directors also wish to place on record their deep sense of appreciation and value for the contributions made by every staff member of the Company.

For and on behalf of the Board of Directors

Snigdha Tibrewala
Whole time Director & CFO
(DIN: 02801711)

Sarita Tibrewala
Whole time Director
(DIN: 00629538)

Place: Kolkata

Date: August 11, 2018

NAKAMICHI SECURITIES LIMITED

Annexure-I Form No. AOC- 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2018, which are not on arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis:

The details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2018 are as follows:

| Sr. No. | Name (s) of related party & nature of relationship | Nature of contract/ arrangement/ transactions | Duration of contract/ arrangement/ transactions | Salient terms of the contracts or arrangement or transactions including the values, if any (Rs. In lacs) | Date(s) of approval by the Board, if any | Amount paid as advances, if any |
|---------|---------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|------------------------------------------------------|------------------------------------------------------------------------------------------------------------|------------------------------------------|---------------------------------|
| 1. | Sarita Tibrewala 2(76)(i) a director or his relative 2(76)(ii) a key managerial personnel or his relative | Payment of Remuneration | Ongoing, subject to renewal as per contractual terms | Not Applicable 8.40 | May 18, 2017 | Nil |
| 2. | Snigdha Tibrewala 2(76)(i) a director or his relative 2(76)(ii) a key managerial personnel or his relative | Payment of Remuneration | Ongoing, subject to renewal as per contractual terms | Not Applicable 8.40 | May 18, 2017 | Nil |
| 3. | Sanjeet Kumar Singh 2(76)(ii) a key managerial personnel or his relative | Payment of Salary | Ongoing, subject to renewal as per contractual terms | Not Applicable 2.86 | May 18, 2017 | Nil |
| 4. | Sahshru Finance Pvt. Ltd. 2(76)(iv) a private company in which a director or manager [or his relative] is a member or director. | Payment of Rent | Ongoing, subject to renewal as per contractual terms | Not Applicable 0.72 | May 18, 2017 | Nil |
| 5. | Nakamichi Estates Pvt. Ltd. 2(76)(iv) a private company in which a director or manager [or his relative] is a member or director. | Payment of Rent | Ongoing, subject to renewal as per contractual terms | Not Applicable 2.40 | May 18, 2017 | Nil |
| 6. | Navsun Marketing Pvt. Ltd. 2(76)(iv) a private company in which a director or manager [or his relative] is a member or director. | Payment of Rent | Ongoing, subject to renewal as per contractual terms | Not Applicable 0.72 | May 18, 2017 | Nil |

NAKAMICHI SECURITIES LIMITED

| | | | | | | |
|-----|---------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|------------------------------------------------------|---------------------------|--------------|-----|
| 7. | Navsun Marketing Pvt. Ltd. 2(76)(iv) a private company in which a director or manager [or his relative] is a member or director. | Brokerage Income | Ongoing, subject to renewal as per contractual terms | Not Applicable 0.14 | May 18, 2017 | Nil |
| 8. | Sanchi Business & Finance Pvt. Ltd. 2(76)(iv) a private company in which a director or manager [or his relative] is a member or director. | Brokerage Income | Ongoing, subject to renewal as per contractual terms | Not Applicable 1.14 | May 18, 2017 | Nil |
| 9. | Shruti Tibrewala (Oberoi) 2(76)(i) a director or his relative 2(76)(ii) a key managerial personnel or his relative | Brokerage Income | Ongoing, subject to renewal as per contractual terms | Not Applicable 0.00041 | May 18, 2017 | Nil |
| 10. | Ram Gopal Patodia 2(76)(i) a director or his relative 2(76)(ii) a key managerial personnel or his relative | Brokerage Income | Ongoing, subject to renewal as per contractual terms | Not Applicable 0.21 | May 18, 2017 | Nil |
| 11. | Subhas Kumar Patodia 2(76)(i) a director or his relative 2(76)(ii) a key managerial personnel or his relative | Brokerage Income | Ongoing, subject to renewal as per contractual terms | Not Applicable 0.033 | May 18, 2017 | Nil |
| 12. | Navsun Marketing Pvt. Ltd. 2(76)(I) a director or his relative | Depository Charges | Ongoing, subject to renewal as per contractual terms | Not Applicable 0.012 | May 18, 2017 | Nil |
| 13. | Sanchi Business & Finance Pvt. Ltd. 2(76)(iv) a private company in which a director or manager [or his relative] is a member or director. | Depository Charges | Ongoing, subject to renewal as per contractual terms | Not Applicable 0.05 | May 18, 2017 | Nil |
| 14. | Sahshru Finance Pvt. Ltd. 2(76)(iv) a private company in which a director or manager [or his relative] is a member or director. | Depository Charges | Ongoing, subject to renewal as per contractual terms | Not Applicable 0.008 | May 18, 2017 | Nil |
| 15. | Sarita Tibrewala 2(76)(i) a director or his relative 2(76)(ii) a key managerial personnel or his relative | Depository Charges | Ongoing, subject to renewal as per contractual terms | Not Applicable 0.008 | May 18, 2017 | Nil |
| 16. | Snigdha Tibrewala 2(76)(i) a director or his relative 2(76)(ii) a key managerial personnel or his relative | Depository Charges | Ongoing, subject to renewal as per contractual terms | Not Applicable 0.008 | May 18, 2017 | Nil |
| 17. | Kamini Tibrewala 2(76)(i) a director or his relative 2(76)(ii) a key managerial personnel or his relative | Depository Charges | Ongoing, subject to renewal as per contractual terms | Not Applicable 0.008 | May 18, 2017 | Nil |

NAKAMICHI SECURITIES LIMITED

| | | | | | | |
|-----|---------------------------------------------------------------------------------------------------------------------------------|-------------------------------|------------------------------------------------------------|-----------------------------|-----------------|-----|
| 18. | Ram Gopal Patodia 2(76)(i) a director or his relative 2(76)(ii) a key managerial personnel or his relative | Depository Charges | Ongoing, subject to renewal as per contractual terms | Not Applicable 0.012 | May 18, 2017 | Nil |
| 19. | Shyam Sundar Tibrewala 2(76)(i) a director or his relative 2(76)(ii) a key managerial personnel or his relative | Depository Charges | Ongoing, subject to renewal as per contractual terms | Not Applicable 0.008 | May 18, 2017 | Nil |
| 20. | Subhas Kumar Patodia 2(76)(i) a director or his relative 2(76)(ii) a key managerial personnel or his relative | Depository Charges | Ongoing, subject to renewal as per contractual terms | Not Applicable 0.010 | May 18, 2017 | Nil |
| 21. | Pulkit Tibrewala 2(76)(i) a director or his relative 2(76)(ii) a key managerial personnel or his relative | Depository Charges | Ongoing, subject to renewal as per contractual terms | Not Applicable 0.002 | May 18, 2017 | Nil |
| 22. | Swapna Patodia 2(76)(i) a director or his relative 2(76)(ii) a key managerial personnel or his relative | Depository Charges | Ongoing, subject to renewal as per contractual terms | Not Applicable 0.006 | May 18, 2017 | Nil |
| 23. | Sanjay Kumar Kothari 2(76)(ii) a key managerial personnel or his relative | Depository Charges | Ongoing, subject to renewal as per contractual terms | Not Applicable 0.004 | May 18, 2017 | Nil |
| 24. | Asha Kothari 2(76)(ii) a key managerial personnel or his relative | Depository Charges | Ongoing, subject to renewal as per contractual terms | Not Applicable 0.0022 | May 18, 2017 | Nil |

For and on behalf of the Board of Directors

Place: Kolkata
Date: August 11, 2018

Snigdha Tibrewala
Whole time Director & CFO
(DIN: 02801711)

Sarita Tibrewala
Whole time Director
(DIN: 00629538)

Annexure-II

Form No. MGT 9

EXTRACT OF ANNUAL RETURN

As on Financial Year ended on 31.03.2018

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

I. REGISTRATION & OTHER DETAILS:

| | |
|-------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. CIN | L67120WB1990PLC048496 |
| 2. Registration Date | March 02, 1990 |
| 3. Name of the Company | Nakamichi Securities Ltd |
| 4. Category/Sub-category of the Company | Company Limited by Shares/ Indian non government Company. |
| 5. Address of the Registered office & contact details | 9/12, Lal Bazar Street, Block-A, 1 st Floor, Kolkata-700001, West Bengal Tel : 033-2210-4840/42 E-mail : nrt@nakamichi.co.in |
| 6. Whether listed Company | Yes |
| 7. Name, Address & contact details of the Registrar & Transfer Agent, if any. | M/s MCS Share Transfer Agent Ltd. 12/1/5 Manoharpukur Road, Ground Floor, Kolkata-700 026 E-mail : mcssta@rediffmail.com |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company:

| Sr. No. | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the Company |
|---------|----------------------------------------------------------------------------------------------------|---------------------------------|------------------------------------|
| 1. | Dealing in markets on own account | 64990 | 82.93% |
| 2. | Securities Dealing Activities (this class includes dealing in financial market on behalf of other) | 6612 | 10.37% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sr. No. | Name and Address of the Company | CIN/GLN | Holding/Subsidiary/ Associate | % of shares held | Applicable Section |
|---------|---------------------------------|---------|-------------------------------|------------------|--------------------|
| 1. | N. A | N. A | N. A | N. A | N. A |

NAKAMICHI SECURITIES LIMITED

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year [As on 31-March-2017] | | | | No. of Shares held at the end of the year [As on 31-March-2018] | | | | % Change during the year |
|---------------------------------------------------------|--------------------------------------------------------------------------|--------------|----------------|-------------------|--------------------------------------------------------------------|--------------|----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/HUF | 1258900 | 62500 | 1321400 | 44.05 | 1258900 | 62500 | 1321400 | 44.05 | NIL |
| b) Central Govt. | - | - | - | - | - | - | - | - | - |
| c) State Govt. (S) | - | - | - | - | - | - | - | - | - |
| d) Bodies Corp. | 211900 | - | 211900 | 7.06 | 211900 | - | 211900 | 7.06 | NIL |
| e) Banks / FI | - | - | - | - | - | - | - | - | - |
| f) Any other | - | - | - | - | - | - | - | - | - |
| Sub Total (A)(1):- | 1470800 | 62500 | 1533300 | 51.11 | 1470800 | 62500 | 1533300 | 51.11 | NIL |
| (2) Foreign | | | | | | | | | |
| a) NRIs- | - | - | - | - | - | - | - | - | - |
| Individuals | - | - | - | - | - | - | - | - | - |
| b) Other | - | - | - | - | - | - | - | - | - |
| Individuals | - | - | - | - | - | - | - | - | - |
| c) Bodies Corp. | - | - | - | - | - | - | - | - | - |
| d) Banks / FI | - | - | - | - | - | - | - | - | - |
| e) Any other | - | - | - | - | - | - | - | - | - |
| Sub Total (A)(2):- | - | - | - | - | - | - | - | - | - |
| Total Shareholding of Promoter (A)=(A)(1)+(A)(2) | 1470800 | 62500 | 1533300 | 51.11 | 1470800 | 62500 | 1533300 | 51.11 | NIL |
| B. Public Shareholding | | | | | | | | | |
| 1. Institution | - | - | - | - | - | - | - | - | - |
| a) Mutual Funds | - | - | - | - | - | - | - | - | - |
| 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 | - | - | - | - | - | - | - | - | - |
| Sub-Total (B)(1) | - | - | - | - | - | - | - | - | - |

NAKAMICHI SECURITIES LIMITED

| Category of Shareholders | No. of Shares held at the beginning of the year [As on 31-March-2017] | | | | No. of Shares held at the end of the year [As on 31-March-2018] | | | | % Change during the year |
|-----------------------------------------------------------------------------------|--------------------------------------------------------------------------|---------------|----------------|-------------------|--------------------------------------------------------------------|---------------|----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | 129300 | 209100 | 338400 | 11.28 | 129300 | 209100 | 338400 | 11.28 | NIL |
| ii) Overseas | - | - | - | - | - | - | - | - | - |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 83277 | 306473 | 389750 | 12.99 | 83577 | 306173 | 389750 | 12.99 | NIL |
| ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh | 325750 | 390500 | 716250 | 23.88 | 325750 | 390500 | 716250 | 23.88 | NIL |
| c) Others | | | | | | | | | |
| Non Resident Indians | 0 | 22300 | 22300 | 0.74 | 0 | 22300 | 22300 | 0.74 | NIL |
| Overseas Corporate Bodies | - | - | - | - | - | - | - | - | - |
| Foreign Nationals | - | - | - | - | - | - | - | - | - |
| Clearing Members | - | - | - | - | - | - | - | - | - |
| Trusts | - | - | - | - | - | - | - | - | - |
| Foreign Bodies - D R | - | - | - | - | - | - | - | - | - |
| Sub-Total (B)(2):- | 538327 | 928373 | 1466700 | 48.89 | 538627 | 928073 | 1466700 | 48.89 | NIL |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | 538327 | 928373 | 1466700 | 48.89 | 538627 | 928073 | 1466700 | 48.89 | NIL |
| C. Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | - |
| Grand Total (A+B+C) | 2009127 | 990873 | 3000000 | 100 | 2009427 | 990573 | 3000000 | 100 | NIL |

NAKAMICHI SECURITIES LIMITED

(ii) Shareholding of Promoters

| SN | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % Change during the year |
|-----|---------------------------------------------|-------------------------------------------|----------------------------------|-------------------------------------------------|-------------------------------------|----------------------------------|-------------------------------------------------|--------------------------|
| | | No. of Shares | % of Total Shares of the Company | % of Share Pledged / encumbered to total shares | No. of Shares | % of Total Shares of the Company | % of Share Pledged / encumbered to total shares | |
| 1. | Kamini Tibrewala | 629400 | 20.98 | - | 629400 | 20.98 | - | NIL |
| 2. | Shruti Tibrewala (Oberoi) | 230500 | 7.68 | - | 230500 | 7.68 | - | NIL |
| 3. | Snigdha Tibrewala | 147000 | 4.90 | - | 147000 | 4.90 | - | NIL |
| 4. | Sanchi Tibrewala (Murmuria) | 134500 | 4.48 | - | 134500 | 4.48 | - | NIL |
| 5. | Shyam Sundar Tibrewala | 117500 | 3.92 | - | 117500 | 3.92 | - | NIL |
| 6. | Kavita Tibrewala (Lath) | 62500 | 2.08 | - | 62500 | 2.08 | - | NIL |
| 7. | Navkam Marketing & Finance Pvt. Ltd. | 50000 | 1.67 | - | 50000 | 1.67 | - | NIL |
| 8. | Navsun Marketing Pvt. Ltd. | 50000 | 1.67 | - | 50000 | 1.67 | - | NIL |
| 9. | Sahshru Finance Private Limited | 71000 | 2.37 | - | 71000 | 2.37 | - | NIL |
| 10. | Sanchi Business and Finance Private Limited | 40900 | 1.36 | - | 40900 | 1.36 | - | NIL |
| | TOTAL | 1533300 | 51.11 | - | 1533300 | 51.11 | - | NIL |

(iii) Change in Promoters' Shareholding

| Particulars | Shareholding at the beginning / end of the year | | Reason | 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 | 15,33,300 | 51.11 | There was no change in the shareholding pattern during the F.Y. 17-18 | - | - |
| Date wise Increase/Decrease in Promoters shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc): | | | | | |
| At the end of the year | 15,33,300 | 51.11 | | 15,33,300 | 51.11 |

NAKAMICHI SECURITIES LIMITED
(iv) Shareholding Pattern of top ten Shareholders : (Other than Directors, Promoters and Holders of GDRs and ADRs) :

| SN | For Each of the Top 10 | Shareholding at the beginning of the year | | Cumulative Shareholding during of the year | |
|-----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------|--------------------------------------------|----------------------------------|
| | | No. of Share | % of Total Shares of the Company | No. of Share | % of Total Shares of the Company |
| | At the beginning of the year | | | | |
| 1. | Sanjay Kumar Kothari | 1,00,000 | 3.33 | 1,00,000 | 3.33 |
| 2. | Dina Nath Khandelwal | 99,250 | 3.31 | 99,250 | 3.31 |
| 3. | Vishnu Kumar Murarka | 50,300 | 1.68 | 50,300 | 1.68 |
| 4. | M C C Investments & Leasing Ltd. | 50,000 | 1.67 | 50,000 | 1.67 |
| 5. | Saket Fintrade Pvt. Ltd. | 50,000 | 1.67 | 50,000 | 1.67 |
| 6. | Vishnu Kumar Murarka (HUF) | 46,500 | 1.55 | 46,500 | 1.55 |
| 7. | Asha Kothari | 41,800 | 1.39 | 41,800 | 1.39 |
| 8. | Inter State Oil Carrier Ltd. | 41,500 | 1.38 | 41,500 | 1.38 |
| 9. | Sheo Kumar Agarwal | 34,800 | 1.16 | 34,800 | 1.16 |
| 10. | Rajshree Murarka | 34,400 | 1.15 | 34,400 | 1.15 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc): | - | - | - | - |
| | At the end of the year | | | | |
| 1. | Sanjay Kumar Kothari | 1,00,000 | 3.33 | 1,00,000 | 3.33 |
| 2. | Dina Nath Khandelwal | 99,250 | 3.31 | 99,250 | 3.31 |
| 3. | Vishnu Kumar Murarka | 50,300 | 1.68 | 50,300 | 1.68 |
| 4. | M C C Investments & Leasing Ltd. | 50,000 | 1.67 | 50,000 | 1.67 |
| 5. | Saket Fintrade Pvt. Ltd. | 50,000 | 1.67 | 50,000 | 1.67 |
| 6. | Vishnu Kumar Murarka (HUF) | 46,500 | 1.55 | 46,500 | 1.55 |
| 7. | Asha Kothari | 41,800 | 1.39 | 41,800 | 1.39 |
| 8. | Inter State Oil Carrier Ltd. | 41,500 | 1.38 | 41,500 | 1.38 |
| 9. | Sheo Kumar Agarwal | 34,800 | 1.16 | 34,800 | 1.16 |
| 10. | Rajshree Murarka | 34,400 | 1.15 | 34,400 | 1.15 |

(v) Shareholding of Directors and Key Managerial Personal :

| SN | Shareholding Director SNIGDHA TIBREWALA | Shareholding at the beginning/end of the year | | Reason | 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 | 147000 | 4.90 | There was no change in the shareholding pattern during the F.Y. 17-18 | - | - |
| | Date wise Increase/Decrease in Promoters shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc): | | | | | |
| | At the end of the year | 147000 | 4.90 | | 147000 | 4.90 |

NAKAMICHI SECURITIES LIMITED

| SN | Shareholding Director SANJAY KUMAR KOTHARI | Shareholding at the beginning of the year | | Reason | 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 | 100000 | 3.33 | There was no change in the shareholding pattern during the F.Y. 17-18 | - | - |
| | Date wise Increase/Decrease in Promoters shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc): | | | | | |
| | At the end of the year | 100000 | 3.33 | | 100000 | 3.33 |

V. INDEBTEDNESS

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

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|------------------------------------------------------------|----------------------------------|--------------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 67,635 | 4,41,28,067 | - | 4,41,95,702 |
| ii) Interest due but not paid | - | 21,42,000 | - | 21,42,000 |
| iii) Interest accrued but not due | 465 | - | - | 465 |
| Total (i+ii+iii) | 68,100 | 4,62,70,067 | - | 4,63,38,167 |
| Change in Indebtedness during the financial year | | | | |
| * Addition | 8,71,423 | - | - | 8,71,423 |
| * Reduction | - | 1,20,31,152 | - | 1,20,31,152 |
| Net Change | 8,71,423 | 1,20,31,152 | | 1,11,59,729 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 9,34,009 | 3,00,54,409 | - | 3,09,88,418 |
| ii) Interest due but not paid | - | 41,84,506 | - | 41,84,506 |
| iii) Interest accrued but not due | 5,514 | - | - | 5,514 |
| Total (i+ii+iii) | 9,39,523 | 3,42,88,915 | - | 3,51,78,438 |

NAKAMICHI SECURITIES LIMITED

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager :

| Sr No. | Particulars of Remuneration | Name of WTD | | Total Amount |
|--------|-------------------------------------------------------------------------------------|-------------------|------------------|--------------|
| | | Snigdha Tibrewala | Sarita Tibrewala | |
| 1. | Gross salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 8,40,000 | 8,40,000 | 16,80,000 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 19,200 | 19,200 | 38,400 |
| | (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 | - | - | - |
| 5. | Others | - | - | - |
| | Total (A) | 8,59,200 | 8,59,200 | 17,18,400 |
| | Ceiling as per the Act | - | - | - |

B. Remuneration to other Directors :

| Sr No. | Particulars of Remuneration | Name of Directors | | Total Amount |
|--------|--------------------------------------------|-------------------|--------------------|--------------|
| | | Chandidas Ghosh | Jugal Kishore Kyal | |
| 1. | Independent Directors | | | |
| | Fee for attending board committee meetings | 12,000 | 12,000 | 24,000 |
| | Commission | - | - | - |
| | Annual general meeting | 3,000 | 3,000 | 6,000 |
| | Independent director meeting | | | |
| | Total (1) | 15,000 | 15,000 | 30,000 |
| 2. | Other Non-Executive Directors | - | - | - |
| | Fee for attending board committee meetings | - | - | - |
| | Commission | - | - | - |
| | Others | - | - | - |
| | Total (2) | - | - | - |
| | Total (B)=(1+2) | - | - | - |
| | Total Managerial Remuneration | - | - | - |
| | Overall Ceiling as per the Act | - | - | - |

NAKAMICHI SECURITIES LIMITED**B. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

| Sr No. | Particulars of Remuneration | Key Managerial Personnel | | | |
|--------|-------------------------------------------------------------------------------------|--------------------------|-----------------|---------|-----------------|
| | | CEO (₹) | CS (₹) | CFO (₹) | Total (₹) |
| 1. | Gross salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | - | 2,86,000 | - | 2,86,000 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | 19,200 | - | 19,200 |
| | (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 | - | - | - | - |
| 5. | Others | - | - | - | - |
| | Total | - | 3,05,200 | - | 3,05,200 |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

There were no penalties/punishment/compounding of offences for the year ending March 31, 2018.

For and on behalf of the Board of Directors

Place: Kolkata
Date: August 11, 2018

Snigdha Tibrewala
Whole time Director & CFO
(DIN: 02801711)

Sarita Tibrewala
Whole time Director
(DIN: 00629538)

Annexure-III

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2018

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

To,
The Members,
Nakamichi Securities Ltd.
Mercantile Building
9/12, Lal Bazar Street,
Block –A, 1st Floor,
Kolkata – 700 001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Nakamichi Securities Ltd.** (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 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 **31st March, 2018 ("Audit Period")**, 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 **Nakamichi Securities Ltd.** for the financial year ended on **31st March, 2018** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

NAKAMICHI SECURITIES LIMITED

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) Listing Obligation and Disclosure Requirements, SEBI LODR Regulations 2015.

(vi) OTHER APPLICABLE ACTS,

- (a) The Maternity Benefit Act, 1961
- (b) Prevention of Money Laundering Act, 2002 (policy adopted time to time)

I have also examined compliance with the applicable Regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 erstwhile clauses of the Listing Agreement entered into by the Company with the Stock Exchange in India.

I report that, during the year under review, the Company has complied with the provisions of the Acts, rules, regulations and guidelines mentioned above.

I further report that, there were no actions/ events in pursuance of:

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (d) 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;
- (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

Requiring compliance thereof by the Company during the financial year and the Secretarial Standards issued by The Institute of Company Secretaries of India.

I further report that, based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of 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 systems and processes and control mechanism exist in the Company to monitor and ensure compliance with applicable laws.

I further report, that the Compliance by the Company of 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 audit 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 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 of agenda were sent at least seven days in advance to all Directors, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

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

I further report that, during the audit period, there were no other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs.

Vishal Patodia

Practicing Company Secretary

FCS No.: 8526

C P No.: 9971

Kolkata

AUGUST 11, 2018

Annexure– A

Notes of Secretarial Audit for F.Y. 2017-18

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. All the verifications were done on test basis to ensure that correct facts are reflected in secretarial audit.

Annexure-IV

Particulars of employees

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a. **The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:**

| Executive directors | Ratio to median remuneration |
|----------------------------|-------------------------------------|
| Mrs. Sarita Tibrewala | 1.34 |
| Ms. Snigdha Tibrewala | 1.34 |

- b. **The percentage increase in remuneration of each director, chief executive director, chief executive officer, chief financial officer, company secretary in the financial year:**

| Director, Chief executive director, Chief executive officer, Chief financial officer, Company secretary | % increase in remuneration in the financial year |
|----------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|
| Mrs. Sarita Tibrewala | 40% |
| Ms. Snigdha Tibrewala | 40% |
| Mr. Sanjeet Kumar Singh | 36.36% |

- c. **The percentage increase in the median remuneration of employees in the financial year:** 32.98 %

- d. **The number of permanent employees on the rolls of Company:** 19

- e. **The explanation on the relationship between average increase in remuneration and Company performance:**

There is average increase of 39.97 % in the remuneration during the financial year 2017-18 in comparison with the previous financial year 2016-17. Income from operations of the Company increased from 1,175.61 Lacs to 1,784.86 Lacs and net profit of the Company increased from 31.54 Lacs to 116.18 Lacs.

- f. **Comparison of the remuneration of the key managerial personnel against the performance of the Company:**

| | |
|-----------------------------------------------------------------------------------|----------|
| Aggregate remuneration of key managerial personnel (KMP) in FY 2017-18 (Rs. lacs) | 19.66 |
| Revenue (Rs. lacs) | 1,784.86 |
| Remuneration of KMP's (as % of revenue) | 1.10 |
| Profit before Tax (PBT) (Rs. lacs) | 162.61 |
| Remuneration of KMP (as % of PBT) | 12.09 |

NAKAMICHI SECURITIES LIMITED

- g. Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:**

| Particulars | March 31, 2018 | March 31, 2017 | % Change |
|----------------------------------|----------------|----------------|----------|
| Market Capitalisation (Rs. lacs) | 870 | 870 | - |
| Price Earnings Ratio * | 0.75 | 2.76 | 72.83 |

*The Market Price is taken based on the last traded price of the shares which has remained constant since 23rd August 2000.

- h. 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:**

| Particulars | March 31, 2017 | IPO | % Change |
|--------------------|----------------|-----|----------|
| Market Price (CSE) | 2.90 | 20 | (85.5) |

The Market Price is taken based on the last traded price of the shares which has remained constant since 23rd August 2000.

- i. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The average percentile increase in salary of employee other than managerial personnel is 43.42%.

Increase in the managerial remuneration for the year was 25.41%.

- j. Comparison of each remuneration of the key managerial personnel against the performance of the Company:**

| Particulars (Rs. lacs) | Ms. Snigdha Tibrewala (Whole-time Director & CFO) | Mrs. Sarita Tibrewala (Whole-time Director) | Mr. Sanjeet Kumar Singh (CS) |
|---------------------------------|------------------------------------------------------------|------------------------------------------------------|------------------------------------|
| Remuneration in FY 2017 - 2018 | 8.40 | 8.40 | 2.86 |
| Revenue | 1,784.86 | | |
| Remuneration (as % of revenue) | 0.47 | 0.47 | 0.16 |
| Profit before Tax (PBT) | 162.61 | | |
| Remuneration (as % of PBT) | 5.16 | 5.16 | 1.76 |

- k. The key parameter for any variable component of remuneration availed by the directors:**

There are no variable components based on which the remuneration availed by the director varies.

- l. 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:**

7:10

- m. Affirmation that the remuneration is as per the remuneration policy of the Company:**

The Company affirms that the remuneration is as per the remuneration policy of the Company.

- n. The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms a part of this report. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.**

For and on behalf of the Board of Directors

Place: Kolkata
Date: August 11, 2018

Snigdha Tibrewala
Whole time Director & CFO
(DIN: 02801711)

Sarita Tibrewala
Whole time Director
(DIN: 00629538)

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENT

In the FY 2017-18, the global economy activity continued to firm up. As per the International Monetary Fund (IMF), the global output is estimated to have grown by 3.7% in 2017, which is 0.5 percent higher than in 2016. The pickup in growth has been broad based with noteworthy upside developments in Europe and Asia. The forecast for global growth in 2018 and 2019 is upward at 3.9%. This forecast reflects the increased global growth momentum.

The growth momentum is expected to be stimulated by the U.S tax policy changes, with increased investment responses in the U.S. it is estimated that the growth rate in the U.S will be positive through 2020. Growth rates for many of the euro area economies have been picking up, especially for Germany, Italy, and the Netherlands. This in turn, reflects the stronger momentum in domestic demand and higher external demand. However, the growth is expected to moderate gradually in China.

In the near term, the risks the global growth forecast appear to be balanced, however, some of the inward- looking policies, geopolitical tensions and political uncertainty in some countries could pose downward risks.

OUTLOOK

The outlook for advanced economies has improved, notably for Europe, but in many countries inflation remains weak, indicating that slack has yet to be eliminated, and prospects for growth in GDP per capita are held back by weak productivity growth and rising old age dependency ratios. Prospects for many emerging market and developing economies sub-Saharan Africa, the Middle East, and Latin America lacklustre, with several experiencing stagnant per capita incomes. Fuel exporters particularly hard hit by the protracted adjustment to lower commodity revenues. Global growth forecasts for 2018 and 2019 have been revised upward by 20 bps to 3.9 %, reflecting improved momentum and impact of tax policy changes in US.

RISKS AND CONCERNS

Your Company recognizes the importance of a comprehensive Risk Management system. The Company believes in a practical, responsible approach to risk. It is our constant effort to ensure that every risk we take has been thoroughly assessed, and that all risks are according to their potential return. Towards this end, we have made significant investments in manpower and technology for risk management during the year under review. This system will help not only to meet and comply with regulatory requirements but also to bring about an improvement in asset quality and profitability. It will eventually increase the shareholders' value. The Market risk and Operational risk need to be identified, assessed, controlled and managed for effective and efficient operation. Your Company has endeavoured to bench-mark its Risk Management System on lines of market best practices and emerging regulatory norms. A comprehensive risk evaluation methodology and processes for early identification and mitigation of all kinds of risks being in place, except for unforeseen circumstances. We have to worked to strengthen our enterprise wide risk management process and practices through our risk philosophy, whose core lies in the identification, measurement, monitoring and action.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your company has adequate internal control systems commensurate with the nature of its business and the size of the Company. All operational activities are subject to internal audits at frequent intervals. The internal control systems are periodically monitored and evaluated to enhance their effectiveness. An internal team of inspection also regularly visits branches and sub-brokers office for ensuring regulatory compliances. Internal Audit Reports are regularly circulated for perusal of Senior Management appropriate actions as and when required. Through comprehensive insurances, normal foreseeable risks of the Company's assets are covered.

The Management has in place effective Internal control Systems to provide reasonable assurance for:

- Safeguarding Assets and their usage
- Maintenance of Proper Accounting Records and
- Adequacy and Reliability of the information used for carrying on Business Operations.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Share Capital

The paid up equity capital of the Company as on March 31, 2018 stands at 300 lacs divided into 30 lacs equity shares of 10/- each fully paid up.

Reserve and Surplus

The Reserve and Surplus increase from Rs. 460.61 lacs to Rs. 576.79 lacs.

Income from Operations

During the year under consideration Income from Operations was Rs. 1784.86 lacs as against Rs. 1175.61 lacs in the previous year.

Other Income

During the year under consideration other income was Rs. 38.54 lacs as against Rs. 85.96 lacs in the previous year.

Finance costs

During the year under consideration total finance costs were Rs. 37.26 lacs as against Rs. 42.54 lacs in the previous year.

Tax Expenses

During the year under consideration the tax expenses was Rs. (46.43) lacs.

HUMAN RESOURCES AND INDUSTRIAL RELATION

There has been no material development on the human resource and investor relation front during the year. The Company has been paying special attention to improve the skill set of the employees through various training programmes. All the employees are encouraged and motivated to get themselves certified in relevant industry standard certifications such as NISM, NCFM, NCDEX & AMFI. As on 31st March 2018, the employee strength was 19 (excluding trainees and Contractual Staff).

PREVENTION OF SEXUAL HARASSMENT

As a good corporate citizen, Nakamichi Securities Ltd. is committed to a gender friendly workplace. It seeks to enhance equal opportunities for men and women, prevent/stop/redress sexual harassment at the workplace and instil good employment practices.

Nakamichi Securities Ltd. maintains an open door for reportees; encourages employees to report any harassment concerns and is responsive to employee complaints about harassment or other unwelcome and offensive conduct. The Internal Complaint Committee (ICC) formed in pursuant to the provisions of Companies Act, 2013 for prevention, prohibition and redressal of complaints/grievances on the Sexual harassment of women at work place is operating in full swing. The policies are communicated to all employees in an appropriate and meaningful manner.

For and on behalf of the Board of Directors

Snigdha Tibrewala
Whole time Director & CFO
(DIN: 02801711)

Sarita Tibrewala
Whole time Director
(DIN: 00629538)

Place: Kolkata

Date: August 11, 2017

CORPORATE GOVERNANCE REPORT

In terms of Compliance to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on Corporate Governance your Company is complying with the guidelines. The report for current year is as follows:

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

We, at Nakamichi Securities Ltd, are committed to adopt and maintain best governance practices and continue to lay emphasis on the broad principles of Corporate Governance. The Board of Directors along with the Senior Management ensures adherence to the highest standards of integrity, accountability and transparency in all its activities. The Company fully realizes the rights of its shareholders to information on the performance of the Company and provides detailed information on various issues concerning the Company's business to its Shareholders. The fundamental philosophy of Corporate Governance of the Company is to achieve business excellence and dedicate itself for meeting its obligations to the Shareholders.

CORPORATE GOVERNANCE GUIDELINE

Over the years, the Board has developed Corporate Governance guidelines to help fulfill their corporate responsibility towards the stakeholders. These Guidelines allow the Board to make decisions that are independent of the Management. The Board may change these guidelines as per the required circumstances to achieve the stated objectives.

BOARD OF DIRECTORS

The Board of Directors provides direction and leadership to the Management and supervises and controls the performance of the Company. The composition of the Board of Directors of the Company is in accordance with the provisions of the Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The composition, attendance and membership of Directors as on March 31, 2018 are as follows:

| Name of Director | Category of the Director | Attendance at Board Meetings held during the year | Whether attended the Last AGM | Directorship in other Companies** | Chairmanships and Memberships in other Board Committees |
|-------------------------|---------------------------------|----------------------------------------------------------|--------------------------------------|------------------------------------------|----------------------------------------------------------------|
| Sarita Tibrewala | Wholetime Director | 4 | Yes | 1 | Nil |
| Snigdha Tibrewala | Wholetime Director | 4 | Yes | 1 | Nil |
| Jugal Kishore Kyal | Non-Executive Indep. Director | 4 | Yes | Nil | Nil |
| Chandidas Ghosh | Non-Executive Indep. Director | 4 | Yes | Nil | Nil |
| Sanjay Kumar Kothari | Non-Executive Director | 3 | Yes | 1 | Nil |

NAKAMICHI SECURITIES LIMITED

- The Non-Executive Independent Directors of your Company have no pecuniary relationship or any transactions with your Company save and except the payment of sitting fees to them.
- All the directors have made the necessary disclosures regarding Committee positions occupied by them in other companies.
- All directors have provided their certification under Section 164(2) of the Companies Act, 2013.
- Necessary information as required on Corporate Governance Schedule II to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been placed before the Board for their consideration.
- None of the Directors hold any equity shares in the Company, except Ms. Snigdha Tibrewala who holds 1,47,000 equity shares and Mr. Sanjay Kumar Kothari who holds 1,00,000 equity shares as on March 31, 2018. The Company has not granted any stock options to any of its Directors or employees during the Financial Year ended March 31, 2018.
- None of the Directors except Mrs. Sarita Tibrewala and Ms. Snigdha Tibrewala are related to each other.

BOARD MEETING

The Board met four times during the year under review namely on May 18, 2017, August 14, 2017, November 14, 2017 and February 10, 2018 and the maximum interval between any two consecutive meetings were not more than 120 days.

DISCUSSION WITH INDEPENDENT DIRECTORS

Pursuant to schedule IV of the Companies Act, 2013 and the Rules made there under, read with Regulation 25 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of Non-Independent Directors of the Company and member of the management. All the Independent Directors of the Company shall strive to be present at such meeting.

During the financial year 2017-18 the board has held the meeting of the Independent Director as on 20 th March, 2018 in which all the Independent Directors were present.

BOARD COMMITTEES

Currently the Board has three committees namely, audit committee, nomination and remuneration committee and stakeholders relationship committee.

The minutes of the meetings of all the Committees were placed before the Board of Directors for discussions and noting.

1. AUDIT COMMITTEE

The Audit Committee forms a vital link between the Statutory and Internal Auditors on one hand and the Board of Directors on the other. The scope of the activities of the Audit Committee is as per the terms set out in Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Section 177 of the Companies Act, 2013. The terms of reference of the Committee, inter alia, includes the following:

NAKAMICHI SECURITIES LIMITED

- Recommending the appointment or re-appointment, removal or replacement, remuneration and terms of appointment of auditors of the Company;
- Review and monitor the auditors independence and performance, and effectiveness of the audit process;
- Examination of the financial statement and the auditors report thereon;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company wherever it is necessary;
- Evaluation of internal financial controls and risk management systems of the Company;
- Monitoring the end use of funds raised through public offers and related matters;
- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Reviewing the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- Reviewing, the management performance of statutory and internal auditors, and adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussing with Internal Auditors any significant findings and the follow-up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- Looking into reasons of defaults in payments to depositors, shareholders and creditors, if any;
- To review the functioning of the Whistle Blower mechanism and
- Approval of appointment of CFO after assessing the qualifications, experience & background etc. of the candidate.

The Board has set up Audit Committee having three Members, two of whom are Non-Executive Independent Directors. Mr. Jugal Kishore Kyal is the Chairman of the Committee and was present at the last Annual General Meeting of the Company. Mr. Chandidas Ghosh and Ms. Snigdha Tibrewala are the other Committee members. All the Members of the Committee are financially literate.

AUDIT COMMITTEE ATTENDANCE

Four Audit Committee meetings were held during the financial year ended 31 st March 2018. These were held on May 18, 2017, August 14, 2017, November 14, 2017 and February 10, 2018. Attendances at the Audit Committee held during the financial year 2017-18 are as under:

| Name of the Members | Category | Status | No. of meetings | |
|---------------------|------------------------------------|----------|-----------------|--------|
| | | | Held | Attend |
| Jugal Kishore Kyal | Non-Executive Independent Director | Chairman | 4 | 4 |
| Chandidas Ghosh | Non-Executive Independent Director | Member | 4 | 4 |
| Snigdha Tibrewala | Wholetime Director & CFO | Member | 4 | 4 |

The meetings of the Audit Committee were also occasionally attended by the Chief Financial Officer.

The Chairman of the Audit Committee briefs the Board about the significant discussions and recommendations of Audit Committee. The Company Secretary acts as the Secretary of the Audit Committee.

Mr. Gautam Agarwal, Chartered Accountant, conducted the Internal Audit of the Company and the Internal Audit Reports thereon were submitted to the stock exchange of which your Company is a member.

2. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee determines on behalf of the Board and shareholders as per agreed terms of reference, remuneration package to the Directors, Key Managerial Personnel etc.

The committee comprises of only Non- Executive Directors. Mr. Chandidas Ghosh is the Chairman, Mr. Jugal Kishore Kyal and Mr. Sanjay Kumar Kothari are its members. Mr. Chandidas Ghosh and Mr. Jugal Kishore Kyal are Non Executive Independent Directors of this committee. The terms of reference of the Committee, inter alia, includes the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Identifying persons who are qualified to become directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board their appointment and removal; and
4. Such other functions as may be delegated to it by the Board of Directors.

Three Nomination and Remuneration Committee meetings were held during the financial year 31 st March, 2018. These were held on May 18, 2017, August 10, 2017 and February 10, 2018. All the members have attended the aforesaid meetings.

NAKAMICHI SECURITIES LIMITED

The remuneration paid by the Company to its Directors during the year is as below:

| Name | Category | Salary ₹ | Perquisites / Commission ₹ | Sitting fees ₹ |
|----------------------|---------------------------------------|-------------|----------------------------------|----------------------|
| Sarita Tibrewala | Wholetime Director | 8,40,000 | — | — |
| Snigdha Tibrewala | Wholetime Director | 8,40,000 | — | — |
| Jugal Kishore Kyal | Non-Executive Independent Director | — | — | 15000 |
| Chandidas Ghosh | Non-Executive Independent Director | — | — | 15000 |
| Sanjay Kumar Kothari | Non-Executive Director | — | — | — |

In terms of the provision of Section 203 of the Companies Act, 2013 and Regulation 6 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Sanjeet Kumar Singh was appointed as the Company Secretary and Compliance Officer of the Company on 11 th August, 2016.

Mr. Vishal Patodia, Practicing Company Secretary is presently conducting Reconciliation of Share Capital Audit for the Company. The audit confirms that the total issued capital / paid up capital is in agreement with the aggregate total number of shares in physical form and the total number of dematerialized shares held with NSDL/CDSL.

3. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee comprises of three members two of whom are Non-Executive Independent Directors. Mr. Chandidas Ghosh is the Chairman and Mr. Jugal Kishore Kyal and Mrs. Sarita Tibrewala are the other committee members.

The functions and powers of the Committee includes approval and rejection of transfer or transmission of equity shares, issue of duplicate share certificates, dematerialization and / or rematerialization requests, allotments of shares and securities issued from time to time and listing of securities on the Stock Exchanges. The Committee is also empowered to oversee the redressal of Investors' complaints pertaining to share transfers, non-receipt of Annual Reports, issue of duplicate share certificates, transmission (with and without legal representation) of shares and other miscellaneous complaints.

During the year, four meetings of the Stakeholders Relationship Committee meetings were held on May 18, 2017, August 14, 2017, November 14, 2017 and February 10, 2018. All the members had attended the aforesaid meetings.

During the year, the Company had received one investor's complaints as per the reports received from the Company's Registrar and Share Transfer Agent and same has been resolved during the year. There is no complaint which has remained un-addressed as on March 31, 2018.

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

As required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Auditors' Certificate on Corporate Governance is annexed in this Annual Report.

CODE OF CONDUCT

In compliance with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with Schedule V to the said Regulations, the Company has framed and adopted a Code of Conduct. The Code has been posted on the Company's website www.nakamichi.co.in. The Code lays down guidelines, which advises the Board of Directors and the Designated Senior Management Personnel of the Company on procedures to be followed and disclosures to be made while dealing with shares of the Company and cautioning them of the consequences of violations. All Board members and designated senior management personnel have affirmed compliance with the Code of Conduct.

PREVENTION OF INSIDER TRADING

The Company has adopted an Insider Trading Policy to regulate, monitor and report trading by insiders under the SEBI (Prohibition of Insider Trading) Regulations, 2015. This policy also includes practices and procedures for fair disclosure of unpublished price-sensitive information, initial and continual disclosure. The Company has automated the declarations and disclosures to identify designated employees, and the board reviews the policy on a need basis.

GENERAL BODY MEETING

No Extra-Ordinary General Meeting of the Shareholders was held during the year. The date, time and venue of the last three Annual General Meetings are given below:

| Financial Year | Date | Time | Venue | Special Resolutions passed, if any |
|-----------------------|--------------------|-------------|-----------------------------------------------------------|-------------------------------------------|
| 2016-17 | September 26, 2017 | 10-30 A.M | 27B, Camac Street, 4 th Floor, Kolkata 700 016 | — |
| 2015-16 | September 26, 2016 | 10-30 A.M | 27B, Camac Street, 4 th Floor, Kolkata 700 016 | — |
| 2014-15 | September 26, 2015 | 02-00 P.M | 27B, Camac Street, 4 th Floor, Kolkata 700 016 | — |

POSTAL BALLOT

During the year under review, no resolution has been passed through the exercise of postal ballot. At the ensuing 28th Annual General Meeting, no resolution is proposed to be passed by postal ballot.

DISCLOSURES

1. The related party transactions made by the Company are disclosed in the notes to Financial Statements. The register of contracts containing the transactions in which Directors are interested is regularly placed before the Board for its approval;
2. There has been no instance of non-compliance by the Company on any matter related to the Capital Market during the last three years. No penalties or strictures have been imposed by SEBI, Stock Exchanges or any other Statutory Authority on the Company relating to the above;
3. No personnel have been denied access to the Chairman or members of the Audit Committee;
4. To the extent possible, the Company has complied with the mandatory requirement of this clause;
5. The Company has complied with all applicable Accounting Standards in preparation of its Financial Statements pursuant to the amended Schedule III of Companies Act, 2013;
6. The Company does not have any subsidiary Company;
7. There have been no public or right issues or any other public offerings during the year;
8. As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CFO have given his certificate to the Board;
9. The Board has obtained disclosures from the senior management personnel that they do not have material, financial or commercial interests in the transactions with the Company which may have potential conflict with the interests of the Company at large.

MEANS OF COMMUNICATION

1. The financial results of all the four quarters of the F.Y. 2017-18 were published in "Business Standard" and in a regional language daily namely "Arthik Lipi".
2. The physical copy of financial results was duly submitted to the Calcutta Stock Exchange Limited and the same were also electronically transmitted to the Exchange. The Company's results and official news are displayed on the web site www.nakamichi.co.in. There were no presentations made to the institutional investors or to the analysts during the year under review.
3. The Management Discussion and Analysis Report forms a part of this Annual Report.

SHAREHOLDERS INFORMATION**ANNUAL GENERAL MEETING DETAILS**

| | |
|-------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Date, Time and Venue | September 29, 2018 at 10:30 a.m. at 27B Camac Street, 4th Floor, Kolkata-700 016 |
| Financial Calendar | April 01 to March 31 |
| Board Meetings to be held during the year 2018-19 | On May 28, 2018, August 11, 2018, November 10, 2018* and February 09, 2019* (last date is approximately assumed to be given) |
| Publication of Quarterly Results in the newspapers | May 29, 2018, August 12, 2018, November 11, 2018* and February 10, 2019* (last date is approximately assumed to be given) |
| Approval of Annual Results for year ending 31.03.2018 | May 28, 2018 |
| Book Closure Dates | Sunday, 23 rd day of September, 2018 to Saturday, 29 th day of September, 2018 |
| Listing | The Calcutta Stock Exchange Limited (Stock Code 24148). The Company has paid Listing Fees as applicable for the fiscal year 2018. All requirements under the Listing Agreement, including submission of quarterly reports and half-yearly certificates were complied with. |
| Demat ISIN No. | INE857C01011 |

*tentative

MARKET PRICE DATA

There was no trading in the Calcutta Stock Exchange Limited during the period under review. Thus no data relating to the high and low prices of the share price and volume is given for any of the months for the period under review.

REGISTRARS AND TRANSFER AGENTS

The Share management work, both physical and demat, is being handled by the Registrars and Share Transfer Agents of the Company whose name and address is given below:

M/s. MCS Share Transfer Agent Limited

12/1/5, Manoharpukur Road, Ground Floor, Kolkata- 700026

Phone: 033-40724052, 033-40724053,

E-mail: mcssta@rediffmail.com,

Website: www.mcsdel.com

SHARE TRANSFER SYSTEM

With a view to expediting the approval process, the authority to approve share transfers has been delegated to the Shareholders'/ Investors' Grievance Committee for smooth and speedy processing of shares. The time taken in the said procedure is 15 days from the receipt, if the documents are complete in all respects.

The Company obtains a half-yearly certificate of compliance with the share transfer formalities from a Practicing Company Secretary as required under Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and files a copy of the certificate with the Stock Exchange in which it is listed.

Shareholders are encouraged to correspond with the Registrar & Share Transfer Agents and the Company via email to speed up response, reduce paperwork and also to help us redress complaints faster.

Shareholders are requested to mention their folio number in case of physical shares, DP Id and Client Id in case of dematerialized shares and also mention phone and mobile number and Email Id so that they can be contacted easily and complaints be redressed immediately.

PLEDGE OF SHARES

No Pledge has been created over the Equity shares held by the Promoters as on March 31, 2018.

DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2018

| RANGE | SHARE | FOLIOS | % SHARES | % HOLDERS |
|----------------|----------------|---------------|-----------------|------------------|
| 1-500 | 135800 | 578 | 4.5267 | 79.9447 |
| 501-1000 | 17200 | 21 | 0.5733 | 2.9046 |
| 1001-2000 | 41900 | 26 | 1.3967 | 3.5961 |
| 2001-3000 | 31200 | 12 | 1.0400 | 1.6598 |
| 3001-4000 | 52100 | 14 | 1.7367 | 1.9364 |
| 4001-5000 | 59000 | 12 | 1.9667 | 1.6598 |
| 5001-10000 | 99350 | 14 | 3.3117 | 1.9364 |
| 10001-50000 | 921500 | 36 | 30.7167 | 4.9793 |
| 50001-100000 | 383050 | 5 | 12.7683 | 0.6916 |
| 100001 & Above | 1258900 | 5 | 41.9633 | 0.6916 |
| Total | 3000000 | 723 | 100 | 100 |

NAKAMICHI SECURITIES LIMITED**SHAREHOLDING PATTERN AS ON 31.03.2018**

| Sl. No. | Category | No. of Shares held | % of Shareholding |
|---------|-------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------------------|
| 1. | Promoters / Directors & their relative including person acting in concert | 1533300 | 51.11 |
| 2. | Financial Institutions / Mutual Funds / Banks / Central Government / State Government / Venture Capital Funds / Insurance Companies | 0 | 0.00 |
| 3. | Foreign Holding (Foreign Cos., FII, OCBs & FVCIs) | 0 | 0.00 |
| 4. | Bodies Corporate | 338400 | 11.28 |
| 5. | Non-Resident Individuals | 22300 | 0.74 |
| 6. | Individual Shareholders: Nominal Share Capital Upto Rs. 2 Lakh | 535450 | 17.85 |
| 7. | Individual Shareholders: Nominal Share Capital in excess of Rs 2 Lakh | 570550 | 19.02 |
| 8. | Trusts & Foundations/ Co-operative Societies / Educational Institutions | 0 | 0.00 |
| | Total | 3000000 | 100 |

DEMATERIALIZATION OF SHARES AND LIQUIDITY

All the requests for dematerialization and rematerialization of shares as on March 31, 2018 have been confirmed/ rejected as the case maybe through NSDL/ CDSL System. As on March 31, 2018, about 66.98% of the Company's total paid up share capital representing 20,09,427 Equity shares were held in dematerialized form and the remaining 33.02% representing 9,90,573 shares were held in physical mode and these shareholders are requested to dematerialize their shares in their own interest.

OUTSTANDING GDRS / ADRS / WARRANTS / CONVERTIBLE INSTRUMENTS

There are no outstanding GDRs / ADRs / Warrants / Convertible Instruments.

ADDRESS FOR CORRESPONDENCE

Nakamichi Securities Ltd.

Registered Office Address: 'A' Block, 1st Floor, Mercantile Building, 9/12 Lal Bazar Street, Kolkata - 700 001 Tel: 033-22104841 42. Email: investorcell@nakamichi.co.in

Corporate Office Address: 27B, Camac Street, 4th Floor, Kolkata – 700 016. Tel: 033-4017-5200

For and on behalf of the Board of Directors

Place: Kolkata

Snigdha Tibrewala

Sarita Tibrewala

Date: August 11, 2018

Whole time Director & CFO

Whole time Director

(DIN: 02801711)

(DIN: 00629538)

DECLARATION ON COMPLIANCE REGARDING CODE OF CONDUCT

All the Directors and Senior Management personnel have affirmed compliance with the Code of Conduct of Nakamichi Securities Limited as adopted by the Board for the Financial Year ending March 31, 2018.

For and on behalf of the Board of Directors

Place: Kolkata
Date: August 11, 2018

Snigdha Tibrewala
Whole time Director & CFO
(DIN: 02801711)

Sarita Tibrewala
Whole time Director
(DIN: 00629538)

NAKAMICHI SECURITIES LIMITED

CEO / CFO CERTIFICATION

To
The Board of Directors
Nakamichi Securities Ltd.
Kolkata

Dear Members of the Board,

I, Snigdha Tibrewala, Chief Financial Officer of Nakamichi Securities Ltd., responsible for the finance function certify that:

- a) I have reviewed the financial statements and the cash flow statements for the year ended March 31, 2018 and to the best of my 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 the existing accounting standards, applicable laws and regulations;
- b) They are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct;
- c) I, accept the responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or proposes to take to rectify these deficiencies.
- d) I 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 that the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of the Board of Directors

Snigdha Tibrewala

Whole time Director & CFO

(DIN: 02801711)

Place: Kolkata

Date: August 11, 2018

AUDITOR's CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of **Nakamichi Securities Ltd.**

We have examined the compliance of conditions of Corporate Governance by Nakamichi Securities Ltd. for the year ended March 31, 2018, as stipulated in Chapter IV read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as and when applicable, of the said Company with Stock Exchange(s).

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

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.

BDS & Co. (Bharat D. Sarawgee & Co.)
Chartered Accountants

Bharat D. Sarawgee
Partner

Membership No. 061505
Firm Registration No.: 326264E

Place: Kolkata

Date: August 11, 2018

INDEPENDENT AUDITOR'S REPORT

To the Members of NAKAMICHI SECURITIES LIMITED

1. Report on the Financial Statements :

We have audited the accompanying financial statements of Nakamichi Securities Limited ('the Company'), which comprise the Balance sheet as at 31 March 2018, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "financial statements").

2. Management's Responsibility for the Financial Statements :

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act read with rule 7 of companies (Account) Rules 2014.

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 the frauds and the other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's Responsibility :

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

We have taken into account the provisions of the Act, the accounting standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the order issued under section 143(11) of the Act.

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

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

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

4. Opinion :

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31 March, 2018, its Profit and cash Flow for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements :

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in in the Annexure B, a statement on the matters specified in the paragraph 3 and 4 of the order.

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

- (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) in our opinion proper books of 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 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 companies (Accounts) rules 2014;
- (e) on the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations as at March 31, 2018 which would impact its financial position in its financial statements.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses during the year ended March 31, 2018 and
 - iii. There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund during the year ended March 31, 2018

For B D S & CO
(Formerly Bharat D.Sarawgee & Co.)
Chartered Accountants
FRN: 326264E

Shweta Bagaria Sarawgee
Partner
Membership No.:063679

Place: Kolkata
Date: May 28, 2018

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Financial statements for the year ended 31 March 2018, we report that:

1. a) The Company is maintaining proper records showing full particulars , including quantitative details and situation of fixed assets;
- b) These fixed assets have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.
- c) The Company does not hold any immovable properties in its name.
- (ii) The physical verification of inventory has been conducted at reasonable intervals; No material discrepancies were noticed on such verification.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of Clause 3(iii) 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 section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public within the meaning of section 73, 74, 75 and 76 of the act and the rules framed there under to the extent notified. Accordingly, the provisions of Clause 3(v) of the Order are not applicable to the Company;
- (vi) Maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and no such accounts and records have been so made and maintained. Accordingly, the provisions of Clause 3(vi) of the Order are not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, Goods and Service tax, cess and any other statutory dues to the appropriate authorities;
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax -tax, Goods and Service Tax which have not been deposited on account of any dispute.

| Name of the Statute | Amount involved | Forum where dispute pending |
|----------------------------------------------------------------------------------|----------------------------------------------------|-----------------------------------------------------|
| Income Tax demand for - Assessment Year : 2007-2008 2009-2010 2011-2012 | Rs. 1,61,508.00 Rs. 3,220.00 Rs. 1,96,620.00 | Commissioner of Income Tax (Appeals) VI, Kolkata |
| Service Tax Demand for FY 2011-2012 to 2014-2015 | Rs. 10,74,635.00 | Asst. Commissionery of Service Tax, Circle-7 |

- (viii) According to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of dues, if any, to financial institutions or banks or debenture holders.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (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 has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, Managerial Remuneration paid by company is in accordance with the requisite approvals mandated by the provision of Section 197 read with schedule 5 to the Companies Act, 2013.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For B D S & CO
(Formerly Bharat D.Sarawgee & Co.)
Chartered Accountants
FRN: 326264E

Shweta Bagaria Sarawgee
Partner
Membership No.:063679

Place: Kolkata
Date: May 28, 2018

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Nakamichi Securities Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and the receipts and expenditures of the company are being made only in accordance with authorisations 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 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B D S & CO
(Formerly Bharat D.Sarawgee & Co.)
Chartered Accountants
FRN: 326264E

Shweta Bagaria Sarawgee
Partner
Membership No.:063679

Place: Kolkata
Date: May 28, 2018

NAKAMICHI SECURITIES LIMITED

Balance Sheet as at 31st March 2018

| Particulars | Note No. | As at 31st March, 2018 | | As at 31st March, 2017 | |
|-----------------------------------|----------|------------------------|--------------------|------------------------|--------------------|
| | | Rs. | Rs. | Rs. | Rs. |
| I. EQUITY AND LIABILITIES | | | | | |
| 1. Shareholder's Funds | | | | | |
| (a) Share Capital | 2.1 | 30,000,000 | | 30,000,000 | |
| (b) Reserves and Surplus | 2.2 | 57,678,801 | 87,678,801 | 46,061,039 | 76,061,039 |
| 2. Non-Current Liabilities | | | | | |
| (a) Long-term Borrowings | 2.3 | 524,154 | | - | |
| (b) Long term Provisions | 2.4 | 573,236 | 1,097,390 | 1,013,056 | 1,013,056 |
| 3. Current Liabilities | | | | | |
| (a) Short-term Borrowings | 2.5 | 30,054,409 | | 44,128,067 | |
| (b) Trade Payables | 2.6 | 1,125,997 | | 2,776,384 | |
| (c) Other Current Liabilities | 2.7 | 13,513,668 | | 15,834,337 | |
| (d) Short-term Provisions | 2.8 | 2,487,609 | 47,181,683 | 8,988 | 62,747,776 |
| TOTAL | | | 135,957,874 | | 139,821,871 |
| II. ASSETS | | | | | |
| 1. Non-Current Assets | | | | | |
| (a) Fixed Assets | | | | | |
| (i) Tangible Assets | 2.9 | 2,058,882 | | 1,346,728 | |
| (ii) Intangible Assets | 2.9 | 46,493 | | 54,189 | |
| (b) Non-Current Investments | 2.10 | 8,167,235 | | 8,882,554 | |
| (c) Deferred Tax Asset (Net) | 2.11 | 386,600 | | 780,000 | |
| (d) Long term Loans and Advances | 2.12 | 11,480,283 | | 11,440,283 | |
| (e) Other Non-Current Assets | 2.13 | 57,853,695 | 79,993,188 | 18,345,207 | 40,848,961 |
| 2. Current assets | | | | | |
| (a) Inventories | 2.14 | 4,425,890 | | 19,162,301 | |
| (b) Trade Receivables | 2.15 | 702,925 | | 1,339,895 | |
| (c) Cash and Bank Balances | 2.16 | 47,873,895 | | 75,739,816 | |
| (d) Short-term Loans and Advances | 2.17 | 121,027 | | 2,521,787 | |
| (e) Other Current Assets | 2.18 | 2,840,951 | 55,964,688 | 209,112 | 98,972,911 |
| TOTAL | | | 135,957,874 | | 139,821,872 |
| Significant Accounting Policies | 1 | | | | |
| Notes to Accounts | 2 | | | | |

The Significant Accounting Policies and Notes to Accounts referred to above form an integral part of the financial statements.

As per our attached report of even date.
For **B D S & CO (formerly Bharat D Sarawgee & Co.)**
Chartered Accountants
Firm Regn. No. : 326264E
(Shweta B Sarawgee)
Partner
Membership No. : 063679

For and on behalf of the Board
Sarita Tibrewala
Whole time Director
DIN: 00629538
Snigdha Tibrewala
Whole time Director & CFO
(DIN: 02801711)

Place : Kolkata.
Dated : 28th May, 2018

Sanjeet Kumar Singh
Company Secretary & Compliance Officer

NAKAMICHI SECURITIES LIMITED

Statement of Profit and Loss for the year ended 31st March 2018

| Particulars | Note No. | Year ended 31st March, 2018 Rs. | Year ended 31st March, 2017 Rs. |
|---------------------------------------------------|-----------------|----------------------------------------|----------------------------------------|
| I. Revenue from Operations | 2.19 | 178,485,990 | 117,561,47 |
| II. Other Income | 2.20 | 3,854,128 | 8,595,738 |
| III. Total Revenue (I +II) | | 182,340,118 | 126,157,209 |
| IV. <u>Expenses:</u> | | | |
| Purchase of Stock-in-Trade | | 95,574,335 | 82,796,357 |
| Changes in Inventories of Stock-in-Trade | 2.21 | 14,736,413 | (3,183,037) |
| Employee Benefit Expense | 2.22 | 12,500,756 | 9,326,783 |
| Finance Costs | 2.23 | 3,725,661 | 4,254,040 |
| Depreciation and Amortization Expense | 2.09 | 916,212 | 471,388 |
| Other Expenses | 2.24 | 38,625,578 | 28,697,382 |
| Total Expenses | | 166,078,956 | 122,362,913 |
| V. Profit/(Loss) Before Tax (III - IV) | | 16,261,162 | 3,794,296 |
| VI. Tax Expense: | | | |
| (1) Current Tax | | 4,250,000 | (748,000) |
| (2) Income-tax (charge)/ refunds for earlier year | | - | (31,630) |
| (3) Deferred Tax (charge)/write back | | 393,400 | 139,700 |
| VII. Profit/(Loss) for the year after Tax (V-VI) | | 11,617,762 | 3,154,366 |
| VIII. Earning per Equity Share: | | | |
| (1) Basic | 2.25 | 3.87 | 1.05 |
| (2) Diluted | 2.25 | 3.87 | 1.05 |
| Significant Accounting Policies | 1 | | |
| Notes to Accounts | 2 | | |

The Significant Accounting Policies and Notes to Accounts referred to above form an integral part of the financial statements.

As per our attached report of even date.

For **B D S & CO (formerly Bharat D Sarawgee & Co.)**

Chartered Accountants

Firm Regn. No. : 326264E

(Shweta B Sarawgee)

Partner

Membership No. : 063679

Place : Kolkata.

Dated : 28th May, 2018

For and on behalf of the Board

Sarita Tibrewala

Whole time Director

DIN: 00629538

Snigdha Tibrewala

Whole time Director & CFO

(DIN: 02801711)

Sanjeet Kumar Singh

Company Secretary & Compliance Officer

NAKAMICHI SECURITIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

| Particulars | As at 31st March, 2018 | | As at 31st March, 2017 | |
|-----------------------------------------------------------------------------------------------------|------------------------|--------------|------------------------|--------------|
| | Rs. | Rs. | Rs. | Rs. |
| I. CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| A. PROFIT/(LOSS) BEFORE TAXATION | | 16,261,162 | | 3,794,296 |
| Adjustment for : | | | | |
| Depreciation on Fixed Assets | 916,212 | | 471,388 | |
| Provision for Gratuity | - | | 328,292 | |
| Provision for Gratuity written back | (439,820) | | - | |
| Profit on sale of fixed assets | (41,853) | | (128,562) | |
| Profit on sale of investment | (3,124,825) | | (7,907,357) | |
| Dividend on long-term investment | (118,635) | | (228,888) | |
| Interest on Income-tax refund | (78,293) | | (106,127) | |
| Finance Charges | 3,725,661 | | 4,254,040 | |
| | | 838,448 | | (3,317,214) |
| PROFIT BEFORE WORKING CAPITAL CHANGES | | 17,099,610 | | 477,082 |
| B. CHANGES IN WORKING CAPITAL | | | | |
| Trade Receivables | 636,970 | | (135,623) | |
| Inventories | 14,736,411 | | (3,183,037) | |
| Long and Short-term Loans and Advances | 112,134 | | (24,592) | |
| Other Current and Non-current Assets | (9,022,899) | | (4,324,229) | |
| Trade & Other Payables | (5,921,010) | 541,606 | (7,568,972) | (15,236,453) |
| CASH GENERATED FROM OPERATIONS | | 17,641,215 | | (14,759,371) |
| Direct Taxes (Paid) / Refund (net) | | (1,805,278) | | (747,533) |
| CASH FLOW BEFORE EXTRA ORDINARY ITEMS | | 15,835,937 | | (15,506,904) |
| Extra Ordinary Items | | - | | - |
| NET CASH FROM/(TO) OPERATING ACTIVITIES | | 15,835,937 | | (15,506,904) |
| II. CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| Purchase of Fixed Assets | (1,692,478) | | (546,738) | |
| Sale of Fixed Assets | 115,000 | | 225,400 | |
| Purchase of investments | -319,064 | | (273,565) | |
| Sale of investments | 4,159,209 | 2,262,667 | 12,922,582 | 12,327,679 |
| NET CASH FROM/(TO) INVESTING ACTIVITIES | | 2,262,667 | | 12,327,679 |
| III. CASH FLOW FROM FINANCING ACTIVITIES | | | | |
| Proceeds/(Repayment) of Secured Loans(net) | 866,375 | | (189,011) | |
| Proceeds/(Repayment) of Unsecured Loans (net) | (14,073,658) | | 5,672,774 | |
| Finance Charges | (1,678,107) | | (2,698,355) | |
| Dividend on long-term investment | 118,635 | | 228,888 | 3,014,296 |
| NET CASH FROM/(TO) FINANCEING ACTIVITES | | (14,766,755) | | 3,014,296 |
| Net Change in Cash & Cash Equivalents (I+II+III) | | 3,331,849 | | (164,929) |
| Cash and Cash Equivalents as at the beginning of the year (Note - 2.16 forming part of Accounts) | | 434,816 | | 599,745 |
| Cash and Cash Equivalents as at year-end | | 3,766,665 | | 434,816 |
| Cash and Cash Equivalents at year-end comprises - | | | | |
| Cash in hand | | 309,429 | | 374,607 |
| Balances with Banks | | 3,133,380 | | 44,557 |
| Stamp on hand | | 323,857 | | 15,652 |
| | | 3,766,666 | | 434,816 |

- Notes-** 1. The above Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard - 3 on Cash Flow Statements prescribed under Companies (Accounting Standards) Rules, 2006.
2. The significant accounting policies in Note - 1 and other notes in Notes 2.1 to 2.35 form part of the financial statements.

As per our attached report of even date.
For **B D S & CO (formerly Bharat D Sarawgee & Co.)**
Chartered Accountants
Firm Regn. No. : 326264E
(Shweta B Sarawgee)
Partner
Membership No. : 063679

For and on behalf of the Board
Sarita Tibrewala
Whole time Director
DIN: 00629538
Snigdha Tibrewala
Whole time Director & CFO
(DIN: 02801711)

Place : Kolkata.
Dated : 28th May, 2018

Sanjeet Kumar Singh
Company Secretary & Compliance Officer

NOTES FORMING PART OF THE ACCOUNTS**Note -1****SIGNIFICANT ACCOUNTING POLICIES****1) BASIS OF PREPARATION OF FINANCIAL STATEMENTS :**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under section 133 of The Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013("the 2013 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2) USE OF ESTIMATES :

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively when revised.

3) FIXED ASSET :

These are stated at their original cost of acquisition including all the related expenses which are attributable to bring them to their present condition.

4) DEPRECIATION :

Depreciation is systematically allocated over the useful life of an asset as specified in Part C of Schedule II of Companies Act, 2013.

5) REVENUE RECOGNITION :

- a) Transactions entered into by the company for purchases and sales of shares, debentures, bonds and other securities on Stock Exchanges are accounted on completed settlement dates of the respective Stock Exchange.
- b) Dividend & interest on securities is recognized as and when received.
- c) In the NSDL (Depository Division) the charges for Transactions is recognized as and when bills are raised on the parties.
- d) All other incomes and expenses are recognized on accrual basis.

6) INVENTORIES :

Stock of share are valued at cost or Net Realisable value whichever is lower.

7) DERIVATIVES :

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value. Fair value represent the "Exit Price "

The initial margin & additional margin paid for earning into contracts for equity iiex / futures, Options , which are released on final settlement/squaring-up of underlying contracts are disclosed under Current Assets, Loans & Advances.

All the outstanding derivative contracts as at the year end are measured at fair value and the profit / loss on the same is recognised in the Statement of Profit & Loss.

8) INVESTMENTS :

The securities acquired with intention of short term holding and trading are considered as stock in trade and shown in stock in trade under current assets. Other securities acquired with the intention of long term holding are considered as "Investments".

9) INCOME TAX :

Current tax is determined as the amount of income tax payable in respect of taxable income for the reporting period. Deferred Tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable incomes and accounting income that originated in one year and are capable of reversal in one or more subsequent years. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or subsequently enacted by the Balance sheet Date.

10) CONTINGENT LIABILITIES :

Contingent Liabilities are not provided for in the accounts but are disclosed by way of notes in the NOTES ON ACCOUNTS, if any

11) IMPAIRMENT OF ASSETS :

The carrying amounts of assets are reviewed at each Balance Sheet date to ascertain impairment based on internal / external factors. An impairment loss is recognized when the carrying amount of an asset exceeds its Recoverable amount. Recoverable amount is the higher of an asset's net selling price and its value in use.

12) EMPLOYEE BENEFITS :

- a) Short term employee benefits such as salaries & wages are recognized as expense and charged off.
- b) Defined Contribution & Definite Benefit Plans:- The company does not have any such plans because the company is not required to contribute to such plans considering its current employees strength.

13) BORROWING COSTS :

Borrowing cost, if any incurred in relation to acquisition or construction of fixed assets is allocated to fixed assets. Other borrowing cost is recognized as expenses in the year in which they are incurred.

NOTES FORMING PART OF THE ACCOUNTS

Note 2.1: Share Capital

| Particulars | Year ended 31st March, 2018 Rs. | Year ended 31st March, 2017 Rs. |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|---------------------------------------|
| Authorised: 3,500,000 Equity Shares of Rs. 10/- each | 35,000,000 | 35,000,000 |
| Issued, Subscribed & Fully Paid : 3,000,000 Equity Shares of Rs. 10/- each | 30,000,000 | 30,000,000 |
| <p>The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. There was no change in the number of shares outstanding during the year and during the previous year.</p> | | |
| Names of share holders holding more than 5% of the shares of the company and their shareholding | | |
| Shruti Tibrewala | 230,500 | 230,500 |
| %age of holding | 7.68% | 7.68% |
| Kamini Tibrewala | 629,400 | 629,400 |
| %age of holding | 20.98% | 20.98% |

Note 2.2 : Reserves & Surplus

| Particulars | As at 31st March, 2018 | | As at 31st March, 2017 | |
|------------------------------------------------------|------------------------|------------|------------------------|------------|
| | Rs. | Rs. | Rs. | Rs. |
| Capital Reserve | | | | |
| At commencement of the year | 3,929,500 | | 3,929,500 | |
| Additions/Deductions during the year | - | 3,929,500 | - | 3,929,500 |
| Securities Premium Account | | | | |
| At commencement of the year | 26,494,000 | - | 26,494,000 | - |
| Additions/Deductions during the year | - | 26,494,000 | - | 26,494,000 |
| Surplus i.e. balance in Statement of Profit and Loss | | | | |
| At commencement of the year | 15,637,539 | - | 12,483,174 | - |
| Add : Profit for the year | 11,617,762 | 27,255,301 | 3,154,366 | 15,637,539 |
| | | 57,678,801 | | 46,061,039 |

NOTES FORMING PART OF THE ACCOUNTS

| Particulars | As at 31st March, 2018 Rs. | As at 31st March, 2017 Rs. |
|-----------------------------------------------------------------------------------------------------------------------------------|----------------------------------|----------------------------------|
| Note 2.3: Long-term Borrowings | | |
| Car Loan from Bank (Secured by hypothecation of Motor Car) | 934,009 | 67,635 |
| Less ; Current maturity of long-term loan shown under Other Current Liabilities in Note 2.7 | 409,855 | (67,635) |
| | 524,154 | - |
| Footnote- The loan is repayable in equated monthly instalments (including interest) of Rs. 39,460/- each upto 7th May, 2020 | | |
| Note 2.4: Long-term Provisions | | |
| Provision for Employee Benefits - Gratuity | 573,236 | 1,013,056 |
| | 573,236 | 1,013,056 |
| Note 2.5: Short-term Borrowings | | |
| Cash Credit from Bank (Secured by pledge of bank fixed deposit of Rs. 5,100,000 | - | 7,828,067 |
| Loans from Bodies Corporates (Unsecured) (Repayable on demand) - | 30,000,000 | 36,300,000 |
| Exchange Settlement Account | 54,409 | - |
| | 30,054,409 | 44,128,067 |
| Note 2.6: Trade Payables | | |
| Trade Payables (other than Micro, Small and Medium Enterprises) | 1,125,997 | 2,776,384 |
| | 1,125,997 | 2,776,384 |

NOTES FORMING PART OF THE ACCOUNTS

| Particulars | As at 31st March, 2018 Rs. | As at 31st March, 2017 Rs. |
|-----------------------------------------------------------------------|----------------------------------|----------------------------------|
| Note 2.7: Other Current Liabilities | | |
| Current Maturities of long-term loan shown out of balance in Note 2.3 | 409,855 | 67,635 |
| Temporary Bank Overdrafts | - | 2,973,615 |
| Interest accrued but not due on borrowings | 5,514 | 465 |
| Interest accrued and due on borrowings | 4,184,506 | 2,142,000 |
| Security Deposits received | 6,216,500 | 8,800,500 |
| Mark-to Market Derivatives | - | 243,251 |
| Option Premium Account | - | 456,562 |
| Other payable - Statutory Dues | 840,400 | 1,150,309 |
| Other | 1,856,894 | - |
| | 13,513,668 | 15,834,337 |
| Note 2.8: Short-term Provisions | | |
| Provision for Employee Benefits Gratuity | 8,522 | 8,522 |
| Provision for Income Tax - Current (Net of Payments) | 2,479,087 | 466 |
| | 2,487,609 | 8,988 |

NOTES FORMING PART OF THE ACCOUNTS
Note 2.9: FIXED ASSETS

| PARTICULARS | GROSS CARRYING VALUE | | | | AMORTISATION / DESCRIPTION | | | | NET CARRYING VALUE | |
|-----------------------------|----------------------|------------------|-------------------------|-----------------------|----------------------------|----------------|----------------------------|-----------------------|-----------------------|-----|
| | AS AT 1ST APRIL 2017 | ADDITIONS | DEDUCTIONS/ ADJUSTMENTS | AS AT 31ST MARCH 2018 | AS AT 1ST APRIL 2017 | FOR THE YEAR | ON DEDUCTIONS/ ADJUSTMENTS | AS AT 31ST MARCH 2018 | AS AT 31ST MARCH 2018 | |
| | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. |
| A) Tangible Assets | | | | | | | | | | |
| Office Equipment | 1,989,324 | 134,187 | - | 2,123,511 | 1,562,954 | 212,583 | - | 1,775,537 | 348,496 | |
| Furniture & Fixtures | 1,589,348 | 87,780 | - | 1,677,128 | 1,269,823 | 96,433 | - | 1,366,256 | 310,872 | |
| Computer and Accessories | 3,310,544 | 47,500 | - | 3,358,044 | 3,054,548 | 73,595 | - | 3,128,143 | 230,714 | |
| Electrical Installations | 190,012 | 30,146 | - | 220,158 | 148,485 | 15,080 | - | 163,565 | 56,593 | |
| Vehicles - Freehold | 1,259,559 | 1,392,865 | 625,272 | 2,027,152 | 956,249 | 510,820 | 552,124 | 914,945 | 1,112,207 | |
| | 8,338,787 | 1,692,478 | 625,272 | 9,405,993 | 6,992,059 | 908,511 | 552,124 | 7,348,446 | 2,058,882 | |
| | (8,992,249) | (546,738) | (1,200,200) | (8,338,787) | (7,658,168) | (437,253) | (1,103,362) | (6,992,059) | (1,346,728) | |
| B) Intangible Assets | | | | | | | | | | |
| Computer Software | 764,084 | - | - | 764,084 | 709,895 | 7,696 | - | 717,591 | 46,493 | |
| | 764,084 | - | - | 764,084 | 709,895 | 7,696 | - | 717,591 | 46,493 | |
| | (764,084) | - | (-) | (764,084) | (675,761) | (34,134) | (-) | (709,895) | (54,189) | |

Figures in brackets are for the previous year

NOTES FORMING PART OF THE ACCOUNTS

**Note 2.10: Non-current Investments
(Long Term) (Other than Trade)
(At cost less provision for diminution in value)**

| Particulars | As at 31st March, 2018 | | | As at 31st March, 2017 | | |
|------------------------------------------------------------------------------|------------------------|---------------|------------|------------------------|---------------|------------|
| | Face Value Rs. | Quantity Nos. | Amount Rs. | Face Value Rs. | Quantity Nos. | Amount Rs. |
| <u>Investments in Equity Instruments - (Fully paid) - Quoted</u> | | | | | | |
| EIH Limited | 2/- | 4,000 | 317,387 | 2/- | 4,000 | 317,387 |
| Essel Propack Limited | 2/- | 65,000 | 5,658,192 | 2/- | 72,500 | 6,278,387 |
| Jenson & Nicholson (India) Limited | 2/- | 90,000 | 481,019 | 2/- | 90,000 | 481,019 |
| Sastasundar Ventures Limited (Formerly, Microsec Financial Services Limited) | 10/- | 7,500 | 599,262 | 10/- | 12,500 | 871,896 |
| Rico Auto Industries Limited | 1/- | 14,000 | 407,905 | 1/- | 23,875 | 230,395 |
| Saregama India Limited | 10/- | 2,500 | 258,779 | 10/- | 2,500 | 258,779 |
| TrigynTechnologies Limited | 10/- | 20,000 | 444,691 | 10/- | 20,000 | 444,691 |
| | | | 8,167,235 | | | 8,882,554 |
| Aggregate Book Value of quoted investments | | | 8,167,235 | | | 8,882,554 |
| Aggregate Market Value of quoted investments | | | - | | | 24,410,719 |

| Particulars | As at 31st March, 2018 Rs. | As at 31st March, 2017 Rs. |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|----------------------------|
| Note 2.11: Deferred Tax Asset | | |
| Tax on- | | |
| Difference between depreciation as per tax law and accounts | 386,600 | 417,500 |
| Provisions charged to accounts | - | 65,600 |
| Difference in basis of valuation of closing stock | - | 296,900 |
| | 386,600 | 780,000 |
| Note 2.12: Long-term Loans and Advances | | |
| Security Deposits (Unsecured and considered good) - | | |
| with related party | 60,000 | 60,000 |
| with others | 11,420,283 | 11,380,283 |
| | 11,480,283 | 11,440,283 |
| Note 2.13: Other Non-Current Asset | | |
| Prepaid Expenses | 65,603 | 76,770 |
| Fixed Deposits with Bank - | | |
| Non-current portion of Fixed deposits (Lodged as Margin Money/security deposit with Exchanges/clearing houses of exchange/clearing members/pledged with Bank for availing cash credit) | 55,300,000 | 17,700,000 |
| Advance payment of income-tax and tax deducted at source (net of provisions) | 2,488,092 | 568,437 |
| | 57,853,695 | 18,345,207 |

NAKAMICHI SECURITIES LIMITED
NOTES FORMING PART OF THE ACCOUNTS
Note 2.14: Inventories
Stock-in-trade (At cost or market value whichever is lower)
Equity Shares - (Fully paid-up)(Other than trade)

| NAME OF THE COMPANY | As at 31st March, 2018 | | | As at 31st March, 2017 | | |
|-----------------------------------------|------------------------|---------------|-----------|------------------------|---------------|-----------|
| | Face Value Rs. | Quantity Nos. | Value Rs. | Face Value Rs. | Quantity Nos. | Value Rs. |
| Quoted | | | | | | |
| Adani Power Limited | 10/- | - | - | 10/- | 10,000 | 388,500 |
| Aftek Limited | 2/- | 10,000 | 16,300 | 2/- | 10,000 | 16,300 |
| Alok Industries Limited | 10/- | - | - | 10/- | 6,500 | 19,175 |
| Amar Remedies Limited | 10/- | 44,900 | 272,543 | 10/- | 44,900 | 272,543 |
| Anik Industries Limited | 10/- | 15,000 | 468,750 | 10/- | 15,000 | 420,000 |
| Artech Power Products Limited | 10/- | 1,000 | 4,600 | - | 1,000 | 39,000 |
| Bang Overseas Limited | 10/- | - | - | 10/- | 5,000 | 211,156 |
| BS Limited | 1/- | - | - | - | 25,000 | 45,000 |
| Central Depositor Ltd. | 10/- | 500 | 141,325 | - | - | - |
| Den Networks Limited. | 10/- | - | - | 10/- | 5,100 | 421,770 |
| Dhampur Sugar Mills Limited | 10/- | - | - | - | 2,000 | 433,700 |
| Dwarikesh Sugar Industries Limited | 1/- | - | - | - | 1,500 | 646,181 |
| First Winner Industries Limited | 10/- | 3,000 | 5,100 | 10/- | 3,000 | 8,250 |
| Fortis Healthcare Limited | 10/- | - | - | - | 5,000 | 883,250 |
| GOCL Corporation Limited | 2/- | 1,750 | 871,150 | - | - | - |
| Himachal Futuristic Communications Ltd. | 1/- | - | - | 1/- | 3,500 | 44,625 |
| Himadri Speciality Chemical Limited | 1/- | 100 | 14,615 | - | 100 | 4,375 |
| Hindustan Motors Limited | 5/- | - | - | 5/- | 63,000 | 563,850 |
| Hindalco Industries Limited | 1/- | 150 | 11,175 | 1/- | 150 | 11,175 |
| IFB Industries Limited | 10/- | 300 | - | - | 300 | 185,400 |
| Indiabulls Ventures Limited | 2/- | 10,000 | 484,000 | 10/- | 18,000 | 731,602 |
| Indian Overseas Bank | 10/- | - | - | 10/- | 10,500 | 279,825 |
| Infinite Computer Solutions (I) Limited | 10/- | 146 | 28,933 | 10/- | 141 | 28,933 |
| Intellect Design Arena Limited | 5/- | 2,000 | 204,234 | 10/- | - | - |
| Inox Wind Limited | 10/- | - | - | - | 500 | 85,255 |
| International Paper M Ltd. | 10/- | 250 | 72,838 | - | - | - |
| Jaiprakash Associates Limited | 2/- | - | - | 2/- | 25,400 | 349,250 |
| Jindal Stainless Limited | 2/- | - | - | - | 10,000 | 676,164 |
| JMC Projects (India) Limited | 10/- | - | - | - | 500 | 131,050 |
| Kesoram Textiles Limited | 10/- | - | - | 10/- | 390 | - |
| Kingfisher Airlines Limited | 10/- | 7,500 | 10,200 | 10/- | 7,500 | 10,200 |
| Kohinoor Foods Limited | 10/- | - | - | 10/- | 5,000 | 243,740 |
| Laxmi Machine Works Limited | 10/- | - | - | - | 50 | 211,897 |
| Lykis Limited | 10/- | 500 | 1,550 | 10/- | 500 | 1,550 |
| Magnum Ventures Limited | 10/- | - | - | 10/- | 5,500 | 21,725 |
| Mahindra & Mahindra Limited | 5/- | - | - | 5/- | 2,000 | 2,573,800 |
| Magnum Drugs & Organics Limited | NF | - | - | 10/- | 1,500 | 217,500 |

NAKAMICHI SECURITIES LIMITED
NOTES FORMING PART OF THE ACCOUNTS
Note 2.14: Inventories (Cond.)
Equity Shares - (Fully paid-up)

| NAME OF THE COMPANY | As at 31st March, 2018 | | | As at 31st March, 2017 | | |
|--------------------------------------------|------------------------|---------------|-----------|------------------------|---------------|-----------|
| | Face Value Rs. | Quantity Nos. | Value Rs. | Face Value Rs. | Quantity Nos. | Value Rs. |
| Quoted | | | | | | |
| MCX Limited | 10/- | - | - | 10/- | 1,200 | 1,355,702 |
| Motilal Oswal Financial Services Limited | 1/- | 100 | 12,244 | 1/- | 100 | 12,244 |
| Mangalore Refinery and Petrochemicals Ltd | 10/- | - | - | 10/- | 2,500 | 253,770 |
| NBCC (India) Limited | 1/- | - | - | 2/- | 6,000 | 998,003 |
| Nicco Corporation Limited | 2/- | 120,000 | 60,000 | 2/- | 120,000 | 60,000 |
| Oricon Enterprises Limited | 2/- | - | - | 2/- | 5,000 | 280,750 |
| Penar Industries Limited | 5/- | - | - | 5/- | 2,000 | 81,900 |
| Pilani Investments & Industries Corpn Ltd. | 10/- | - | - | 10/- | 250 | 537,125 |
| Prisim Cements Limited | 10/- | 1,000 | 108,450 | - | - | - |
| Pritish Nandy Communications Limited | 10/- | - | - | 10/- | 1,500 | 32,475 |
| Prozone INTU Properties Limited | 2/- | - | - | 10/- | 4,000 | 145,160 |
| Punjab Chem and Crop Protection Limited | 10/- | 5 | 1,905 | 10/- | 5 | 890 |
| Punj Lloyd Limited | 2/- | - | - | 2/- | 20,000 | 387,000 |
| Purvankara Projects Limited | 5/- | - | - | 10/- | 2,000 | 126,125 |
| Relaxo Footwears Limited | 1/- | 20 | 4,971 | 1/- | 20 | 4,971 |
| Reliance Capital Limited | 10/- | - | - | 10/- | 3,500 | 2,124,331 |
| Reliance Deffence and Engineering Limited | 10/- | - | - | 10/- | 5,000 | 314,725 |
| Reliance Infrastructure Limited | 10/- | 100 | 42,750 | - | - | - |
| Reliance Power Limited | 10/- | - | - | 10/- | 8,100 | 389,610 |
| Sanghi Polyesters Limited | 10/- | 19,500 | 34,125 | 10/- | 19,500 | 34,125 |
| Shri Aster Silicates Limited | 10/- | 15,000 | 21,000 | 10/- | 15,000 | 21,000 |
| Silverline Technologies Limited | 10/- | 1,000 | 2,190 | 10/- | 1,000 | 2,190 |
| Speciality Rest Limited | 10/- | 500 | 61,575 | - | - | - |
| Spicejet Limited | 10/- | 800 | 100,120 | - | - | - |
| Steel Authority of India Limited | 10/- | 2,100 | 147,420 | 10/- | 200 | 12,260 |
| Subex Limited | 10/- | 2,000 | 15,400 | 10/- | 4,000 | 44,000 |
| Sumeet Industries Limited | 10/- | - | - | 10/- | 500 | 8,000 |
| Sun Pharmaceutical Industries Limited | 1/- | 40 | 19,804 | 1/- | 540 | 348,265 |
| Suzlon Energy Limited | 2/- | 5,000 | 53,500 | 10/- | 11,500 | 202,775 |
| Tata Global Beverages Limited | 1/- | - | - | 1/- | 1,000 | 144,450 |
| The Byke Hospitality Limited | 10/- | - | - | 10/- | 500 | 83,125 |
| Thomas Scott (India) Limited | 10/- | 1,000 | 14,500 | 10/- | 1,000 | 15,000 |

NAKAMICHI SECURITIES LIMITED**NOTES FORMING PART OF THE ACCOUNTS****Note 2.14: Inventories (Cond.)****Equity Shares - (Fully paid-up)**

| NAME OF THE COMPANY | As at 31st March, 2018 | | | As at 31st March, 2017 | | |
|---------------------------------|------------------------|----------------|------------------|------------------------|----------------|-------------------|
| | Face Value Rs. | Quantity Nos. | Value Rs. | Face Value Rs. | Quantity Nos. | Value Rs. |
| Quoted | | | | | | |
| Unitech Limited | 2/- | 1,500 | - | 2/- | 1,500 | 8,400 |
| V2 Retail Limited | 10/- | 500 | - | 10/- | 500 | 92,462 |
| Vaibhav Global Limited | 10/- | 20 | 12,758 | 10/- | 20 | 7,710 |
| Vinyl Chemicals (i) Ltd. | 1/- | 2,000 | 159,600 | - | - | - |
| Vishal Exports Overseas Limited | 1/- | 26,000 | 11,700 | 1/- | 26,000 | 11,700 |
| Wockhardt Limited | 5/- | 100 | 72,650 | - | - | - |
| Xchanging Solutions Limited | 10/- | - | - | 10/- | 2,000 | 95,100 |
| Zee Media Corporation Limited | 1/- | 10,000 | 290,883 | 1/- | 10,000 | 179,216 |
| | TOTAL - A | 305,381 | 3,854,857 | | 564,466 | 18,591,270 |

NAKAMICHI SECURITIES LIMITED

NOTES FORMING PART OF THE ACCOUNTS

Note 2.14: Inventories (Cond.)

Equity Shares - (Fully paid-up)

| NAME OF THE COMPANY | As at 31st March, 2018 | | | As at 31st March, 2017 | | |
|-----------------------------------------------------------------------|------------------------|---------------|------------------|------------------------|---------------|-------------------|
| | Face Value Rs. | Quantity Nos. | Value Rs. | Face Value Rs. | Quantity Nos. | Value Rs. |
| <u>Unquoted</u> | | | | | | |
| Nakamichi Estates Pvt Limited | 10/- | 9,000 | 530,000 | 10/- | 9,000 | 530,000 |
| Nextgen Animation and Media Limited | 10/- | 400 | - | 10/- | 400 | - |
| Siv Industries Limited | NF | 11,780 | 41,031 | 10/- | 11,780 | 41,031 |
| | TOTAL -B | 21,180 | 571,031 | | 21,180 | 571,031 |
| | TOTAL-A+B | | 4,425,888 | | | 19,162,301 |
| Aggregate Book Value of quoted stock-in-trade | | | 3,899,610 | | | 18,591,270 |
| Aggregate Market Value of quoted stock-in-trade | | | 8,223,921 | | | 19,744,425 |
| Aggregate amount of fall in the value of stock-in-trade accounted for | | | 4,324,312 | | | 6,763,801 |

NOTES FORMING PART OF THE ACCOUNTS

| Particulars | As at 31st March, 2018 Rs. | As at 31st March, 2017 Rs. |
|--------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|----------------------------------|
| Note 2.15: Trade Receivables (Unsecured considered good) | | |
| Debts outstanding for a period exceeding six months from due date | 90,118 | 251,545 |
| Other Debts | 612,807 | 1,088,350 |
| | 702,925 | 1,339,895 |
| Note 2.16: Cash & Bank Balances | | |
| (a) Cash and Cash Equivalents- | | |
| On current accounts with Banks - | | |
| Other Balances | 3,133,380 | 44,557 |
| Cash on hand | 309,429 | 374,607 |
| Stamp on hand | 323,857 | 15,652 |
| | 3,766,666 | 434,816 |
| (b) Other Bank Balances- | | |
| On current accounts with Banks - | | |
| Earmarked balances in Client Money Accounts | 107,227 | 5,000 |
| On Fixed Deposit accounts | | |
| Lodged as Margin Money/security deposit with Exchanges/clearing houses of exchange/clearing members/pledged with Banks for availing cash credit- | | |
| Current portion of original maturity of more than 12 months | 44,000,000 | 75,300,000 |
| | 47,873,893 | 75,739,816 |
| Note 2.17: Short-term Loans and Advances (Unsecured considered good) | | |
| Advances given | 61,027 | 273,161 |
| Advance payment of income-tax, tax deducted at source and Income tax refundable (net of provisions) | - | 2,248,626 |
| Security Deposit | 60,000 | |
| | 121,027 | 2,521,787 |
| Note 2.18: Other Current Assets | | |
| Option Premium Account (Net) | 1,680,377 | - |
| Prepaid Expenses | 242,337 | 166,269 |
| GST Input | 28,297 | - |
| GST Input on reverse charge | 263,097 | - |
| Interest accrued on Bank Deposits | 40,777 | 42,843 |
| Options at Fair Value | 586,067 | |
| | 2,840,951 | 209,112 |

NOTES FORMING PART OF THE ACCOUNTS

| Particulars | As at 31st March, 2018 Rs. | As at 31st March, 2017 Rs. |
|------------------------------------------------------------|----------------------------------|----------------------------------|
| Note 2.19: Revenue from Operations | | |
| Sale of Products (Shares and Securities) | 151,208,867 | 90,708,864 |
| Sale of Services (Broking and Depository) | 18,914,834 | 18,674,473 |
| Other Operating Income- | | |
| Dividend income on shares held as stock-in-trade | 204,856 | 92,102 |
| Interest on Bank Deposits | 7,570,958 | 7,475,330 |
| Profit on sale of mutual fund units | 498,786 | 438,230 |
| Other Income | 87,690 | 172,472 |
| | 178,485,990 | 117,561,471 |
| Note 2.20: Other Income | | |
| Dividend income on shares held as long-term investments | 118,635 | 228,888 |
| Interest on Income-tax refunds | 78,293 | 106,127 |
| Provision for Gratuity written back | 439,820 | - |
| Liabilities no longer required written back | - | 133,522 |
| Profit on sale of investments | 3,124,825 | 7,907,357 |
| Profit on sale of fixed assets | 41,853 | 128,562 |
| Miscellaneous Income | 50,702 | 91,282 |
| | 3,854,128 | 8,595,738 |
| Note 2.21: Changes in Inventories of Stock-in-Trade | | |
| CLOSING STOCK : | | |
| Stock in Trade | 4,425,888 | 19,162,301 |
| | 4,425,888 | 19,162,301 |
| LESS : OPENING STOCK : | | |
| Stock in Trade | 19,162,301 | 15,979,264 |
| | 19,162,301 | 15,979,264 |
| (Increase)/Decrease in Stock in Trade | 14,736,413 | (3,183,037) |

NOTES FORMING PART OF THE ACCOUNTS

| Particulars | As at 31st March, 2018 Rs. | As at 31st March, 2017 Rs. |
|-----------------------------------------------------------------|----------------------------------|----------------------------------|
| Note 2.22: Employee Benefit Expenses | | |
| Salaries, Bonus and Allowances | 12,312,000 | 8,795,566 |
| Staff Welfare Expenses | 188,756 | 202,925 |
| Other Employee related expenses | - | 328,292 |
| | 12,500,756 | 9,326,783 |
| Note 2.23: Finance Cost | | |
| Interest expenses | 3,725,661 | 4,254,040 |
| | 3,725,661 | 4,254,040 |
| Note 2.24: Other Expenses | | |
| Advertisement and Business Promotion | 108,661 | 83,948 |
| Communication Expenses | 1,696,597 | 1,298,689 |
| Computer Software Expenses | 133,425 | 61,681 |
| Depository & Other Charges | 319,207 | 314,424 |
| Director's Sitting Fee | 28,140 | 24,120 |
| Electricity Charges | 747,526 | 582,461 |
| Exchange/Clearing Charges (Net) | 4,681,717 | 3,709,606 |
| Insurance | 48,507 | 39,829 |
| Legal and Professional Charges | 12,128,010 | 8,708,690 |
| Membership & Subscription | 46,000 | 247,000 |
| Miscellaneous Expenses | 536,116 | 588,830 |
| Payment to auditors- | | |
| As Auditors for Statutory Audit | 50,000 | 50,000 |
| For Taxation matters | 30,000 | 20,000 |
| For Certification work | 30,000 | 10,000 |
| Printing and Stationary | 84,896 | 150,052 |
| Rates and Taxes | 5,681,667 | 3,530,717 |
| Rent | 984,000 | 748,999 |
| Repairs to Others (other than Building and Plant and Machinery) | 258,333 | 257,284 |
| Sub-brokerage/ Referral Fee | 10,290,003 | 7,601,816 |
| Travelling and Conveyance | 742,774 | 669,236 |
| | 38,625,578 | 28,697,382 |

NOTES FORMING PART OF THE ACCOUNTS

| Particulars | As at 31st March, 2018 Rs. | As at 31st March, 2017 Rs. |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|----------------------------------|
| Note 2.25: Earning Per Share | | |
| (i) Net Profit after tax for Equity Shareholders (Rs.) | 11,617,762 | 3,154,366 |
| (ii) Weighted average number of Equity Shares of Rs.10/-each outstanding during the year (No of Shares) | 3,000,000 | 3,000,000 |
| (iii) Basic/Diluted Earning per Share {(i)divided by (ii)} | 3.87 | 1.05 |
| Note 2.26: Contingent Liability and Commitments (To the extent not provided for) | | |
| Income demand/refunds under appeal (including amounts already paid in respect of the disputed amounts Rs. 330,223/-, Previous year- Rs. 59,410/-) | 744,675 | 744,675 |
| Service tax demand under dispute | 1,074,635 | 1,074,635 |
| <p>The amounts shown above represent the best possible estimates arrived at based on available information. The uncertainties and timing of the cash flows are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimant as the case may be and therefore, can not be estimated accurately. The Company does not expect any reimbursement in respect of the above contingent liability.</p> <p>In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the ground that there are fair chances of successful outcome of appeal.</p> | | |
| Note 2.27 : Directors' Remuneration | | |
| Salaries, Bonus and Allowances in Note 2.24 include Rs.1,680,000/- (Previous year - Rs. 1,200,000/-) in respect of whole-time Directors of the Company. | | |
| Note 2.28 : | | |
| The company being engaged in frequent purchase and sales of shares & other securities in large quantities and of high value, it is not feasible to give quantitative details and value of purchases and sales of shares & other securities. Accordingly, the net income from operations has been given in the Profit & Loss Account. | | |

NOTES FORMING PART OF THE ACCOUNTS**Note 2.29 : Disclosure in respect of Derivatives Instruments**

Profit /Loss recognized in the Statement of Profit & Loss due to valuation of outstanding futures/options contract as at the year end at fair value is as follows:-

| NATURE OF DERIVATIVE CONTRACT | Profit/(Loss)(Rs.) |
|--------------------------------------|---------------------------|
| Equity / Index Futures | (243,687) |
| Options Contracts | 586,067 |
| Total | 342,380 |

Note 2.29 :

Some of the investments in quoted / unquoted shares have witnessed substantial erosion in market value / net worth over the years. As certified by the Directors, this however does not indicate permanent decline in the value of these investments in view of future prospect and hence the decline in market value of these investments has not been provided for.

Note 2.30 : RELATED PARTY DISCLOSURE**(a) Names of Related Parties****Key Management Personnel (KMP)**

1. Mrs. Sarita Tibrewala
2. Ms. Snigdha Tibrewala
3. Mr. Sanjay Kumar Kothari
4. Ms. Suchita Dugar (w.e.f. 1st January, 2015 upto 15th February, 2016).
5. Ms. Jaya Pathak (w.e.f. 16th February, 2016 upto 31st July 2016)
6. Mr. Sanjeet Kumar Singh (w.e.f 11th August, 2016)

Relatives of Key Management Personnel

1. Mrs. Kavita Lath (Modi)
2. Ms. Shruti Tibrewala (Oberoi)
3. Mr. Subhash Kumar Patodia
4. Ms. Sanchi Tibrewala (Murmuria)
5. Mr. Ram Gopal Patodia
6. Ms. Kamini Tibrewala
7. Mr. Shyam Sundar Tibrewala
8. Mr. Pulkit Tibrewala
9. Mr. Manoj Oberoi
10. Ms. Swapna Patodia
11. Mrs. Asha Kothari

Companies on which KMP and/or their relatives have significant influence.**(Associated Companies)**

1. Sanchi Business & Finance Pvt. Ltd.
2. Navsun Marketing Pvt. Ltd.
3. Sahshru Finance Pvt. Ltd.
4. Nakamichi Estates Pvt Ltd.

NAKAMICHI SECURITIES LIMITED

NOTES FORMING PART OF THE ACCOUNTS

Note 2.31 : RELATED PARTY DISCLOSURE

(b) Related parties' transactions during the year -

| | KMP Rs. | Relatives of KMP Rs. | Associated Companies Rs. | Total Rs. |
|-------------------------------------|--------------------|-------------------------------------|-----------------------------------------|----------------------|
| Remuneration Paid | | | | |
| Mrs. Sarita Tibrewala | 840,000 | - | - | 840,000 |
| Ms. Snigdha Tibrewala | 840,000 | - | - | 840,000 |
| Mr. Sanjay Kumar Kothari | - | - | - | - |
| Mr. Sanjeet Kumar Singh | 286,000 | - | - | 286,000 |
| Rent Paid | | | | |
| Sahshru Finance Pvt Ltd. | - | - | 72,000 | 72,000 |
| Nakamichi Estates Pvt Ltd. | - | - | 240,000 | 240,000 |
| Navsun Marketing Pvt Ltd. | - | - | 72,000 | 72,000 |
| Brokerage Income | | | | |
| Navsun Marketing Pvt Ltd. | - | - | 13,846 | 13,846 |
| Sanchi Business & Finance Pvt. Ltd. | - | - | 114,188 | 114,188 |
| Shruti Tibrewala (Oberoi) | - | 41 | - | 41 |
| Ram Gopal Patodia | - | 20,712 | - | 20,712 |
| Subhash Kumar Patodia | - | 3,346 | - | 3,346 |
| Snigdha Tibrewal | 5,475 | - | - | 5,475 |
| Asha Kothari | - | 479 | - | 479 |
| Kamini Tibrewala | - | 3,800 | - | 3,800 |
| Sanjay Kumar Kothari | 645 | - | - | 645 |
| Sarita Tibrewala | 20,595 | - | - | 20,595 |
| Swapna Patodia | - | 1,094 | - | 1,094 |
| Dipository Charges Income | | | | |
| Navsun Marketing Pvt Ltd. | - | - | 1,248 | 1,248 |
| Sanchi Business & Finance Pvt. Ltd. | - | - | 5,098 | 5,098 |
| Sahshru Finance Pvt Ltd. | - | - | 807 | 807 |
| Mrs. Sarita Tibrewala | 780 | - | - | 780 |
| Ms. Snigdha Tibrewala | 826 | - | - | 826 |
| Shruti Tibrewala (Oberoi) | - | - | - | - |
| Kamini Tibrewala | - | 656 | - | 656 |
| Ram Gopal Patodia | - | 1,179 | - | 1,179 |
| Sanchi Tibrewala | - | - | - | - |
| Mr. Shyam Sundar Tibrewala | - | 757 | - | 757 |
| Subhash Kumar Patodia | - | 947 | - | 947 |
| Mr. Pulkit Tibrewala | - | 201 | - | 201 |
| Ms. Swapna Patodia | - | 618 | - | 618 |
| Mr. Sanjay Kumar Kothari | - | 447 | - | 447 |
| Mr. Asha Kothari | - | 225 | - | 225 |
| | 1,994,322 | 34,502 | 519,187 | 2,548,010 |

NAKAMICHI SECURITIES LIMITED

NOTES FORMING PART OF THE ACCOUNTS

Note 2.31 : RELATED PARTY DISCLOSURE

(b) Related parties' Balances at year-end

| | KMP Rs. | Relatives of KMP Rs. | Associated Companies Rs. | Total Rs. |
|------------------------------|------------|----------------------------|--------------------------------|---------------|
| Security deposit paid | | | | |
| Nakamichi Estates Pvt Ltd | - | - | 60,000 | 60,000 |
| | - | - | 60,000 | 60,000 |

Figures in brackets are for the previous year.

No amount has been written back/written off during the year in respect of dues to / from related parties. Related Party relationships have been identified by the management and relied upon by the Auditors.

Note 2.32 : DUES TO MICRO SMALL AND MEDIUM ENTERPRISES

There are no reported Micro and Small Enterprises as defined in "The Micro, Small and Medium Enterprises Development Act, 2006" to whom the Company owes any dues.

Note 2.33 : EMPLOYEE BENEFITS

- (a) Employee benefit obligations have been accounted for following the Accounting Standard - 15 (AS 15) on "Employee Benefits".
- (b) The Company has defined benefit plan, namely, gratuity for all employees, the liability for which is determined on the basis of actuarial valuation at the end of the year. The present value of obligations is determined based on actuarial valuation using the projected unit credit method. The Company does not have any obligation as on 31st March, 2018 in respect of employee benefit on account of leave encashment.
- (c) Particulars in respect of defined benefit plan for the year ended 31st March, 2018 are as follows : -
- I. Reconciliation of opening and closing balances of the present value of the defined benefit obligation (DBO) -

| | 2017-2018 Gratuity (Not Funded) Rs. | 2016-2017 Gratuity (Not Funded) Rs. |
|------------------------------------------------------|-------------------------------------------|-------------------------------------------|
| a) Present value of DBO at the beginning of the year | 1,021,578 | 693,286 |
| b) Current Service Cost | 211,496 | 299,232 |
| c) Interest Cost | 75,290 | 54,631 |
| d) Actuarial (Gain)/Loss | (726,606) | (25,571) |
| e) (Benefits Paid) | - | - |
| Present value of DBO at the end of the year | 581,758 | 1,021,578 |

- II. Reconciliation of the present value of DBO in (I) above and fair value of plan assets -

| | 2017-2018 Gratuity (Not Funded) Rs. | 2016-2017 Gratuity (Not Funded) Rs. |
|-------------------------------------------------------------------------------------|-------------------------------------------|-------------------------------------------|
| a) Present value of DBO at the end of the year | 581,758 | 1,021,578 |
| b) Fair value of PA as at the end of the year | - | - |
| c) (Asset)/Liability recognized in the Balance Sheet | 581,758 | 1,021,578 |
| Shown under Short-term Provision in Note - 2.8 being Current Liability on attrition | 5,954 | 8,522 |
| Shown under Long-term Provision in Note 2.4 | 575,804 | 1,013,056 |
| Total | 581,758 | 1,021,578 |

NOTES FORMING PART OF THE ACCOUNTS

Note 2.33 : EMPLOYEE BENEFITS

III. Expense charged to the Profit and Loss Account -

| | | 2017-2018 Gratuity (Not Funded) Rs. | 2016-2017 Gratuity (Not Funded) Rs. |
|----|---------------------------------------------------------------------------------------|----------------------------------------------------|----------------------------------------------------|
| a) | Current Service Cost | 211,496 | 299,232 |
| b) | Interest Cost | 75,290 | 54,631 |
| c) | (Expected return on plan assets) | - | - |
| d) | Actuarial (Gain)/Loss | (726,606) | (25,571) |
| e) | Expense/(Income) charged/(credited) to Statement of Profit & Loss (net of write-back) | (439,820) | 328,292 |

IV. Principal actuarial assumptions -

| | | 2017-2018 Gratuity (Not Funded) Rs. | 2016-2017 Gratuity (Not Funded) Rs. |
|----|----------------------------------------------------|----------------------------------------------------|----------------------------------------------------|
| a) | Discount rate (per annum) | 7.73% | 7.37% |
| b) | Expected rate of return on Plan Assets (per annum) | N. A. | N. A. |
| c) | Salary increment (per annum) | 7% | 7% |
| d) | Normal age of retirement (years) | 60 | 58 |

The estimates of future salary increment, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

(d) The Company did not have any liability under defined contribution plan during the year.

Note 2.34 : SEGMENT REPORTING

The Company is engaged in single segment as defined in Accounting Standard 17. Hence, segment reporting is not applicable.

Note 2.35 : LEASE DISCLOSURE

The Company has entered into cancellable operating leases for office premises. Tenure of lease are for three to five years. Terms of the lease include operating term for renewal, if any, increase in rent, terms of cancellation etc. Related lease rentals aggregating to Rs. 984,000/- (Previous Year – Rs. 748,999/-) have been charged to the Statement of Profit & Loss.

Note 2.36 :

Previous year's figures have been reworked, regrouped, rearranged and/or reclassified wherever considered necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year's financial statements and are to be read to the amounts and other disclosures relating to the current year.



NAKAMICHI SECURITIES LTD.

CIN: L67120WB1990PLC048496

Registered Office: 9/12 Lal Bazar Street, Block-A, Mercantile Building, 1st Floor, Kolkata 700 001

Phone: (033) 22104841-42 **Fax:** (033) 40629271

Email: investorcell@nakamichi.co.in **Website:** www.nakamichi.co.in.

NOTICE

Notice is hereby given that the 29th Annual General Meeting of Nakamichi Securities Ltd. will be held at its Corporate Office at 27B Camac Street, 4th Floor, Kolkata-700016 on Saturday 29th day of September, 2018 at 10:30 A.M. to transact the following businesses:-

AS ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Accounts of the Company for the Financial Year ended 31st March, 2018, Balance Sheet as at that date and the report of the Directors and Auditors thereon.
- 2) To appoint a Director in place of Mr. Sanjay Kumar Kothari (holding DIN: 02751509), who retires by rotation, and being eligible, offers himself for re-appointment.

AS SPECIAL BUSINESS:

To consider and if thought fit, to pass, with or without modification(S) the following resolution:

- 3) To re-appoint Ms. Snigdha Tibrewala as a Whole-time Director and in this regard, pass the following resolution as Ordinary Resolution:

“RESOLVED THAT in accordance with the provisions of Section 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to re-appoint Ms. Snigdha Tibrewala (DIN: 02801711) as a Whole-time Director, designated as Executive Director of the Company, for a further period of 5 (five) years from the expiry of her present term of office, that is, with effect from May 24th, 2018 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice, with liberty to the Board of Directors and Nomination and remuneration Committee of the Board to alter and vary/ the terms and conditions of the said re-appointment and/or remuneration as it may deem fit;

RESOLVED FURTHER THAT the board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board
For **Nakamichi Securities Limited**

Kolkata
August 11, 2018

Sanjeet Kumar Singh
Company Secretary & Compliance officer

Notes:-

1. A member entitled to attend and vote at the Annual General Meeting ('AGM') may appoint a proxy to attend and vote on a poll on his behalf. A proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company at the Registered Office of the Company not less than 48 hours before the commencement of the AGM i.e. by 10:30 a.m. on Thursday, 27th September, 2018.
2. Corporate Members are required to send to the Registered Office of the Company, a certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the AGM.
3. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at this AGM, is annexed hereto and forms part of this Notice.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Sunday, 23rd September, 2018 to Saturday, 29th September, 2018 (Both days inclusive).
5. Share Transfer documents and all correspondence relating thereto, should be addressed to the Registrars and Transfer Agents of the Company, M/s. MCS Share Transfer Agent Limited, 12/1/5, Manoharpukur Road, Ground Floor, Kolkata 700 026.
6. Members are requested to:
 - a. Intimate change of address immediately to the Registrar and Transfer Agents of the Company, M/s. MCS Share Transfer Agent Limited in respect of their holding in physical form.
 - b. Notify change of address immediately to their Depository Participants in respect of their holding in dematerialized form.
 - c. Register their email address and changes therein from time to time with M/s MCS Share Transfer Agent Limited for shares held in physical form and with their respective Depository Participants for shares held in dematerialized form.
7. In accordance with the provisions of Section 72 of the Companies Act, 2013, members are entitled to make nominations in respect of the Equity Shares held by them in physical form. Members desirous of making nominations may procure the prescribed form from Registrars and Transfer Agents of the Company, M/s MCS Share Transfer Agent Limited on request. Members holding shares in the dematerialized form may contact their Depository Participant for recording the nomination in respect of their shares.
8. Members who wish to obtain information on the Company for the Financial Year ended 31st March, 2018 may send their queries at least 10 days before the Annual General Meeting to the Company Secretary at the Registered Office of the Company.
9. Members/Proxies are requested to fill the attendance slip for attending the AGM. Members who hold equity shares in dematerialized form are requested to write their DP ID and client ID and those who hold equity shares in physical form are requested to write their Folio No. in the attendance slip.
10. Pursuant to amendment to SEBI Listing Regulations dated June 8, 2018, any request for transfer of shares effective from December 5, 2018, shall be processed for shares held in dematerialized form only. Therefore, shareholders who still hold share certificates in physical form are advised to dematerialize their shareholding to facilitate transfers, post December 5, 2018, and avail other benefits of dematerialization, which include easy liquidity, electronic transfer, saving in stamp duty and elimination of any possibility of loss of documents and bad deliveries.

11. For securities market transactions and off market/private transactions involving transfer of shares in physical form of listed companies, it shall be mandatory for the transferee(s) to furnish copy of PAN Card to the Company/RTAs for registration of such transfer of shares. SEBI has made it mandatory to furnish a copy of PAN in the following cases:
 - a. Deletion of name of deceased shareholder(s), where the shares are held in the name of two or more shareholder(s).
 - b. Transmission of shares to the legal heir(s), where deceased shareholder was the sole holder of the shares.
 - c. Transposition of shares when there is a change in the order of the names in which physical shares are held jointly in the names of two or more shareholders.
12. As required under Regulation 36 of SEBI (Listing Obligation & Disclosure Requirements) Regulation 2015, the following information is furnished in respect of the Directors who are proposed to be appointed/ re-appointed:

Details of Director retiring by rotation / seeking re-appointment at the ensuing Meeting are provided in the "Annexure" to the Notice.

13. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the Annual General Meeting, held on September 29, 2017.
14. Electronic copy of the Annual Report for 2017-18 is being sent to all the Members who's Email Ids are registered with the Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2017-18 is being sent in the permitted mode.
15. Electronic copy of the Notice of the 29th AGM of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email-ids are registered with the Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For Members who have not registered their email addresses, physical copies of the Notice of the 29th AGM of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
16. Members may also note that the Notice of the 29th AGM and the Annual Report for 2017-18 will also be available on the Company's website www.nakamichi.co.in for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days.
17. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the members may also send requests to the Company's investor email id: investorcell@nakamichi.co.in.

NAKAMICHI SECURITIES LIMITED

18. Voting through electronic means:

- I. In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, the Company has engaged the services of National Securities Depository Limited (NSDL) to provide the facility of electronic voting ('e-voting') in respect of the Resolutions proposed at this AGM. The Board of Directors of the Company has appointed Mr. Vishal Patodia, as the Scrutinizer for this purpose. The instructions for e-voting are as under:
 - A. In case a Member receives an email from NSDL (for members whose email IDs are registered with the Depository Participants):
 - B. This is in terms of the overall transaction as per the concerned department in regards to the overall transactional alert as per the overall concerned department
 - i. Open email and open PDF file viz; the said PDF file contains your USER ID and PASSWORD/PIN for e-voting;
 - ii. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>;
 - iii. Click on Shareholder – Login;
 - iv. Put user ID and password as initial password/PIN noted in step (i) above. Click Login;
 - v. Password change menu appears. Change the password/PIN with new password of your choice. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential;
 - vi. Home page of e-voting opens. Click on e-voting: Active Voting Cycles;
 - vii. Select “EVEN” (E-voting Event Number) of **Nakamichi Securities Ltd.**;
 - viii. Now you are ready for e-voting as Cast Vote page opens;
 - ix. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted;
 - x. Upon confirmation, the message “Vote cast successfully” will be displayed;
 - xi. Once you have voted on the resolution, you will not be allowed to modify your vote;
 - xii. Institutional & Corporate Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to patodiavishal@gmail.com;
 - C. In case a Member receives physical copy of the Notice of AGM (for members whose email IDs are not registered with the Depository Participants or requesting physical copy):
 - i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:
EVEN (E-Voting Event Number) USER ID PASSWORD/PIN
 - ii) Please follow all steps from Sl. No. (ii) to Sr. No. (xii) above, to cast vote.

NAKAMICHI SECURITIES LIMITED

- 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.
- III. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- IV. 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).
- V. **The e-voting period commences on 26th September, 2018 at 09:00 a.m. and ends on 28th September, 2018 at 5.00 p.m.** During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 22nd, 2018, may cast their vote electronically in the manner and process set out herein above. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- VI. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of September 22nd, 2018.
- VII. Mr. Vishal Patodia has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VIII. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least 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.
19. In case of those Members, who do not have access to e-voting facility, they can use the assent/dissent form sent herewith or can be downloaded from our website www.nakamichi.co.in and convey their assent/dissent to each one of the items of business to be transacted at the ensuing AGM and send the form to reach Mr. Vishal Patodia, Scrutinizer appointed by the Company at the registered office of the Company on or before 28th September, 2018 (05:00 p.m).
20. Members can choose only one of the two options, namely e-voting or voting through physical assent/dissent form. In case the votes are casted through both the formats, then votes casted through e-voting shall stand cancelled and those votes casted through physical assent/dissent form would be considered, subject to the assent/dissent form being found to be valid.
21. The Results of e-voting, physical assent/dissent and poll, if any, shall be aggregated and declared on or after the AGM of the Company by the Chairman or by any other person duly authorized in this regard. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.nakamichi.co.in and on the website of NSDL within two (2) days of passing of the resolutions at the AGM of the company and communicated to the Stock Exchanges.

By Order of the Board
For **Nakamichi Securities Limited**

Kolkata
August 11, 2018

Sanjeet Kumar Singh
Company Secretary & Compliance officer

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT OF MATERIAL FACTS IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 3

The board of Directors of the Company ("the Board") at its meeting held on May 28, 2018 has, subject to approval of members, re-appointed Ms. Snigdha Tibrewala (DIN: 02801711) as a Whole-time Director, Designated as Executive Director, for a further period of 5 (five) years from the expiry of her present term, that is, May 23, 2018, on terms and conditions including remunerations as recommended by the Remuneration and Nomination Committee of the Board and Approved by the Board.

It is proposed to seek members' approval for the re-appointment and remuneration payable to Ms. Snigdha Tibrewala Whole-time Director, designated as Executive Director of the Company, in terms of the applicable provision of the Act.

Broad particulars of the terms of re-appointment of and remuneration payable to Ms. Snigdha Tibrewala are as under:

- (A) Salary: 70,000/- per month.
- (B) Earned Leave: The un-availed portion of leave shall be en-cashable on full day at the end of tenure as per the rule of the Company but not exceeding one month's leave for every eleven months of the service. However, it will not be included in the computation.
- (C) Gratuity payable should not exceed half month's salary for each completed year of service.

Further the Whole time Director shall also be entitled for the reimbursement of the actual entertainment, travelling, boarding and lodging expenses incurred by them in connection with the company's business.

The Whole time Director shall act in accordance with the articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.

Ms. Snigdha Tibrewala satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section(3) of Section 196 of the Act for the being eligible for her re-appointment. She is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mrs. Sarita Tibrewala under section 190 of the Act.

Details of Ms. Snigdha Tibrewala are provided in the Notice pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting ("SS-2"), issued by the Institute of Company Secretaries of India.

Ms. Snigdha Tibrewala is interested in the resolution set out at item No. 3 of the notice. Ms. Snigdha Tibrewala, Whole-time Director, being related to Mrs. Sarita Tibrewala may be deemed to be interested in the resolution set out at Item No. 3 of the Notice.

The other relatives of Ms. Snigdha Tibrewala may be deemed to be interested in the resolution set out at item No. 3 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors/ key managerial Personnel of the Company/ Their relatives are, in any way, concerned or interested, financially or otherwise, in the aforementioned resolution.

The Board recommends the Ordinary Resolution set out at item No. 3 of the notice for approval by the members.

By Order of the Board
For Nakamichi Securities Limited

Kolkata
August 11, 2018

Sanjeet Kumar Singh
Company Secretary & Compliance officer

NAKAMICHI SECURITIES LIMITED

Annexure to the Notice dated August 11, 2018

Details of Directors retiring by rotation / seeking re-appointment at the Meeting

Ms. Snigdha Tibrewala

Ms. Snigdha Tibrewala joined the Board of Nakamichi Securities Ltd. in the year 2013 at the age of 24 years. Mrs. Tibrewala, a graduate in commerce, and a qualified Chartered Accountant. She came on the Board of Nakamichi as an Executive Director. She also serves as a Director in Sanchi Business & Finance Pvt. Ltd. Having her as a Director has since then improved Board's effectiveness and efficiency in its decision making qualities. The Company has taken advantage of additional opportunities due to her better insights, consistency in work and female intuitions. Her shareholding in the Company is 1,47,000 Shares.

Mr. Sanjay Kumar Kothari

Mr. Sanjay Kumar Kothari aged 52 years, is a Graduate in Commerce (B.Com) with more than 20 years of post qualification Experience. Mr. Kothari has enough knowledge of Capital Market.

He is also serving as a Director in Sanchi Business & Finance Private Limited. His Shareholding in the Company is 1,00,000 Share.

There is no inter-se relationship between Mr. Sanjay Kumar Kothari and Other Directors and Key Managerial Personnel of the Company.

By Order of the Board
For **Nakamichi Securities Limited**

Kolkata
August 11, 2018

Sanjeet Kumar Singh
Company Secretary & Compliance officer



NAKAMICHI SECURITIES LTD.

CIN: L67120WB1990PLC048496

Registered Office: 9/12 Lal Bazar Street, Block-A, Mercantile Building, 1st Floor, Kolkata 700 001

Phone: (033) 22104841-42 **Fax:** (033) 40629271

Email: investorcell@nakamichi.co.in **Website:** www.nakamichi.co.in.

Dear Shareholder,

Date: 11.08.2018

Sub: Email Communication with Shareholders

Shareholders may elect to receive shareholder communications, including the Annual Report and notices of meetings, in electronic form rather than by post. It has many advantages, like:

- Speedier delivery of shareholder communications;
- Complying with the "Green Initiative" of the Ministry of Corporate Affairs and saving the environmental resources.
- Reducing costs for the Company on the delivery of documents.

To avail of these benefits the Shareholders need to register their Email-ID with the Company.

Registration Process

Please fill in the attached form given below and send it to our Registrars, M/s. MCS Share Transfer Agent Limited by post. The Annual Report 2018, standard downloadable forms and other Shareholder communications are also available on the Company's website: www.nakamichi.co.in.

Please note that the Company will continue to service documents/notices through post to the Shareholders who do not opt to receive the documents/notices by email.

Yours faithfully,

Nakamichi Securities Ltd.

Snigdha Tibrewala

Whole-time Director

DIN: 02801711

E-MAIL REGISTRATION FORM

(Form for registration of Email-ID for receiving documents/notice by electronic mode)

To

M/s. MCS Share Transfer Agent Limited

UNIT: NAKAMICHI SECURITIES LTD.

12/1/5 Manoharpukur Road, Ground Floor, Kolkata-700 026

Dear Sir

Email Registration

I am the Sole/First shareholder of Nakamichi Securities Ltd. and I hereby agree to receive all communication and documents from Nakamichi Securities Ltd. through Email. Please register my Email ID for sending all communication to me and my joint holders through Email.

Folio No / DP ID & Client ID : _____

Name of Sole/First Registered Shareholder : _____

Registered Address : _____

Pin Code : _____

Contact Numbers : Mobile _____ Landline : _____

Email ID to be register (BLOCK LETTER) : _____

Date : _____ Signature : _____

Note :

- On registration all documents/notices will be sent to the Email ID of the registered folio of shareholder.
- Shareholders are requested to keep the Registrars informed as and when there is any change in the Email address.
- Shareholders may opt to receive communication by post anytime after submitting a suitable letter to the Registrars in this regard.



NAKAMICHI SECURITIES LTD.

CIN: L67120WB1990PLC048496

Registered Office: 9/12 Lal Bazar Street, Block-A, Mercantile Building, 1st Floor, Kolkata 700 001

Phone: (033) 22104841-42 **Fax:** (033) 40629271

Email: investorcell@nakamichi.co.in **Website:** www.nakamichi.co.in.

**28th ANNUAL GENERAL MEETING
PROXY FORM**

| | | |
|---------------------------------------------------------|---|--|
| 1. Name(s) of Member(s) including joint holders, if any | : | |
| 2. Registered address of the sole/ first named Member | : | |
| 3. E-mail ID | : | |
| 4. DP ID No. & Client ID No./ Registered Folio No. | : | |

I/We, being the member(s) of _____ Shares of Nakamichi Securities Ltd. , hereby appoint:

(1) Name : _____
Address : _____
E-mail ID : _____
Signature _____

(2) 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 28th Annual General Meeting of the Company to be held on Saturday , 29th September, 2018 at 10:30 a.m. at 27B Camac Street, Kolkata -700 016 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution Number | | Optional <input checked="" type="checkbox"/> | |
|--------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|---------|
| | | For | Against |
| Ordinary Business | | | |
| 1 | Adoption of Accounts for the financial year ended 31 st March, 2018, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon. | | |
| 2 | Appointment of Mr. Sanjay Kumar Kothari who retires by rotation and offers himself for re-appointment. | | |
| Special Business | | | |
| 3 | Re-appointment of Ms. Snigdha Tibrewala as a Whole-time Director. | | |

Signed this.....day of....., 2018.

Signature of Shareholder.....

Note:

- Please do not fail to put your signature and proper revenue stamp while sending this form to the Company.
- A proxy need not be a member of the Company. **The duly completed proxy form must reach the registered office of the Company not less than 48 hours before the time of the Meeting.**
- In case of joint holders, signature of any one of the holder will be sufficient, but names of all joint holders should be stated.





Route Map of the venue of AGM is provided below:

