



**27<sup>th</sup> ANNUAL REPORT 2015-2016**



## NPR FINANCE LIMITED

**CIN : L65921WB1989PLC047091**

**REGISTERED OFFICE :**

Todi Mansion, 9<sup>th</sup> Floor  
1, Lu-Shun Sarani,  
Kolkata - 700 073  
Phone : (033) 2237-7201/02  
Fax : (033) 2237-6111  
E-mail : npr1@nprfinance.com  
Website: www.nprfinance.com

**BOARD OF DIRECTORS**

**Managing Director :**

Pawan Kumar Todi

**Directors :**

Nandlal Todi  
Arun Charan Mukherji  
Nitin Guha  
Rajendra Kumar Duggar  
Sarika Mehra

**COMMITTEES :**

**Audit Committee :**

Arun Charan Mukherji  
Nitin Guha  
Nandlal Todi  
Rajendra Kumar Duggar

**Stakeholders Relationship**

**Committee :**

Nitin Guha  
Nandlal Todi  
Pawan Kumar Todi

**Nomination and Remuneration**

**Committee :**

Nitin Guha  
Arun Charan Mukherji  
Rajendra Kumar Duggar

**Risk Management Committee :**

Pawan Kumar Todi  
Nandlal Todi  
Shankar Birjuka

**Fair Practice Code Committee :**

Pawan Kumar Todi  
Nandlal Todi  
Nitin Guha

**Executive Director & Company**

**Secretary :**

Sarika Mehra

**Chief Financial Officer :**

Ashok Kumar Shah

**BRANCHES**

**AHMEDABAD BRANCH :**

106-07, 1<sup>st</sup> Floor "Samedh"  
Above Oriental Bank of Commerce  
Near Associated Petroleum  
C. G. Road, Panchavati  
Ahmedabad - 380 006  
Phone : (079) 2640 1482/3  
Fax : (079) 2640 4346

**BHUBANESWAR BRANCH :**

Plot No. K8/555, Kalinga Nagar  
P.O.- Ghatikia, P.S.- Khandagiri  
Dist.- Khurda,  
Bhubaneswar 751 003  
Phone: 09040079790

**KOCHI BRANCH : (w.e.f. 15.07.2016)**

Konnamkudy House, Greenland  
Gardens, Parappuram, Perumbavoor  
Ernakulam (Dist)  
Pin - 683 542  
Kunnathunadu Taluk,  
Perumbavoor Village

**CHENNAI BRANCH :**

No. 35/36, Greams Road  
Ground Floor, Thousand Light  
Chennai - 600 006  
Phone : (044) 2829 5745  
Fax : (044) 2829 5746

**NEW DELHI BRANCH :**

8C/6, W. E. A. Abdul Aziz Road  
Karol Bagh, (Opp. Shastri Park)  
2<sup>nd</sup> Floor, New Delhi -110 005  
Phone : (011) 2875 2585/2481/2081  
Fax : (011) 28750672

**FOREX DIVISION :**

Todi Mansion, 2<sup>nd</sup> Floor  
1, Lu-Shun Sarani,  
Kolkata - 700 073

**AUDITORS**

**STATUTORY AUDITORS :**

M/s. R. P. Boobna & Co.  
Chartered Accountants  
209, A. J. C. Bose Road  
"Karnani Estate"  
2<sup>nd</sup> Floor, Room No. 87  
Kolkata - 700 017

**SECRETARIAL AUDITOR :**

Niaz Ahmed  
Practicing Company Secretary  
1/2 A, Noor Ali Lane  
Kolkata - 700 014

**BANKERS :**

Allahabad Bank  
HDFC Bank Limited  
ICICI Bank Limited  
Federal Bank Limited.

Contents	Page No.
Directors' Report .....	3
Annexure- I : Extract of Annual Return(Form No. MGT-9).....	14
Annexure- II : Secretarial Audit Report(Form No. MR-3).....	27
Annexure- III : Form AOC - 2.....	34
Annexure- IV : Nomination and Remuneration Policy.....	37
Management Discussion & Analysis .....	43
Report on Corporate Governance .....	47
Independent Auditors' Report .....	69
Balance Sheet .....	75
Profit & Loss Account .....	76
Notes on Financial Statements .....	77
Cash Flow Statement .....	104





# NPR FINANCE LIMITED

## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 27<sup>th</sup> Annual Report of the Company together with Audited Accounts for the year ended 31<sup>st</sup> March, 2016.

### 1. Financial Summary or Highlights:

The highlights of the financial performance of the Company for the financial year ended 31<sup>st</sup> March, 2016 as compared to the previous financial year are as under:-

Particulars	2015-2016	2014-2015
Gross Profit before depreciation, interest and Tax	206.58	443.03
(Less) : Depreciation	(62.28)	(61.40)
(Less) : Interest	(18.26)	(49.74)
(Less) : Provision for Current Tax	(96.74)	(125.43)
Add/(Less) : Provision for Deferred Tax	12.01	22.02
<b>Net Profit after tax</b>	<b>41.31</b>	<b>228.48</b>
Add : Brought forward from previous year	1705.59	1540.17
Add/(Less) : Income Tax adjustment of earlier years	1.83	(0.53)
Add/ (Less) : Depreciation Adjustments of earlier years	-	(16.84)
Profit available for appropriation	1748.73	1751.28
<b>APPROPRIATIONS</b>		
Statutory Reserve	8.26	45.69
Surplus Carried to balance sheet	1740.47	1705.59
<b>Total</b>	<b>1748.73</b>	<b>1751.28</b>

### 2. Dividend

Profit after tax for the Financial Year ended 31<sup>st</sup> March, 2016, has been decreased by ₹ 187.16 lacs. Such decrease in Profit after Tax is by and large attributable to higher in the provision towards diminution in value of investment by ₹ 99.50 lacs.

The Company for the foreseeable future, shall retain earnings for use in the operation of its business and the Management feels that, it is prudent to use the cash to invest in new business opportunities for future growth. The Company has scaled down its core business activity of financing three wheeler and the Board of Directors (hereinafter referred to as "the Board"), feels it necessary to conserve the internal accruals and financial reserves of the Company so that the Company can exploit the opportunities to undertake development projects for improving the profitability of the Company in the long run.

### 3. The amount proposed to be carried to reserves

The details of the amounts apportioned to the reserves has

been provided in Point No. 1 of this Directors Report under the category "Financial Summary or Highlights".

### 4. Change in Share Capital

During the year under review, there has been no change in the Authorised or Paid-up Share Capital.

The Authorised Share Capital of the Company stands at ₹7,00,00,000/- divided into 70,00,000 Equity Shares of ₹10/- each.

The Paid-up Share Capital of the Company is ₹5,98,96,000 divided into 59,89,600 Equity Shares of ₹10/- each.

### 5. Listing

The equity shares continue to be listed on the BSE Ltd. which has nation-wide terminals and therefore, shareholders/ investors are not facing any difficulty in trading in the shares of the Company from any part of the country. The Company has paid the annual listing fee for the financial year 2016-17 to BSE Ltd. Further, in terms of the requirement of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the Listing Regulations"), the Company has entered into a fresh Listing Agreement with the BSE Ltd, wide the Listing Agreement dated 23<sup>rd</sup> February, 2016.

### 6. Corporate Governance Report

Your Company has been complying with all the requirements of the code of Corporate Governance, as specified by SEBI.

A separate report on Corporate Governance is furnished as a part of the Directors' Report and the certificate from the Company Secretary in whole time practice regarding compliance of condition of Corporate Governance is annexed to the said Report.

### 7. Extract of the Annual Return

The Extract of the Annual Return as on the financial year ended on 31<sup>st</sup> March, 2016, in Form MGT-9 pursuant to section 92(3) of the Companies Act, 2013 (hereinafter referred to as the "Act") and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is appended to the Directors' Report in **Annexure-I**.

### 8. Number of Meetings of the Board

The Board of Directors of the Company met four(4) times during the Financial Year under review.

Further, one exclusive meeting of the Independent Directors, pursuant to Schedule IV of the Act and sub-regulation 3 of Regulation 25 of the Listing Regulations, was held on 11<sup>th</sup> February, 2016.

The Meetings were held in accordance with the provisions of the Act, the erstwhile Listing Agreement and the Listing Regulations, 2015.



The details of the Meetings of the Board of Directors during the Financial Year 2015-16 is encompassed in the Corporate Governance Report which is annexed to the said Report.

## 9. Disclosure pursuant to Section 177(8) of the Companies Act, 2013-Composition of the Audit Committee.

The Audit Committee of the Company comprises of three non-executive independent directors and one non-executive non-independent promoter director as on 31<sup>st</sup> March, 2016. The Committee is chaired by a non-executive Independent Director, Mr. Nitin Guha (DIN- 01107480).

The detail of the same is morefully provided in the Corporate Governance Report.

During the Financial Year under review, the Committee met four (4) times and all such meetings were held in accordance with the provisions of the Act, Clause 49 of the erstwhile Listing Agreement and the Listing Regulations, 2015.

Further, the Board of Directors have accepted all the recommendations of the Audit Committee in the Financial Year 2015-16.

## 10. Composition of the Nomination and Remuneration Committee

The Remuneration Committee which was constituted on 30/10/2002, was reconstituted as the Nomination and Remuneration Committee at the meeting of the Board of Directors held on 16<sup>th</sup> May, 2014, pursuant to the requirements of Section 178 of the Act.

The Nomination and Remuneration Committee of the Company comprises of three Non Executive Independent Directors.

The details of the Committee is provided in the Corporate Governance Report.

## 11. Composition of the Stakeholders Relationship Committee

The Share Transfer and Investors Grievance Committee was reconstituted as the Stakeholders Relationship Committee at the meeting of the Board of Directors held on 16<sup>th</sup> May, 2014 pursuant to the requirements of Section 178 of the Act.

The Committee consists of one Non - Executive Independent Director, one Non-Executive Non- independent Promoter Director and one Executive Non- independent Promoter Director.

The details of the Committee is provided in the Corporate Governance Report.

## 12. Directors' Responsibility Statement

Pursuant to the provisions of Section 134 (3) (c) read with section 134 (5) of the Act, the Directors hereby confirm and state that:

a. In the preparation of Annual Accounts, the applicable Accounting Standards have been followed along with the proper explanation relating to material departures, if any.

b. The Directors have selected such accounting policies and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on the Financial Year ended on 31<sup>st</sup> March, 2016 and of the profit of the company for the year under review.

c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

*However, during the Financial Year under review, fraud was committed by an ex-employee of the Company, wherein, there was mis-appropriation of funds to the tune of ₹ 9.45 Lacs (approx.). The accused has been terminated from employment and is presently absconding. Accordingly, FIR has been lodged with the Bowbazar Police Station, Kolkata.*

d. The Directors have prepared the annual accounts 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.

*However, in the light of the fraud been detected, as mentioned in point no. 12 (c) above, such control system has been further strengthened.*

f. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 13. Declaration by the Independent Directors

Section 149(7) of the Act requires every independent director to give a declaration that he meets the criteria of Independence, defined in section 149(6) of the Act, at the first Board Meeting of every financial year.

Accordingly, the Statement of Declaration of Independence has been submitted by all the Independent Directors; viz: Mr.



## NPR FINANCE LIMITED

Nitin Guha (DIN: 01107480), Mr. Rajendra Kumar Duggar (DIN:- 00403512 ) and Mr. Arun Charan Mukherji (DIN:- 00063975).

### 14. Policy on Directors' Appointment & Remuneration

Pursuant to the provisions of Section 178(4) of the Act read with the Rules made thereunder and Clause 49 of the erstwhile Listing Agreement entered into with the BSE Ltd., the Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of a director and has further formulated a policy relating to the remuneration for directors, key managerial personnel and other employees, which has been duly approved by the Board of Directors.

While formulating the Policy, the Nomination and Remuneration Committee has assured that:

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- The relationship of remuneration to performance is clear and meets appropriate benchmarks; and
- The remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay, reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The details of the same have been provided in the Corporate Governance Report for the Financial Year 2015-16.

### 15. Auditors & Auditors' report

#### A. Statutory Auditors

The appointment of M/s R. P. Boobna & Co.(Firm Registration No. 304093E), Chartered Accountants of 209, A.J.C. Bose Road, "Karnani Estate", 2<sup>nd</sup> Floor, Room No. 87, Kolkata 700 017 is subject to ratification by the members at the ensuing Annual General Meeting.

In this connection, M/s R.P. Boobna & Co. have furnished a Certificate of Eligibility pursuant to Section 141 of the Act read with the Rules framed thereunder.

Based on the recommendation of the Audit Committee, the Board of Directors have recommended their ratification to the shareholders.

#### B. Independent Auditors' Report

The Self Explanatory Independent Auditors' Report does not contain any adverse remarks or qualification, *save and except for, a fraud been committed by an ex-employee of the Company, which has been mentioned in point no. "i" of the Independent*

*Auditor's Report under the category of "Report on Other Legal and Regulatory Requirements".*

*In the light of the fraud detected, the Board of Directors have further strengthened the Internal Control System, to prevent its recurrence in the future.*

#### C. Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act read with the Rules made thereunder, Mr. Niaz Ahmed (C.P. No. 5965, Membership No. 15555), Company Secretary in whole-time Practice, was appointed for the issuance of the Secretarial Audit Report for the Financial Year ended 31<sup>st</sup> March, 2016.

He has been further, re-appointed by the Board of Directors at their meeting held on 26.05.2016, on the recommendation of the Audit Committee, to issue the Secretarial Audit Report for the Financial Year ended 31<sup>st</sup> March, 2017.

#### D. Secretarial Audit Report

The Secretarial Audit Report is appended to the Directors' Report in **Annexure-II**.

Secretarial Audit Report does not contain any adverse remark save and except the following:

- There was a delay in TDS Deposit for the month of July, 2015 as the bills were received at a later date.*
- There was a delay in depositing the Service Tax liability for various months.*

*The details of the same alongwith the reason(s) thereto are enumerated hereunder:*

Month ended	Reason(s) for Delay as explained by the Management
March, April and, May, 2015	Service tax payment was delayed due to delay in bills provided by the concerned party.
July and November, 2015	There was delay in making provision for service tax under reverse charge mechanism on works contract by the Branch(s) Office.
March, 2016	1. The due date for service tax payment being 31 <sup>st</sup> March, 2016, the service tax payment was made after considering the transactions as on 30 <sup>th</sup> March, 2016. However, certain transactions of the Money Changing Division were executed on 31 <sup>st</sup> March, 2016 and therefore, the service tax payments pertaining to such transactions were made after the due date.

	2. Further, the deficit service tax payments pertaining to the Financial Year 2015-16 were also made after the due date.
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3. There was a delay in submission of Quarterly Return in Form - B, regarding Generation of Energy in respect of the Wind Turbine Generators of the Company, located at Dhule and Sangli.

The relevant non-compliance quarter alongwith the reasons thereto, are enumerated hereunder:

Quarter ended	Wind Turbine Generator at Dhule / Sangli - Reason(s) for Delay as explained by the Management
June, 2015	<b>Dhule &amp; Sangli</b> : The disclosure sent to the office of the Chief Engineer at Mumbai was undelivered due to change in address. However, the Company was not intimated of the same. The disclosure was sent upon receipt of the correct address from the vendor's Office: M/s Suzlon Global Services Limited.
December, 2015	<b>Dhule</b> : The Company did not receive the invoice for the months of November & December, 2015, since, its Vendor, M/s Suzlon Global Services Limited, informed that, the delay was being caused due to structuring of a Centralised Billing System. Therefore the Company submitted Form-B within the due date on the basis of the Invoice of Oct, 2015. Subsequently, the Invoices were received after the expiry of the due date for submission of the Return, and thereafter, the Company resubmitted the revised Form.
March, 2016	<b>Dhule</b> : The Company did not receive the invoice for the month of March, 2016, since its Vendor, M/s Suzlon Global Services Limited, informed that, M/s Maharashtra State Electricity Distribution Company Limited (MSEDCL) was conducting its audit process. Therefore the Company submitted Form-B on the basis of the Credit Reports of January and February, 2016. Subsequently the Invoice for March, 2016, was received after the expiry of the due date and thereafter, the Company resubmitted the revised Form.

4. The Company's Master Data on the portal of the Ministry of Corporate Affairs reveals prosecution proceedings being initiated against the Company.

The Company did not receive any show cause notice or prosecution notice, or copy of complaint filed with Ld. Court, any other documents pertaining to the prosecution and therefore, in this connection, the Company has been corresponding with the concerned Department(s) of the Ministry of Corporate Affairs in order to obtain the prosecution details. The same is in process.

#### 16. Particulars of Loans, guarantees or investments under Section 186 of the Act.

The provisions of Section 186 of the Act are not applicable upon a Non-Banking Financial Company. Therefore, the Company is not required to provide any disclosure pursuant to Section 134(3)(g) of the Act.

#### 17. Particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 of the Act in the prescribed form.

All related party transactions, contracts or arrangements that were entered into, during the financial year under review, were on an arms-length basis and in the ordinary course of business. The Company has adhered to its "Policy on Related Party Transactions and Materiality of Related Party Transactions" while pursuing all Related Party transactions.

During the year under review, the Company has entered into material related party transaction as defined in Clause 49 of the erstwhile Listing Agreement, and/or section 188 of the Act read with the Rules made thereunder, and/or Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Audit Committee at its meeting held on 27<sup>th</sup> May, 2015, had granted omnibus approval in line with the Company's Policy on Related Party Transactions, to pursue such transactions subject to a maximum threshold limit of ₹1 Crore per Related Party Transactions that are repetitive in nature, for the financial year 2015-16. The Committee has, on a quarterly basis, reviewed the details of the Related Party Transactions entered into by the Company pursuant to each omnibus approval accorded. In terms of sub-clause VII of Clause 49 of the erstwhile Listing Agreement entered into by the Company with the BSE Ltd., and Notification dated 14<sup>th</sup> December, 2015, as issued by the Ministry of Corporate Affairs, regarding Companies (Meetings of Board and its Powers) Second Amendment Rules, 2015, such omnibus approval is valid only for one year.

Accordingly, the Audit Committee at its Meeting held on 11<sup>th</sup> February, 2016, has accorded fresh omnibus approval to pursue related party transactions subject to a maximum threshold limit of ₹1 Crore per Related Party Transactions that are repetitive in nature, for the financial year 2016-17.



The Committee shall, on a quarterly basis, review the details of the Related Party Transactions entered into by the Company pursuant to each such omnibus approval accorded.

Further, in terms of Regulation 23 of the Listing Regulations and section 188 of the Act, the consent of the members shall be sought at the ensuing 27<sup>th</sup> Annual General Meeting for approval/ratification of various Related Party Transactions.

All the Material Related Party Transactions entered in the ordinary course of business and at arm's length basis have been reported in Form No. AOC-2 by way of **Annexure – III** in terms of Section 134 of the Act read with the Rules made thereunder.

### 18. State of Company Affairs & Future Outlook

NPR Finance Ltd. a Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Company, is committed to transparency and fairness in dealing with all stakeholders and to develop a culture where it is safe for all employees to raise concerns about any poor or unacceptable practice and any event of misconduct or violation of law in force.

As on 31<sup>st</sup> March, 2016, the Company does not have any outstanding public deposits and the Company shall not accept in future and in the Financial Year 2016-2017, any public deposit without obtaining the prior approval in writing of the Reserve Bank of India.

Considering the stiff competition from similar market players and the depression phase of the Indian economy in the financial year 2015-16, the Company has cautiously executed few fresh finances and is focusing more on recoveries. It is shifting its focus from Financing activities to Real Estate activities. However, your Company has considered it prudent to concentrate on the smooth running of its existing business ventures till it identifies suitable real estate projects.

Similar to the previous financial year, the Company is expecting consistent profitability on account of interest income on inter-corporate deposits given to related parties and others.

The Company's financial disbursement has gone down by ₹355.67 lacs, in comparison to the previous financial year. The Company is continuously reducing its exposure in three-wheeler financing due to difficult operating environment. The Company's entire focus is on recoveries against earlier year losses and write-offs. The Company has recorded ₹193.35 lacs towards recovery from bad debts as against ₹279.28 lacs recorded in the previous year.

The income from the Money Changing Business which is operational in Kolkata has increased by 18.80% and the Company expects consistent but modest profitability from this area of business.

As regards the Wind Energy Sector, the Company has focused on strengthening the monitoring of its Wind Turbine Generators installed at Dhule and Sangli- Maharashtra, by engaging M/s WinDforce Management Services Pvt. Ltd., for monitoring the Operation and Management of the wind farms, being maintained by M/s Suzlon Global Services Limited. Taking into account the regulatory support to the Power Generation sector, and the fact that, this sector is exposed to climatic risk, Operation and Maintenance Risk, and varied velocity, the Company has adopted a wait and watch policy to review the consistency in revenue generation from this sector, before considering further expansion into any similar venture.

During the period under review, the Company has not generated any income from the Real Estate Division. However, the Company is desirous to explore this arena in the near future, subject to suitable opportunities.

### 19. Material Changes and commitments, if any, affecting the financial position of the Company, which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

No Material Changes and commitments affecting the financial position of the Company, have occurred between the end of the financial year of the company to which the financial statements relate and the date of this Directors' Report.

### 20. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings And Outgo.

Disclosure in terms of Rule 8(3) of the Companies (Accounts) Rules, 2014 :

#### a. Conservation of Energy

The Company has no activity relating to conservation of energy .

#### b. Technology Absorption

In terms of Section 134 (3) (m) of the Act read with the Rules made there under, the Company has no activity relating to Technology Absorption. Further, the Company has not entered into any technology transfer agreement.

#### c. Foreign Exchange earnings and outgo

The Company does not have any Foreign Exchange earnings and outgo during the year under review.



**21. Risk Management Policy**

**In terms of Clause 49 of the erstwhile Listing Agreement, and in compliance with Section 134(3)(n) of the Act, the Company has a Risk Management Policy which provides for the identification therein of elements of risk, which in the opinion of the Board may threaten the existence of the Company.**

Pursuant to Schedule IV(II)(4) of the Act, the Independent Directors, inter-alia amongst others, review the system from time to time to ensure that Risk Management is robust and satisfactory.

Further, in terms of Regulation 17(9)(b) of Listing Regulations, and Clause 49(I)(D)(2)(a) of the erstwhile Listing Agreement, the Board of Directors is responsible for framing, implementing and monitoring the Risk Management Plan of the Company, and has delegated the power of monitoring and reviewing of the risk management plan to the Risk Management Committee.

The Risk Management Committee is responsible for laying down procedures to inform Board members about the risk assessment and minimization procedures. This is described morefully in the Corporate Governance Report.

**22. Policy on Corporate Social Responsibility (CSR) Initiatives**

Pursuant to provisions of Section 135 of the Act, the Company is not required to constitute a Corporate Social Responsibility Committee or to undertake any CSR activities.

Therefore, the Company is not required to make any disclosure as specified in Section 134(3) (o) of the Act.

**23. Manner of formal annual evaluation by the Board of its own performance and that of its committees and individual directors.**

Pursuant to Section 134(3)(p) of the Act read with Rule 8(4) of the Companies (Accounts) Rules, 2014, other applicable provisions of the Act, and various applicable clauses of the Listing Regulations, and the erstwhile Listing Agreement, the disclosure regarding the manner of formal annual evaluation by the Board of its own performance and that of its various committees and individual directors is provided hereto:

**a. Evaluation Criteria**

Pursuant to Part C of Schedule II of the Listing Regulations, the Nomination and Remuneration Committee has formulated the criteria for evaluation of the performance of the Independent Directors and the Board. The Nomination and Remuneration Committee also identifies persons qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommends to the Board their appointment and removal and carries out the evaluation of every director's performance in accordance with

Section 178(2) of the Act read with the Rules framed there under and Part C of Schedule II of the Listing Regulations.

The Board shall monitor & review the Board Evaluation Framework and evaluate the performance of all the Board Committees.

Further, pursuant to Clause 49(IV)(B)(1) of the erstwhile Listing Agreement, the Nomination and Remuneration Committee has formulated criteria for determining qualifications, positive attributes and independence of a director and recommended to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees. The details of the same is morefully described in the Corporate Governance Report.

Further, the Committee has also devised a Policy on Board Diversity as provided in Clause 49(IV)(B)(3) of the erstwhile Listing Agreement.

**b. Performance Evaluation of the individual directors**

Pursuant to section 178(2) of the Act, the Nomination and Remuneration Committee of the Company carries out the performance evaluation of the individual directors.

**c. Board of Directors**

A separate meeting of the Independent Directors of the Company was held on 11<sup>th</sup> February, 2016, pursuant to Clause VII of Schedule IV to the Act and Regulation 25 of the Listing Regulations, for transacting the following businesses as set forth in the Agenda :

1. Review the performance of the non-independent directors and the Board as a whole.
2. Review the performance of the Chairman of the Company, taking into account the views of the executive directors and non-executive directors.
3. Assessment of the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The same was perused in accordance with the Evaluation criteria determined by the Nomination and Remuneration Committee.

The Independent Directors of the Company in fulfilling their role and functions as specified in Clause II of Schedule IV to the Act, help in bringing an objective view in the evaluation of the performance of the Board and management.

The Independent Directors expressed satisfaction over the performance of all the non-independent Directors and the Chairman.



#### **d. Performance Evaluation of the Independent Directors**

Pursuant to Clause VIII of Schedule IV to the Act and Regulation 19 of the Listing Regulations, read with Part D of Schedule II thereto, the performance evaluation of the Independent Directors is pursued by the entire Board of Directors, excluding the director being evaluated.

On the basis of the report of performance evaluation, the extension of the term of appointment or its continuance in respect of the independent directors is being considered.

#### **e. Performance Evaluation of the Committee**

The Board of Directors evaluate the performance of all the Board Committees, based on the Company's Performance Evaluation Policy.

#### **24. Nomination and Remuneration Policy**

Based on the recommendation of the Nomination and Remuneration Committee, the Board has adopted a Nomination and Remuneration Policy in terms of Section 178 of the Act, read with Rules made thereunder and Clause 49(IV)(B) of the erstwhile Listing Agreement with the BSE Ltd. and Listing Regulations.

The Nomination and Remuneration Policy is reproduced in **Annexure-IV**.

#### **25. Change in the nature of business**

There has been no change in the nature of business of the Company in the Financial Year under review.

#### **26. Directors & Key Managerial Personnel**

##### **a. Non-Executive & Executive Directors- Non-independent.**

Mr. Nandlal Todi (DIN-00581581), Non-Executive Non-independent Promoter Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. He is the relative of Mr. Pawan Kumar Todi (DIN-00590156), Managing Director of the Company.

Further, Ms. Sarika Mehra (DIN-06935192), Executive Director & Company Secretary, was appointed as an Executive Director of the Company for a term of five years with effect from 19<sup>th</sup> September, 2014.

Mr. Pawan Kumar Todi (DIN-00590156), Managing Director was re-appointed for a term of five years with effect from 1<sup>st</sup> November, 2014.

##### **b. Independent Director.**

All the Independent Directors of the Company viz. Mr. Nitin Guha, Mr. Arun Charan Mukherji and Mr. Rajendra Kumar Duggar were appointed for a term of five years at the 25<sup>th</sup>

Annual General Meeting of the Company with effect from 19<sup>th</sup> September, 2014.

##### **c. Chief Financial Officer**

Mr. Ashok Kumar Shah, is the Chief Financial Officer of the Company.

#### **27. Names of Companies which have become or ceased to be the Company's subsidiaries, joint ventures or associate companies during the year under review**

The Company does not have any Subsidiary or associate companies (as defined in Section 2(6) of the Act) nor is associated with any joint ventures and therefore the disclosure requirement pursuant to Rule 8 of the Companies (Accounts) Rules, 2014 is not applicable for the Company.

#### **28. Details relating to deposits covered under Chapter V of the Act**

The Company has not accepted any deposits during the financial year under review.

As on 31<sup>st</sup> March, 2016 and as on date, the Company has no outstanding public deposit and the Company shall not accept in future and in the Financial Year 2016 - 2017 any public deposit without obtaining prior approval in writing of the Reserve Bank of India.

#### **29. Details of deposits which are not in compliance with the requirements of Chapter V of the Act**

Since the Company has neither accepted any deposits during the financial year under review, nor has any outstanding deposits as on 31<sup>st</sup> March, 2016, therefore there are no disclosures as specified in Rule 8(5) (vi) of the Companies (Accounts) Rules, 2014, for non-compliance with the requirements of Chapter V of the Act.

#### **30. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's future operations**

No significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and the Company's future operations.

The Company's Master Data on the portal of the Ministry of Corporate Affairs reveals prosecution proceedings being initiated against the Company. However, the Company did not receive any show cause notice or prosecution notice, or copy of complaint filed with Ld. Court, any other documents pertaining to the prosecution and therefore, in this connection, the Company has been corresponding with the concerned Department(s) of the Ministry of Corporate Affairs in order to obtain the prosecution details. The same is in process.

**31. Details in respect of adequacy of internal financial controls with reference to the Financial Statements**

The Audit Committee of the Company ensures that there is a direct relationship between the Company's objectives and the internal financial controls it implements, to provide reasonable assurance about their achievement.

In this connection, the Audit Committee in coordination with the Internal Audit Department periodically reviews the following:

- Transactions are executed in accordance with the management's general or specific authorization;
- All transactions are promptly recorded in the correct amount in the appropriate accounts and in the accounting period in which they are executed so as to permit preparation of financial information within a framework of recognized accounting policies and practices and relevant statutory requirements, if any;
- Accountability of assets is adequately maintained and assets are safeguarded from unauthorized access, use or disposition.

There is a proper allocation of functional responsibilities within the Company and it is ensured that the quality of personnel commensurate with their responsibilities and duties. Further, proper accounting and operating procedures are followed to confirm the accuracy and reliability of accounting data, efficiency in operation and safety of the assets. The regular review of work of one individual by another, minimizes the possibility of fraud or error in the absence of collusion.

In the light of a fraud been committed by an ex-employee of the Company, to the tune of ₹ 9.45 Lacs, such internal financial control system has been further strengthened to prevent its recurrence in the future.

A reference is made in this connection in the CEO & CFO Certificate dated 26<sup>th</sup> May, 2016.

**32. Disclosure pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

The Company has no employee whose remuneration exceeds the limit prescribed under Section 197 of the Act read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The disclosure pursuant to Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided herein below:

In computing the various parameters, Gross Salary alongwith Employers' contribution to Provident Fund, Bonus paid, Leave Encashment paid, have been considered. Gross Salary of the employees primarily encompasses Salary, allowances and perquisites.

**I. Ratio of Remuneration of each director to the median remuneration of the employees of the company for the financial year.**

Directors	Ratio of Remuneration to Median Remuneration
Nandlal Todi	Paid Sitting Fees only
Arun Charan Mukherji	Paid Sitting Fees only
Nitin Guha	Paid Sitting Fees only
Rajendra Kumar Duggar	Paid Sitting Fees only
Mr. Pawan Kumar Todi	16:1
Ms. Sarika Mehra	15:1

**II. The percentage increase in the remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.**

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the Financial Year
Nandlal Todi - Non-executive Director	-Paid Sitting Fees only
Arun Charan Mukherji - Non-executive Director	-Paid Sitting Fees only
Nitin Guha - Non-executive Director	-Paid Sitting Fees only
Rajendra Kumar Duggar - Non-executive Director	-Paid Sitting Fees only
Mr. Pawan Kumar Todi - Managing Director	3.81 %
Ms. Sarika Mehra - Executive Director & Company Secretary	9.39 %
Mr. Ashok Kumar Shah - Chief Financial Officer of the Company	6.30 %

**III. The percentage increase in the median remuneration of the employees in the financial year.**

There has been increase of 7.77 % in the median remuneration of the employees in the Financial Year.

**IV. The number of permanent employees on the rolls of the company.**

As on 31<sup>st</sup> March, 2016, there are 40 Employees on the rolls of the Company.

**V. The explanation on the relationship between average increase in remuneration and company performance.**

In order to ensure that remuneration reflects Company performance, the performance pay is also linked to organization performance, apart from an individual's performance.

**VI. Comparison of the remuneration of the Key Managerial Personnel against the performance of the company.**

Comparative Parameter	Amount (in ₹ )
Aggregate remuneration of Key Managerial Personnel (KMP) in the Financial Year 2015-16.	32,49,842
Total Revenue	44,04,99,975
Remuneration of KMP's as a percentage of Total Revenue	0.74 %
Profit before tax	1,26,04,307
Remuneration of KMP's as a percentage of Profit before Tax	25.78 %
Profit after tax	41,31,307
Remuneration of KMP's as a percentage of Profit after Tax	78.66 %

**VII. VARIATIONS IN :**

**A. The market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year.**

Particulars	31 <sup>st</sup> March, 2016	31 <sup>st</sup> March, 2015	% Change
Market Capitalisation	7,75,65,320	6,64,84,560	16.67 %
Price Earnings Ratio	18.77	2.91	544.20 %

**B. 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	31 <sup>st</sup> March, 2016	27 <sup>th</sup> Feb, 1995 (IPO issue)	% Change
Market Price	12.95	15.00	-13.67 %

**VIII. A. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year.**

Percentile increase in the salary in 2014-15	Percentile decrease in the salary in 2015-16
41.03	22.28

The decrease in salary as provided aforesaid, is by and large attributable to the decrease in the number of employees from 60 as on 31<sup>st</sup> March, 2015, to 40, as on 31<sup>st</sup> March, 2016. There was no decrease in the salary of the existing employees.

**B. Its comparison with the percentile increase in the managerial remuneration and justification thereof.**

In comparison to the aforesaid decrease of 22.28% of other employees, the salary of the Managerial Personnel increased by 6.36% to cover the inflationary impact.

**C. Whether there are any exceptional circumstances for increase in the managerial remuneration.**

There are no exceptional circumstances prevalent for increase in the managerial remuneration.

**IX. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company.**

Comparative Parameter	Pawan Kumar Todi -Managing Director	Sarika Mehra -Executive Director & Company Secretary	Ashok Kumar Shah -Chief Financial Officer
Remuneration of the Key Managerial Personnel (KMP) in the Financial Year 2015-16.	12,90,242	11,59,800	7,99,800
Total Revenue of the Company	<i>44,04,99,975</i>		
Remuneration of KMP's as a percentage of Total Revenue	0.29%	0.26%	0.18%
Profit before tax	<i>1,26,04,307</i>		
Remuneration of KMP's as a percentage of Profit before Tax	10.24%	9.20%	6.35%
Profit after tax	<i>41,31,307</i>		
Remuneration of KMP's as a percentage of Profit after Tax	31.23%	28.07%	19.36%



**X. The key parameters for any variable component of remuneration availed by the directors.**

The Variable Components of Remuneration broadly comprises of - Performance based promotion and bonus.

The same shall also depend upon various factors including: their grade, industry bench mark, overall business performance.

Further, in determining the director's remuneration, their performance evaluation as duly carried out by the Board and/or Independent Directors, shall also be given due weightage.

Any annual increase in the remuneration of the Directors, Key Managerial Personnel and Senior Management Personnel shall be at the sole discretion of the Board, based on the recommendation of the Nomination and Remuneration Committee and subject to such statutory approvals, if any.

**XI. 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.**

None of the employees' remuneration is more than that of the highest paid director for the Financial Year under review.

**XII. Affirmation that the remuneration is as per the remuneration policy of the company.**

The Board of Directors hereby affirm that the remuneration paid to all directors, Key Managerial Personnel is in accordance with the Nomination and Remuneration Policy of the Company.

**33. Vigil Mechanism/Whistle Blower Policy**

The Vigil Mechanism/Whistle Blower Policy of the Company is aimed to provide a vigilance mechanism for the directors and employees of the Company to raise concern of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc. The purpose of this Policy is to encourage the Company's directors and employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

No personnel have been denied access to the Audit Committee. There were no instances of reporting under the Whistle Blower Policy.

The details of the Vigil Mechanism/Whistle Blower Policy is explained in the Corporate Governance Report and also disclosed on the website of the Company.

**34. Insider Trading**

The Company has put in place a Code of Conduct for Prevention of Insider Trading based on SEBI (Prohibition of Insider Trading) Regulations, 1992. This code was applicable upon all Directors and select employees. The code ensured prevention of dealing in shares by persons having access to unpublished price sensitive information.

The aforesaid Code was effective till 14<sup>th</sup> May, 2015 & thereafter repealed with the following Codes pursuant to the SEBI(Prohibition of Insider Trading )Regulations, 2015 and effective from 15<sup>th</sup> May, 2015:

- a. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.
- b. Code of Conduct to Regulate, Monitor and Report Trading.

The aforesaid Codes have been disclosed on the website of the Company.

**35. Transfer of amount to Investor Education and Protection Fund (IEPF)**

Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, the relevant amount which remained unpaid or unclaimed for a period of seven years has been transferred by the Company, from time to time on respective due dates, to the Investor Education and Protection Fund(IEPF). Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company had uploaded from time to time, the details of unpaid and unclaimed amount lying with the Company on the Company's website ([www.nprfinance.com](http://www.nprfinance.com)), as also on the Ministry of Corporate Affairs' website. Members are requested to note that once the unclaimed dividend is transferred to the IEPF, no claim shall lie in respect thereof.

Since, no amount was lying unpaid and unclaimed, therefore the question of transfer to IEPF in the Financial Year 2015-16, does not arise.

**36. Prudential Norms for NBFC'S**

Your Company has been complying with all the requisite norms prescribed by the Reserve Bank of India for income recognition, accounting standards, capital adequacy, credit



rating, provisioning and all other requirements applicable for Non-Deposit Taking Non-Systematically Important NBFCS.

### 37. Green Initiative

To support the 'Green Initiative' in the Corporate Governance taken by the Ministry of Corporate Affairs, to contribute towards greener environment and to receive all documents, notices, including Annual Reports and other communications of the Company, investors should register their e-mail addresses with M/s. Niche Technologies Private Ltd., if shares are held in physical mode or with their DP, if the holding is in electronic mode.

Electronic Copies of the Annual Report and Notice of the Annual General Meeting are sent to all members whose e-mail addresses are registered with the Company/Depository Participant(s). For members who have not registered their email address, physical copies of the Annual Report and Notice of the Annual General Meeting are sent in the permitted mode. Members requiring physical copies can send their request to Ms. Sarika Mehra (DIN-06935192), Executive Director & Company Secretary of the Company.

In terms of Section 108 of the Act and Rule 20 of the Company's (Management and Administration) Rules 2014, the Company is providing remote e-voting facility to all the members to enable them to cast their votes electronically on all the resolutions set forth in the Notice. This is pursuant to Section 108 of the Act and Rule 20 of the Company's (Management and Administration) Rules 2014.

### 38. Compliance to the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 read with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Rules, 2013.

The Company is committed to the protection of women against sexual harassment. The right to work with dignity are universally recognised human rights by international conventions and instruments such as Convention on the Elimination of all Forms of Discrimination against Women.

In adherence to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 read with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Rules, 2013, the NPR Group has constituted an Internal Complaints Committee to look into the matters relating to sexual harassment at workplace.

Ms. Sarika Mehra (DIN-06935192), Executive Director & Company Secretary is the Presiding Officer of the Committee.

In the event of any sexual harassment at workplace, any woman employee of the NPR Group may lodge complaint to Ms. Sarika Mehra in writing or electronically through e-mail at : [smehra@nprfinance.com](mailto:smehra@nprfinance.com).

During the period under review, no complaints were received by the Company in terms of the aforesaid act.

### 39. Management's Discussion and Analysis

In accordance with the listing requirement, the Management's Discussion and Analysis forms part of this Report.

### 40. Acknowledgement

Your Directors wish to place on record their gratitude for the valuable guidance and support rendered by the Government of India, various State Government departments, Financial Institutions, Banks and stakeholders, including, but not limited to, shareholders, customers and suppliers, among others. We place on record, our appreciation of the contribution made by our employees at all levels.

The Directors look forward to the continued support of all the stakeholders in the future and appreciate and value the contribution made by every member of the Company.

Place : Kolkata  
Dated : 26.05.2016

On Behalf of the Board of Directors  
**Arun Charan Mukherji**  
Chairman  
DIN-00063975



## NPR FINANCE LIMITED

### Annexure - I to the Directors' Report

#### Form No. MGT-9

#### EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2016

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

#### I. REGISTRATION AND OTHER DETAILS:

CIN	L65921WB1989PLC047091
Registration Date	22 <sup>nd</sup> June, 1989
Name of the Company	NPR Finance Ltd.
Category / Sub-Category of the Company	Company limited by Shares
Address of the Registered Office and contact details	Todi Mansion, 9 <sup>th</sup> Floor 1, Lu-Shun Sarani. Kolkata – 700 073 Phone No. : 033 22377201/22377202 Fax: (033) 22376111
Whether listed company	Yes
Name, Address and contact details of Registrar & Transfer Agents(RTA), if any	M/s. Niche Technologies Private Ltd. D-511, Bagree Market, 71, B.R.B. Basu Road Kolkata 700 001. Phone Nos. (033) 2235-7270/7271, 2234-3576 Fax: (033) 2215- 6823 E-mail: <a href="mailto:nichetechpl@nichetechpl.com">nichetechpl@nichetechpl.com</a>

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products /services	NIC Code of the Product/ service	% to total turnover of the company
1	Financing under Hypothecation	64990	7.75%
2	Foreign Currencies & Traveller's Cheques	66190	71.46%
3	Windpower	35106	3.58%
4	Shares & Securities	64990	10.75%

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

NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
NIL				



## NPR FINANCE 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				No. of Shares held at the end of the year				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
(a) Individual/HUF	24,41,910	-	24,41,910	40.77	24,41,910	-	24,41,910	40.77	-
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt (s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	15,98,420	-	15,98,420	26.69	16,23,520	-	16,23,520	27.11	0.42
(e) Banks / FI	-	-	-	-	-	-	-	-	-
(f) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total</b>									
<b>(A) (1):-</b>	<b>40,40,330</b>	<b>-</b>	<b>40,40,330</b>	<b>67.46</b>	<b>40,65,430</b>	<b>-</b>	<b>40,65,430</b>	<b>67.88</b>	<b>0.42</b>
<b>(2) Foreign</b>									
(a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
(b) Other - Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(2):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>40,40,330</b>	<b>-</b>	<b>40,40,330</b>	<b>67.46</b>	<b>40,65,430</b>	<b>-</b>	<b>40,65,430</b>	<b>67.88</b>	<b>0.42</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
(a) Mutual Funds	-	2,900	2,900	0.05	-	2,900	2,900	0.05	-
(b) Banks / FI	-	-	-	-	-	-	-	-	-
(c) Central Govt	-	-	-	-	-	-	-	-	-
(d) State Govt(s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FIs	-	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>-</b>	<b>2,900</b>	<b>2,900</b>	<b>0.05</b>	<b>-</b>	<b>2,900</b>	<b>2,900</b>	<b>0.05</b>	<b>-</b>





## NPR FINANCE LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2. Non-Institutions</b>									
(a) Bodies Corp.	3,11,118	3,500	3,14,618	5.25	2,81,644	3,500	2,85,144	4.76	-0.49
(i) Indian	-	-	-	-	-	-	-	-	-
(ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	6,90,606	3,26,147	10,16,753	16.98	7,61,233	3,20,347	10,81,580	18.06	1.08
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	3,61,899	-	3,61,899	6.04	2,89,895	-	2,89,895	4.84	-1.20
(c) Others (specify)									
- NRIs	1,02,064	1,18,000	2,20,064	3.67	1,04,842	1,18,000	2,22,842	3.72	0.05
-OCBs	-	18,000	18,000	0.30	-	18,000	18,000	0.30	-
-Clearing Member	15,036	-	15,036	0.25	23,809	-	23,809	0.39	0.14
<b>Sub-total (B)(2):- Total Public Shareholding</b>	<b>14,80,723</b>	<b>4,65,647</b>	<b>19,46,370</b>	<b>32.49</b>	<b>14,61,423</b>	<b>4,59,847</b>	<b>19,21,270</b>	<b>32.07</b>	<b>-0.42</b>
<b>(B)=(B)(1)+(B)(2)</b>	<b>14,80,723</b>	<b>4,68,547</b>	<b>19,49,270</b>	<b>32.54</b>	<b>14,61,423</b>	<b>4,62,747</b>	<b>19,24,170</b>	<b>32.12</b>	<b>-0.42</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>55,21,053</b>	<b>4,68,547</b>	<b>59,89,600</b>	<b>100.00</b>	<b>55,26,853</b>	<b>4,62,747</b>	<b>59,89,600</b>	<b>100.00</b>	<b>-</b>

**(ii) Shareholding of Promoters**

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Nandlal Todi	3,40,888	5.69	-	3,40,888	5.69	-	-
2.	Pawan Kumar Todi	7,94,210	13.26	-	7,94,210	13.26	-	-
3.	Nand Lal Pawan Kumar Todi HUF	57,700	0.96	-	57,700	0.96	-	-
4.	Pawan Kumar Todi HUF	74,400	1.24	-	74,400	1.24	-	-
5.	Nand Lal Raj Kumar Todi HUF	48,770	0.81	-	48,770	0.81	-	-
6.	Pawan Kumar Raj Kumar Todi HUF	1,00,250	1.67	-	1,00,250	1.67	-	-
7.	Pawan Kumar Nand Lal Todi HUF	58,510	0.98	-	58,510	0.98	-	-
8.	Rani Nagar Paper & Boards Pvt. Ltd.	61,800	1.03	-	61,800	1.03	-	-
9.	E I Investments Pvt. Ltd.	6,59,360	11.01	-	6,59,360	11.01	-	-
10.	Silva Computech Pvt. Ltd.	3,35,800	5.61	-	3,35,800	5.61	-	-
11.	Tamal Stationers Pvt. Ltd.	3,19,000	5.33	-	3,19,000	5.33	-	-
12.	New Age Enclave Pvt. Ltd.	42,851	0.72	-	42,851	0.72	-	-
13.	Priyashi Construction Pvt. Ltd.	1,79,609	3.00	-	2,04,709	3.42	-	0.42
14.	Renu Todi	28,600	0.48	-	28,600	0.48	-	-
15.	Varun Todi	2,41,510	4.03	-	2,41,510	4.03	-	-
16.	Rishi Todi	2,98,082	4.98	-	2,98,082	4.98	-	-
17.	Shanti Devi Todi	41,520	0.69	-	41,520	0.69	-	-
18.	Priya Manjari Todi	3,57,470	5.97	-	3,57,470	5.97	-	-
	<b>Total</b>	<b>40,40,330</b>	<b>67.46</b>	<b>-</b>	<b>40,65,430</b>	<b>67.88</b>	<b>-</b>	<b>0.42</b>

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Nandlal Todi	No Change			
2.	Pawan Kumar Todi				
3.	Nand Lal Pawan Kumar Todi HUF				
4.	Pawan Kumar Todi HUF				
5.	Nand Lal Raj Kumar Todi HUF				
6.	Pawan Kumar Raj Kumar Todi HUF				
7.	Pawan Kumar Nand Lal Todi HUF				
8.	Rani Nagar Paper & Boards Pvt. Ltd.				
9.	E I Investments Pvt. Ltd.				
10.	Silva Computech Pvt. Ltd.				
11.	Tamal Stationers Pvt. Ltd.				
12.	Renu Todi				
13.	Varun Todi				
14.	Rishi Todi				
15.	Shanti Devi Todi				
16.	Priya Manjari Todi				
17.	New Age Enclave Pvt. Ltd.				
18.	Priyashi Construction Pvt. Ltd.				
	At the beginning of the year	1,79,609	3.00		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. transfer etc):				
	1. 14/08/2015 –open market purchase	22,000	0.37	2,01,609	3.37
	2. 11/09/2015 –open market purchase	3,000	0.05	2,04,609	3.42
	3. 18/12/2015 –open market purchase	100	0.00	2,04,709	3.42
	<b>At the End of the Year</b>		<b>0.13</b>	<b>1,79,609</b>	<b>3.00</b>

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1.</b>	<b>Aryadeep Vintrade Pvt. Ltd.</b>				
	At the beginning of the year	89,768	1.50	-	-
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year ( or on the date of separation, if separated during the year)	-	-	<b>89,768</b>	<b>1.50</b>
<b>2.</b>	<b>Ellenbarrie Plantation Pvt. Ltd.</b>				
	At the beginning of the year	46,184	0.77	-	-
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year ( or on the date of separation, if separated during the year)	-	-	<b>46,184</b>	<b>0.77</b>
<b>3.</b>	<b>Madan Bhagchand Melwani</b>				
	At the beginning of the year	78,753	1.31	-	-
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year ( or on the date of separation, if separated during the year)	-	-	<b>78,753</b>	<b>1.31</b>
<b>4.</b>	<b>Maruti Emporium Private Limited</b>				
	At the beginning of the year	22,864	0.38	-	-

Sl. No.		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders				
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year ( or on the date of separation, if separated during the year)	-	-	<b>22,864</b>	<b>0.38</b>
<b>5.</b>	<b>Om Prakash Thard</b>				
	At the beginning of the year	70,218	1.17	-	-
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. transfer etc):	-	-	-	-
	1. 14/08/2015 - Transfer	13175	0.22	57,043	0.95
	2. 11/09/2015 - Transfer	10000	0.17	47,043	0.78
	3. 18/12/2015 - Transfer	3000	0.05	44,043	0.73
	At the End of the year ( or on the date of separation, if separated during the year)	-	-	<b>44,043</b>	<b>0.73</b>
<b>6.</b>	<b>Raj Kumar Lohia</b>				
	At the beginning of the year	1,11,852	1.87	-	-
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year ( or on the date of separation, if separated during the year)	-	-	<b>1,11,852</b>	<b>1.87</b>
<b>7.</b>	<b>Suniana Marketing (P) Ltd.</b>				
	At the beginning of the year	45,000	0.75	-	-
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	22/05/2016 - Transfer	45,000	0.75	-	-

Sl. No.		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders				
	At the End of the year ( or on the date of separation, if separated during the year.	-	-	-	-
<b>8.</b>	<b>Swastika Investmart Limited</b>				
	At the beginning of the year	31,222	0.52	-	-
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year ( or on the date of separation, if separated during the year)	-	-	<b>31,222</b>	<b>0.52</b>
<b>9.</b>	<b>Uma Pati Keshari</b>				
	At the beginning of the year	52,850	0.88	-	-
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year ( or on the date of separation, if separated during the year)	-	-	<b>52,850</b>	<b>0.88</b>
<b>10.</b>	<b>Vipul Rajendrabhai Gandhi</b>				
	At the beginning of the year	60,000	1.00	-	-
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year ( or on the date of separation, if separated during the year)	-	-	<b>60,000</b>	<b>1.00</b>
<b>11.</b>	<b>Waterloo Exports Pvt Ltd</b>				
	At the beginning of the year	30,000	0.50	-	-
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g.	-	-	-	-

Sl. No.		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of	No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders				
	allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year ( or on the date of separation, if separated during the year)	-	-	<b>30,000</b>	<b>0.50</b>

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

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
<b>1.</b>	<b>Pawan Kumar Todi – Managing Director</b>				
	At the beginning of the year				
	1. Individual Capacity	7,94,210	13.26		
	2. Karta of Pawan Kumar Todi HUF	74,400	1.24		
	3. Karta of Pawan Kumar Raj Kumar Todi HUF	1,00,250	1.67		
	4. Karta of Pawan Kumar NandLal Todi HUF	58,510	0.98		
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year				
	1. Individual Capacity			7,94,210	13.26
	2. Karta of Pawan Kumar Todi HUF			74,400	1.24
	3. Karta of Pawan Kumar Raj Kumar Todi HUF			1,00,250	1.67
	4. Karta of Pawan Kumar NandLal Todi HUF			58,510	0.98
<b>2.</b>	<b>Nandlal Todi- Non-Executive Director</b>				
	At the beginning of the year				
	1. Individual Capacity	3,40,888	5.69		
	2. Karta of Nandlal Pawan Kumar Todi HUF	57,700	0.96		
	3. Karta of Nandlal Raj Kumar Todi HUF	48,770	0.81		
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the end of the year				
	1. Individual Capacity			3,40,888	5.69
	2. Karta of Nandlal Pawan Kumar Todi HUF			57,700	0.96
	3. Karta of Nandlal Raj Kumar Todi HUF			48,770	0.81
<b>3.</b>	<b>Arun Charan Mukherji- Independent Director</b>				
	At the beginning of the year	300	0.01		
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year			300	0.01
<b>4.</b>	<b>Nitin Guha - Independent Director</b>				
	At the beginning of the year	-	-	-	-
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
<b>5.</b>	<b>Rajendra Kumar Duggar - Independent Director</b>				
	At the beginning of the year	-	-	-	-
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
<b>6.</b>	<b>Sarika Mehra - Executive Director &amp; Company Secretary</b>				
	At the beginning of the year	-	-	-	-
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-





## NPR FINANCE LIMITED

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
7.	<b>Ashok Kumar Shah – Chief Financial Officer</b>				
	At the beginning of the year	-	-	-	-
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-

### V. INDEBTEDNESS

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

Amount in (₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	22,89,445	1,65,00,000	-	1,87,89,445
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>22,89,445</b>	<b>1,65,00,000</b>	<b>-</b>	<b>1,87,89,445</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	32,11,934	2,50,00,000	-	2,82,11,934
• Reduction	(6,01,533)	(1,65,00,000)	-	(1,71,01,533)
<b>Net Change</b>	<b>26,10,401</b>	<b>85,00,000</b>	<b>-</b>	<b>1,11,10,401</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	48,99,846	2,50,00,000	-	2,98,99,846
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>48,99,846</b>	<b>2,50,00,000</b>	<b>-</b>	<b>2,98,99,846</b>



## NPR FINANCE LIMITED

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

#### A. Remuneration to Managing Director, Whole-time Directors and/or Manager: Amount in (₹)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		MD -Pawan Kumar Todi	*WTD -Sarika Mehra	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961.	12,90,242	11,28,840	24,19,082
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-
5.	Others, please specify	-	-	-
	Total (A)	12,90,242	**11,28,840	24,19,082
	Ceiling as per the Act			84,00,000

Note : \*Ms. Sarika Mehra is the Executive Director as well as the Company Secretary of the Company.

\*\*The Employer has contributed ₹ 30,960/- towards Employee Provident Fund of Ms. Sarika Mehra.

#### B. Remuneration to other directors: Amount in (₹)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Arun Charan Mukherji	Nitin Guha	Rajendra Kumar Duggar	Nandlal Todi	
3.	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	54,000	54,000	38,500	-	1,46,500
	<b>Total (1)</b>	<b>54,000</b>	<b>54,000</b>	<b>38,500</b>	<b>-</b>	<b>1,46,500</b>
4.	Other Non-Executive Directors • Fee for attending board /committee meetings • Commission • Others, please specify	-	-	-	46,000	46,000
	Total (2)	-	-	-	46,000	46,000
	<b>Total (B)=(1+2)</b>	<b>54,000</b>	<b>54,000</b>	<b>38,500</b>	<b>46,000</b>	<b>1,92,500</b>
	Total Managerial Remuneration					1,92,500
	Overall Ceiling as per the Act	10,00,000	10,00,000	10,00,000	8,00,000	38,00,000



## NPR FINANCE LIMITED

### C. Remuneration to Key Managerial Personnel other than MD/Manager/ WTD Amount in (₹)

Sl.No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	*Company Secretary	CFO	Total Amount
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961. b) Value of perquisites u/s 17(2) Income-tax Act, 1961. (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961.	-	11,28,840	7,76,760	19,05,600
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total</b>	-	<b>**11,28,840</b>	<b>**7,76,760</b>	<b>19,05,600</b>

Note : \*Ms. Sarika Mehra is the Executive Director as well as the Company Secretary of the Company.

\*\* The Employer has contributed ₹ 30,960/- and ₹ 23,040/- towards the Employee Provident Fund of Ms. Sarika Mehra ( Executive Director & Company Secretary) and Mr. Ashok Kumar Shah (CFO) respectively.

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

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			<b>NONE</b>		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			<b>NONE</b>		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			<b>NONE</b>		
Punishment					
Compounding					

\*The Company's Master Data on the portal of the Ministry of Corporate Affairs reveals prosecution proceedings being initiated against the Company. However, as explained by the Management, the Company did not receive any show cause notice or prosecution notice, or copy of complaint filed with Ld. Court, any other documents pertaining to the prosecution and therefore, in this connection, the Company has been corresponding with the concerned Department(s) of the Ministry of Corporate Affairs in order to obtain the prosecution details. The same is in process.



## NPR FINANCE LIMITED

### *Annexure - II to the Directors' Report*

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2016.

*[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,  
**NPR Finance Limited**  
Todi Mansion, 9<sup>th</sup> Floor,  
1, Lu Shun Sarani.  
Kolkata 700 073.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **NPR Finance Ltd.** 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 M/s **NPR Finance Ltd.**'s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2016 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 NPR Finance Ltd. ("the Company") for the financial year ended on 31<sup>st</sup> March, 2016 according to the provisions of:

- (i) The Companies Act, 1956 (the Old Act) and the rules made thereunder
- (ii) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (v) Provisions of the 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 were not attracted to the Company under the financial year under report;
- (vi) 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) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (d) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.



## NPR FINANCE LIMITED

Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not attracted to the Company under the financial year under report:-

- (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;

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in **ANNEXURE – I**.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The fresh Listing Agreement entered into by the Company with BSE Ltd, in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above *except to the extent as mentioned herein below* :

1. *There was a delay in TDS Deposit for the month of July, 2015. As explained by the Management, the bills were received at a later date and therefore, there was a delay in depositing the TDS.*
2. *There was a delay in depositing the Service Tax liability for the following months, due to various reasons as explained by the Management and enumerated hereunder :*

<b>Month ended</b>	<b>Reason(s) for Delay as explained by the Management</b>
<i>March, April and, May, 2015</i>	<i>Service tax payment was delayed due to delay in bills provided by the concerned party.</i>
<i>July and November, 2015</i>	<i>There was delay in making provision for service tax under reverse charge mechanism on works contract by the Branch(s) Office.</i>
<i>March, 2016</i>	<i>1. The due date for service tax payment being 31<sup>st</sup> March, 2016, the service tax payment was made after considering the transactions as on 30<sup>th</sup> March, 2016. However, certain transactions of the Money Changing Division were executed on 31<sup>st</sup> March, 2016 and therefore, the service tax payment pertaining to such transactions was made after the due date.  2. Further, the deficit service tax payments pertaining to the Financial Year 2015-16 was also made after the due date.</i>



## NPR FINANCE LIMITED

3. There was a delay in submission of Quarterly Return in Form - B, regarding Generation of Energy in respect of the Wind Turbine Generators of the Company, located at Dhule and Sangli due to the following reasons, as explained by the Management :

<b>Quarter ended</b>	<b>Wind Turbine Generator at Dhule- Reason(s) for Delay as explained by the Management</b>	<b>Wind Turbine Generator at Sangli- Reason(s) for Delay as explained by the Management</b>
June, 2015	The disclosure sent to the office of the Chief Engineer at Mumbai was undelivered due to change in address. However, the Company was not intimated of the same. The disclosure was sent upon receipt of the correct address from the vendor's Office : M/s Suzlon Global Services Limited.	The disclosure sent to the office of the Chief Engineer at Mumbai was undelivered due to change in address. However, the Company was not intimated of the same. The disclosure was sent upon receipt of the correct address from the vendor's Office : M/s Suzlon Global Services Limited.
December, 2015	The Company did not receive the invoice for the months of November & December, 2015, since, its Vendor, M/s Suzlon Global Services Limited, informed that, the delay was being caused due to structuring of a Centralised Billing System. Therefore the Company submitted Form-B within the due date on the basis of the Invoice of Oct, 2015. Subsequently, the Invoices were received after the expiry of the due date for submission of the Return, and thereafter, the Company resubmitted the revised Form.	
March, 2016	The Company did not receive the invoice for the month of March, 2016, since its Vendor, M/s Suzlon Global Services Limited, informed that, M/s Maharashtra State Electricity Distribution Company Limited (MSEDCL) was conducting its audit process. Therefore the Company submitted Form-B on the basis of the Credit Reports of January and February, 2016. Subsequently the Invoice for March, 2016, was received after the expiry of the due date and thereafter, the Company resubmitted the revised Form.	

4. The Company's Master Data on the portal of the Ministry of Corporate Affairs reveals prosecution proceedings being initiated against the Company. However, as explained by the Management, the Company did not receive any show cause notice or prosecution notice, or copy of complaint filed with Ld. Court, any other documents pertaining to the prosecution and therefore, in this connection, the Company has been corresponding with the concerned Department(s) of the Ministry of Corporate Affairs in order to obtain the prosecution details. The same is in process.

### 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.



## NPR FINANCE LIMITED

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**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 the Company has undertaken event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above viz.:

- a. The Audit Committee at its Meeting held on 27<sup>th</sup> May, 2015, accorded omnibus approval in line with the Company's Policy on Related Party Transactions, to pursue related party transactions subject to a maximum threshold limit of ₹ 1 Crore per transaction for Related Party Transactions that are repetitive in nature, for the financial year 2015-16.  
Further, the Audit committee at its meeting held on 11<sup>th</sup> February 2016, accorded omnibus approval to pursue Related Party Transactions that are repetitive in nature, subject to a maximum threshold limit ₹ 1 crore per transaction for the financial year 2016-17.
- b. The members at the 26<sup>th</sup> Annual General Meeting of the Company held on 23<sup>rd</sup> September, 2015, resolved to accord consent/ratify various related party transactions, entered into /proposed to be entered into by the Company, by way of a special resolution.
- c. The Company entered into a contract with M/s Windforce Management Services Pvt. Ltd., for acting as the company's engineer for monitoring of the Operation & Management for 2.5 MW Windfarm at Dhule and Sangli site.
- d. The Audit Committee at its Meeting held on 11<sup>th</sup> February, 2016, accorded omnibus approval in line with the Company's Policy on Related Party Transactions, to pursue related party transactions subject to a maximum threshold limit of Rs. 1 Crore per transaction for Related Party Transactions that are repetitive in nature, for the financial year 2016-17.
- e. The Company detected fraudulent act been executed by an ex-employee of the Company, wherein, there was mis-appropriation of funds to the tune of Rs. 9.45 Lacs (approx.).
- f. The code of Conduct for Senior Management Personnel of the Company was modified to incorporate "Confidentiality Clause" and "Serious Misconduct" Clause.
- g. The Company reclassified an erstwhile property from the Fixed Assets category to the Long Term Loans and Advances category, due to, the same being brought under the acquisition scheme of the Chennai Metropolitan Development Authority.

During the audit period under review, there were no instances of:

- (i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- (ii) Redemption / buy-back of securities.
- (iii) Merger / amalgamation / reconstruction, etc.
- (iv) Foreign technical collaborations.

*This Report is to be read with the Auditor's Note on the Maintenance of Secretarial Records of the Company as provided in **ANNEXURE 2** and which forms an integral part of this Secretarial Audit Report*

Place : Kolkata  
Date : 26.05.2016

**Niaz Ahmed**  
**Membership No.15555**  
**C. P. No. : 5965**



## ANNEXURE - 1

### **I. List of major head/groups of Acts, Laws and Regulations as applicable to the Company**

1. The Reserve Bank of India Act, 1934 and all applicable RBI Regulations thereunder.
2. The Prevention of Money Laundering Act, 2002 read with various rules made thereunder as amended from time to time.
3. The Electricity Act, 2003 as in force from time to time.
4. Acts prescribed under Environmental Protection.
5. Acts prescribed under Direct and Indirect Tax.
6. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on a contractual basis .
7. Land Revenue Laws of respective States.
8. Labour Welfare Act of respective States.
9. Local Laws as applicable to various branch offices, Plants.

### **II. List of Offices across India**

1. Registered Office :- Todi Mansion, 9<sup>th</sup> Floor, 1, Lu-Shun Sarani, Kolkata 700 073.
2. Branch Offices:
  - a. **Ahmedabad:**  
106-107, 1st Floor, "Samedh"  
Above Oriental Bank of Commerce,  
Near Associated Petroleum,  
C.G.Road, Panchavati,  
Ahmedabad - 380 006.
  - b. **Bhubaneswar:**  
Plot No. K8/555, Kalinga Nagar  
P.O. - Ghatikia, P.S. - Khandagiri  
Dist.- Khurda, Bhubaneswar - 751 003
  - c. **Chennai**  
No. 35/36, Greams Road,  
Ground Floor, Thousand Light  
Chennai-600 006
  - d. **Kochi:**  
41/3686, A. Aiswarya Building,  
1st Floor, Amuliya Street,  
Near Madhara Pharmacy Junction  
Kochi -682 018.





## NPR FINANCE LIMITED

**e. New Delhi:**

8C/6, W.E.A. Abdul Aziz Road,  
Karol Bagh, (Opp. Shastri Park),  
2nd Floor,  
New Delhi - 110 005.

**f. Forex Division:**

Todi Mansion, 2<sup>nd</sup> Floor, 1, Lu-Shun Sarani, Kolkata 700 073.

**III. Power Plants:**

The Company has two Wind Turbine Generators of 1.25 MW each, installed at the following sites:

- (i) Village Chhadvel, Taluka Sakari  
District : Dhule  
Maharashtra
- (ii) Village Kundlapur, Taluka Kawthe Mahakal,  
District : Sangli  
Maharashtra



**ANNEXURE – 2**

**Auditor's Note on the Maintenance of Secretarial Records of the Company**

1. The Company's Management is responsible for the maintenance of Secretarial Records in a manner to ensure compliance by the Company of applicable laws and to take adequate steps for the existence of proper and adequate systems and processes in this regard.
2. Secretarial Audit postulates verification on a test basis of records, books, papers and documents to check compliance with the provisions of various statutes, laws and rules & regulations. I have applied the following general techniques of auditing:
  - a. Sample checking;
  - b. Test checking;
  - c. Random checking; and
  - d. Trial and error checking.
3. I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.
4. In case of Financial Laws, I have relied on the Report of the Statutory Auditor and have not verified the financial records and Books of Accounts of the Company.
5. This Secretarial Audit Report is not an assurance of the effectiveness with which the Management has conducted the affairs of the Company.



## NPR FINANCE LIMITED

*Annexure - III to the Directors' Report*

### FORM 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 of 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 arm's length transactions under third proviso thereto

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

During the year under review, the contracts or arrangements with related party were done at arm's length basis.

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

Name of related party and nature of relationship	GNB Motors Pvt. Ltd. -Enterprise where control exists	Star Wire (India) Vidyut Pvt. Ltd. -Enterprise where control exists	T. P. Farms Pvt. Ltd. -Enterprise where control exists
Nature of contracts/arrangements/ transactions	Loan Given	Loan Given	Loan Given
Duration of the contracts / arrangements/transactions	Payable on Demand	Payable on Demand	Payable on Demand
Salient terms of the contracts/ arrangements/ transactions including the value,if any	1. Loan given during the year: ₹ 55,00,000. 2. Refund of Loan given during the year: ₹ 2,80,00,000. 3. Interest Received during the year(net of TDS) : ₹ 1,22,89,990. 4. Rate of interest: 12%	1. Loan given during the year: ₹ 3,40,00,000 2. Refund of Loan given during the year: Nil 3. Interest Received during the year(net of TDS) : ₹ 67,81,271. 4. Rate of interest: 12%	1. Loan given during the year: Nil 2. Refund of Loan given during the year: Nil 3. Interest Received during the year(net of TDS) : ₹ 10,40,259. 4. Rate of interest: 12%
Amount paid as advances, if any	-	-	-

Name of related party and nature of relationship	Viewlink Highrise LLP (formerly Viewlink Highrise Pvt. Ltd. - Enterprise where control exists	Mountview Tracom LLP- Enterprise where control exists	Ganesh Narayan Brijlal Pvt. Ltd. - Enterprise where control exists
Nature of contracts/arrangements/ transactions	Loan Given	Loan Given	Rent Paid
Duration of the contracts / arrangements/transactions	Payable on Demand	Payable on Demand	Rental Agreement for five years subject to renewal.



## NPR FINANCE LIMITED

<b>Name of related party and nature of relationship</b>	<b>Viewlink Highrise LLP (formerly Viewlink Highrise Pvt. Ltd. - Enterprise where control exists</b>	<b>Mountview Tracom LLP- Enterprise where control exists</b>	<b>Ganesh Narayan Brijlal Pvt. Ltd. - Enterprise where control exists</b>
<b>Salient terms of the contracts/ arrangements/ transactions including the value,if any</b>	1. Loan given during the year: Nil. 2. Refund of Loan given during the year: ₹ 31,24,434. 3. Interest Received during the year(net of TDS) : ₹ 70,134. 4. Rate of interest: 12%	1. Loan given during the year: Nil. 2. Refund of Loan given during the year: Nil. 3. Interest Received during the year(net of TDS) : ₹ 7,99,556. 4. Rate of interest: 12%	Rent Paid during the year ₹ 86356/-
<b>Amount paid as advances, if any</b>	-	-	-

<b>Name of related party and nature of relationship</b>	<b>Sheersh Enclave Private Limited (formerly Rose velly Enclave Private Limited)- Enterprise where control exists</b>	<b>Oval Promoters LLP - Enterprise where control exists</b>	<b>Matra Studios LLP - Enterprise where control exists</b>
<b>Nature of contracts/arrangements/ transactions</b>	Loan Given	Loan Given	Loan Given
<b>Duration of the contracts / arrangements/transactions</b>	Payable on Demand	Payable on Demand	Payable on Demand
<b>Salient terms of the contracts/ arrangements/ transactions including the value,if any</b>	1. Loan given during the year: ₹ 35,00,000. 2. Refund of Loan given during the year : Nil. 3. Interest Recd during the year (net of TDS) : ₹ 23,754. 4. Rate of interest: 12%	1. Loan given during the year: Nil. 2. Refund of Loan given during the year : Nil. 3. Interest Recd during the year (net of TDS) : ₹ 11,79,245. 4. Rate of interest: 12%	1. Loan given during the year: ₹ 1,50,000. 2. Refund of Loan given during the year : Nil. 3. Interest Recd during the year (net of TDS) : ₹ 4,34,745. 4. Rate of interest: 12%
<b>Amount paid as advances, if any</b>	-	-	-



## NPR FINANCE LIMITED

Name of related party and nature of relationship	Mr. Pawan Kumar Todi- Key Managerial Personnel	Ms. Sarika Mehra - Key Managerial Personnel	Mr. Ashok Kumar Shah- Chief Financial Officer
Nature of contracts/arrangements/ transactions	Remuneration	Remuneration	Remuneration
Duration of the contracts / arrangements/transactions	Remuneration paid for the year	Remuneration paid for the year	Remuneration paid for the year
Salient terms of the contracts/ arrangements/ transactions including the value,if any	Remuneration paid for the year: ₹ 12,90,242.	Remuneration paid for the year: ₹ 11,59,800.	Remuneration paid for the year: ₹ 7,99,800.
Amount paid as advances, if any	-	-	-

**Note:-** Appropriate approvals have been taken for Related Party Transactions. All the transactions referred above are in the ordinary course of business and on an arm's length basis.

**On Behalf of the Board of Directors**  
NPR Finance Ltd.

**Arun Charan Mukherji**  
Chairman  
DIN-00063975



# NPR FINANCE LIMITED

*Annexure - IV to the Directors' Report*

## **NOMINATION AND REMUNERATION POLICY**

**(updated on 14<sup>th</sup> November, 2015)**

NPR Finance Ltd. (the "Company") recognizes that Human Capital plays an essential role in developing a company's strategy. The future of any company depends on what it knows rather than what it owns. The former is intimately tied to the knowledge and experience of the people of the organization. Further, the honesty, integrity, sound judgement and performance of the Directors and the Senior Management are the key criteria for the success of the Company.

### **1. PREFACE**

- 1.1 Section 178 of the Companies Act, 2013, read with Rules made thereunder, and applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (hereinafter referred to as the "Listing Regulations"), defines the role of the Nomination and Remuneration Committee to include, inter alia amongst others, the following:
  - To formulate the criteria for determining qualifications, positive attributes and independence of a director and to recommended to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
  - To identify 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.
- 1.2 This Policy shall be applicable upon all the Directors, Key Managerial Personnel, Senior Management Personnel and other employees of the Company as prescribed.
- 1.3 This amended Policy shall be effective from 1<sup>st</sup> December, 2015.

### **2. POLICY OBJECTIVES**

This Policy is framed to define the basic principles and procedure of nomination and determination of remuneration of all the Directors, Key Managerial Personnel and other employees of the Company. It is further intended to ensure that the Company is able to attract, develop and retain high-performing Directors, Key Managerial Personnel and other employees and that their remuneration is aligned with the Company's business strategies, values and goals.

### **3. DEFINITIONS**

- 3.1 "Act" means the Companies Act, 2013 and the Rules made thereunder, including, any modifications, amendments or re-enactment thereof.
- 3.2 "Audit Committee" means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Act.
- 3.3 "Board of Directors" or "Board" means the collective body of the Board of Directors of the Company.
- 3.4 "Committee" means the Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in accordance with the provisions of Section 178 of the Companies Act, 2013, and the Listing Regulations, as amended time to time.
- 3.5 "Company" means NPR Finance Limited inclusive of its Registered Office and all Branch Offices.
- 3.6 "Director" means a Director appointed to the Board of a Company.
- 3.7 "Independent Director" means a Director referred under provisions of Section 149 of the Companies Act, 2013 and the Rules framed thereunder and as provided under the Listing Regulations, as amended time to time.
- 3.8 "Key Managerial Personnel" means a Key Managerial Personnel as defined in the Act.

- 3.9 “Manager” means an individual, who subject to the superintendence, control and direction of the Board, has the management of the whole or substantially the whole of the affairs of a Company, and includes a director or any other person occupying the position of a manager, by whatever name called, whether a contract of service or not.
- 3.10 “Policy” means this Nomination and Remuneration Policy
- 3.11 “Relative” means a relative as defined in the Act.
- 3.12 “Senior Management” shall mean personnel of the Company who are members of the core management team excluding the Board of Directors. This would also include all members of the management one level below the executive directors including all functional heads.

Interpretation: Words and/or expressions not specifically defined here shall derive their meaning from the Companies Act, 2013, read with the Rules made thereunder, Listing Regulations or any other law/legislature applicable upon the Company.

## 4. POLICY

### 4.1 Identification process of persons qualified to become Directors and who may be appointed in senior management

The Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down in the Act and the Listing Regulations. Subsequently, they shall recommend to the Board their appointment and removal and carryout the evaluation of every director’s performance in accordance with Section 178(2) of the Act readwith the Rules framed thereunder and the Listing Regulations.

### 4.2 Criteria for determining qualifications, positive attributes and independence of a director

#### ➤ Qualifications, positive attributes of a director :

The supreme executive authority controlling the management and affairs of a company vests in the team of directors of the company, collectively known as its Board of Directors. Therefore, considering the pivotal role of the Directors, it is important to define the required qualifications and positive attributes of a person appointed as a director :

1. The person should not be disqualified pursuant to Section 164 of the Act, read with the Rules made thereunder.
2. The Company shall consider the balance of skills, experience, expertise appropriate to the requirements of the businesses of the Company, etc. of persons for appointment as Directors, Key Managerial Personnel. The need of the hour also requires such person to possess requisite business literacy/skill.
3. The person should be open to learning and possess strong ethical values and requisite communication skills to execute his or her task as a Director.
4. A director should have the ability to respect alternative viewpoints.

The Board has not established specific minimum age, education, years of business experience or specific types of skills for Board members, but, in general, expects a candidate to have extensive experience and proven record of professional success, leadership and the highest level of personal and professional ethics, integrity and values.

The aforesaid criteria and attributes are not exhaustive principles and the Committee and Board can look beyond the aforesaid guidelines, to take the best decisions in the interest of the Company.

#### ➤ Additional Qualifications for a director appointed as a member of the Audit Committee:

In addition to the attributes laid in Clause No. 4.1 of this Policy, a Director proposed to be appointed as a member of the Audit Committee should possess the following additional qualifications, in lieu of requirements of Section 177 of the Act read with the Rules made thereunder and the Listing Regulations:

1. All members of the Audit Committee shall be financially literate. The term “financially literate” means the ability to read and understand basic financial statements i.e. balance sheet, profit and loss account, and statement of cash flows.

2. At least one member shall have accounting or related financial management expertise. A member will be considered to have accounting or related financial management expertise if he or she possesses experience in finance or accounting, or requisite professional certification in accounting, or any other comparable experience or background which results in the individual's financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities.
- **Additional Criteria/Qualifications for a person proposed to be appointed as a Managing Director, Whole-time Director or Manager :**

In addition to the aforesaid criteria, the Company shall also adhere to the provisions of Section 196 of the Act, read with the Rules made thereunder and Schedule V of the Act, alongwith the relevant provisions of the Listing Regulations, if any.
- **Criteria of Independence for independent Directors :**

Pursuant to the Listing Regulations and Section 149(6) of the Act, read with the Rules made thereunder, 'independent director' shall mean a non-executive director, other than a nominee director of the company:

  1. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
  2. (a) who is or was not a promoter of the company or its holding, subsidiary or associate company;  
(b) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
  3. apart from receiving director's remuneration, has or had no material pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
  4. none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year ;
  5. who, neither himself nor any of his relatives —
    - (a) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
    - (b) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of —
      - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
      - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
    - (c) holds together with his relatives two per cent or more of the total voting power of the company; or
    - (d) is a Chief Executive or director , by whatever name called , of any non - profit organisation that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company;
    - (e) is a material supplier , service provider or customer or a lessor or lessee of the company;
  6. who is not less than 21 years of age.





➤ **Limits on number of Directorships:**

1. The number of Directorships of the proposed appointee and the present directors, should be within the prescribed limits of Section 165 of the Act, read with Rules made thereunder, including any statutory modification(s) and/or reenactment thereof and relevant provisions of the Listing Regulations, if any.
2. Pursuant to Listing Regulations, a person shall not serve as an independent director in more than seven (7) listed companies. Further, any person who is serving as a whole time director in any listed company shall serve as an independent director in not more than 3(three) listed companies.

**4.3 Criteria for determining qualifications, positive attributes of persons who may be appointed in senior management**

The Company shall consider the balance of skills, experience, expertise appropriate to the requirements of the businesses of the Company, etc. of persons for appointment at Senior Management levels.

**4.4 Procedure of appointment:**

The appointment of the Directors, Manager Key Managerial Personnel and Senior Management Personnel shall be governed by this Policy alongwith the Articles of Association, relevant provisions of the Act, read with the Rules and Schedules forming part thereto and the provisions of the Listing Regulations.

**4.5 Tenure**

➤ **Independent Directors**

Pursuant to Listing Regulations :

The maximum tenure of independent directors shall be in accordance with the Companies Act, 2013 and rules made thereunder, in this regard, from time to time.

➤ **Executive Directors**

Pursuant to Section 196 of the Act read with the Rules made thereunder, the re-appointment of the Managing Director, Whole-time Director or manager, shall be for a term not exceeding five (5) years at a time.

Provided that no re-appointment shall be made earlier than one year before the expiry of the term.

➤ **Retirement**

The Directors, Key Managerial Personnel and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, Key Managerial Personnel, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, in the interest of the Company.

**4.6 Succession Planning**

The Board shall satisfy itself that plans are in place for orderly succession for appointments to the Board and to senior management. The Company recognizes that succession planning will ensure that investors do not suffer due to sudden or unplanned gaps in leadership. Succession Planning will therefore ensure that the Company is well-prepared for expansion, loss of any key talent, business continuity and that there is an appropriate balance of skills, experience and expertise on the Board and Senior Management.

**4.7 Removal**

The Committee may recommend with reasons recorded in writing, removal of a Director, Key Managerial Personnel or Senior Management Personnel subject to the provisions of this Policy, the Articles of Association, Companies Act, 2013, read with the Rules made thereunder, the Listing Regulations, and any other applicable Law in force. The tenure of the Managing Director and the Executive Director can be terminated by either party by giving ninety (90) days notice in writing and shall be subject to the approval of the Nomination and Remuneration Committee and the Board of Directors.



## 4.8 Criteria for determining remuneration to Directors, Key Managerial Personnel and Senior Management Personnel.

### ➤ Remuneration to the Non-Executive Directors

1. All Non-Executive Directors including the Independent Directors are entitled to receive remuneration by way of sitting fees for each meeting of the Board or Committee of the Board (Audit Committee & the Nomination and Remuneration Committee). The sitting fees is determined and revised by the Board and is subjected to the threshold limit prescribed in the Listing Regulations, Companies Act, 2013 and the Rules made thereunder, and any other applicable law(s) in force.
2. Further, they may receive such other remuneration as permissible under the provisions of the Companies Act, 2013 read with Rules made thereunder and/or the provisions of the Listing Regulations.
3. The Listing Regulations provide that :

All fees / compensation, if any paid to non-executive directors, including independent directors, shall be fixed by the Board of Directors and shall require previous approval of shareholders in general meeting. The shareholders' resolution shall specify the limits for the maximum number of stock options that can be granted to non-executive directors, in any financial year and in aggregate.

Provided that the requirement of obtaining prior approval of shareholders in general meeting shall not apply to payment of sitting fees to non-executive directors, if made within the limits prescribed under the Companies Act, 2013 for payment of sitting fees without approval of the Central Government.

### ➤ Remuneration of the Key Managerial Personnel, Senior Management Personnel, Manager, and the Executive Directors including Whole-time Director and Managing Director.

1. The remuneration of the Managing Director and Whole-time Director is determined by the Board of Directors, subject to the Listing Regulations, statutory limits laid in the Companies Act, 2013, read with the Rules and Schedules forming part thereto and the approval of the shareholders and/or Central Government, wherever required.
2. The remuneration shall be broadly divided into the following components:
  - I. **The Fixed Components-** This shall broadly encompass: Salary, allowances, perquisites, retirement benefits, etc.
  - II. **The Variable Components-** Performance based promotion and bonus shall be primarily included hereto.
3. The remuneration package of the employees will comprise of the aforesaid two components. However, the same shall also depend upon various factors including: their grade, industry bench mark, overall business performance. Further, in determining the director's remuneration, their performance evaluation as duly carried out by the Board and/or Independent Directors, shall also be given due weightage.
4. Any annual increase in the remuneration of the Directors, Key Managerial Personnel and Senior Managerial Personnel shall be at the sole discretion of the Board, based on the recommendation of the Committee and subject to such statutory approvals, if any.

## 5. Disclosures

- a. Pursuant to the provisions of section 178(5) of the Act read with the Rules made thereunder, the Company shall disclose this Policy in the Board's Report.
- b. Further, the Company shall publish its criteria of making payments to non-executive directors in its Annual Report. Alternatively, this may be put up on the company's website and reference drawn thereto in the Annual Report.



**6. Amendments in the Policy**

- a. The Nomination & Remuneration Committee shall review and amend this Policy as and when required, subject to the approval of the Board of Directors.
- b. Any subsequent amendment / modification in the applicable laws in this regard shall automatically apply to this Policy.



## MANAGEMENT DISCUSSION AND ANALYSIS

This Management Discussion and Analysis Report is framed in compliance with sub-regulation 2(e) of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Schedule V (B) thereto.

### **1. Industry Structure and Developments**

**Non Banking Financial Companies (NBFCs)** offer a wide array of financial services like loans, chit-funds, and are different from banks. NBFCs are often small players that largely go unnoticed. NBFC companies are game-changers that are very important to the economy, for a number of reasons, which include: Promoting inclusive growth, Infrastructure Lending and growth. The role of NBFC sector in the Indian financial system has become critical in terms of its size, spread and niche areas of operations. NBFCs, particularly the smaller ones, play an indispensable role in 'financial inclusion', providing finance to those who are unable to borrow from banks.

However, the poor access to bank funding, has been curtailing the growth of NBFCs because, banks generally tend to see them as high-risk borrowers. More recently, NBFCs are competing with banks in providing financial services such as infrastructure finance and housing finance among others. During the year, the Reserve Bank, with a view to addressing the regulatory gaps, arbitrage and risks associated with NBFCs, initiated a host of measures to strengthen regulation and supervision of NBFCs.

**The Wind Energy Sector** is expected to benefit from the fact that, Government of India (hereinafter referred to as "the GOI") has identified power sector as a key sector of focus so as to promote sustained industrial growth. One such initiative undertaken by the GOI has been that, the Union Cabinet has approved the Ujwal DISCOM Assurance Yojna (UDAY) for financial turnaround and revival of power distribution companies (DISCOMs), which will ensure accessible, affordable and available power for all.

The outlook for the Wind Energy sector remains positive mainly because of regulatory support, cost competitiveness and the generation-based incentive benefit.

**The Real Estate Sector** and the **Money-Changing Sector** are hugely affected by the rise and fall of the economic well being of a nation. The enactment of The Real Estate (Regulation and Development) Act, 2016, is expected to lay out the landscape to improve buyers, lenders and investor confidence, since, it is being seen as a significant move towards ensuring consumer protection and standardising business practices and transactions in the real estate sector, thereby leading to improvement in the timely project completion and increase in transparency in the sector. Further Government schemes/plans such as 'Housing for All by 2022', the Smart Cities mission, Atal Mission for Rejuvenation and Urban Transformation (AMRUT), etc., are also expected to boost the growth of this sector.

The Money-Changing Sector plays a very crucial position in today's global market place, since, money-exchange facilitates easy buying/selling of goods across borders. Also with the rise in international travel, the need to exchange money is growing and the presence of an easy money exchanger is being felt increasingly.

### **2. Opportunities and threats**

It is now a widely acknowledged fact that, **NBFCs** have been facing substantive difficulties in raising funds from banks and that various efforts in this direction to persuade banks have failed to bear fruit so far. This is one of the biggest threats face by the NBFCs today, which is lagging behind their progress. The trend has been that, mainly the larger NBFCs falling in the categories of : a) non-deposit-taking systemically important ; and b) deposit-taking' NBFCs, are able to obtain Banking funds. Further, regulatory screws are being tightened on the NBFCs, further restricting their borrowing abilities.

Nevertheless, the principles of regulation are broadly aimed at (i) protection of interests of depositors, (ii) mitigating the systemic risks emanating from inter-connectedness with the rest of the financial system, and (iii) Consumer Protection. For the industry, there are some costs associated with greater regulations, but the opportunity of being a well regulated participant in the financial system is likely to outweigh the costs in the long run.



## NPR FINANCE LIMITED

The Indian Economy is expected to grow further in the coming years, and subsequently foreign travels are also being projected to rise on account of projected rise in overseas shootings, greater foreign tours and demand for abroad education. This has provided positive signals for the **money changing business** in India in the coming financial year. However, the sector would be adversely impacted if the Rupee depreciates as this would lead to escalating cost of foreign travel, foreign education etc.

The eagerness of the Government to boost the **Power Sector** has generated positive signals for wind Power Sector. However, the unexpected wind trend, low plant load factor may hinder its growth.

The recent reforms brought by the Government for the **Real Estate Sector** seek to address distortions in the real estate market due to the asymmetrical relationship between the real estate developers and consumers. This is expected to revive the Real Estate Sector.

The challenges of demand-supply mismatch remain, but the signs are nevertheless encouraging for the Real Estate Sector. India is an underserved economy in terms of real estate requirements. There is a wedge between demand and supply of housing, largely as a result of information asymmetry. However, with increased market transparency, this demand/supply mismatch can offer immense opportunities for developers and investors alike.

### **Segment-wise or product-wise performance**

Segment-wise or product wise performance data is enumerated in accordance with AS-17 in Note No. 2.28 of the "Notes to the Financial Statement" section of the Annual Report.

### **3. Discussion on financial performance with respect to operational performance.**

Company has recorded turnover at ₹ 4401.34 lacs during the financial year under review in comparison to ₹ 4776.09 lacs of the previous year. The decline in turnover is primarily due to the following factors:-

- (a) Reduction in income from financing coupled with lower recovery against losses and write-offs.
- (b) Reduction in income from power generation.
- (c) Reduction in turnover pertaining to Share and Securities.

Employee Benefit Expenses and other administrative expenses have been marginally decreased by 15.78 % and 35.58% respectively. Financial Cost has been reduced by 64% due to reduction of interest payment expenses on terms loans and lower brokerage expenses on Intercompany deposits in comparison to previous year.

The Company has registered net profit of ₹ 41.31 lacs as against ₹ 228.47 lacs of previous year. The decrease in net profit is by and large attributable to higher provision to the extent of ₹ 119.58 lacs, towards diminution in value of investment recorded as on 31<sup>st</sup> March, 2016, in comparison to the previous Financial Year.

Owned Fund of the Company stands at ₹ 3631.21 lacs as against ₹ 3588.07 lacs, recorded in previous year.

### **4. Debt Structure**

Secured Loan of the Company have gone up by 114.02% (approx) due to rise in Working Capital Loan & Term Loan as on 31<sup>st</sup> March, 2016, in comparison to the previous financial year. Unsecured Loan has also gone up by 51.52 % due to rise in Inter Corporate Deposits. Company's % of outside debt to Equity as on 31<sup>st</sup> March, 2016 is only 8.23%.

### **5. Outlook**

Considering the stiff competition from similar market players, the Company is focusing more on recoveries. It is shifting its focus from Financing activities to Real Estate activities.



As the Company has deployed surplus liquidity generated from recovery in extending loan to other bodies Corporate, the Company does expect consistent interest income from this activity.

In the money changing business, the Company is expecting a consistent but modest profit, which would by and large, depend on the economic well-being of the nation, travel spends of corporates and other customers, etc.

The Profitability from Wind Power generation primarily depends on wind velocity. Company is also getting incremental revenue of 15 paise per unit of generation on year to year basis as per Power Purchase Agreement entered with Maharashtra State Electricity Board.

### 6. Risks and concerns

**NBFCs** are required to constantly review and monitor their Risk Management plan. The success factors of their business has been by making the most of their ability to contain risk, adapt to changes and tap demand in markets that are likely to be avoided by the bigger players. In this connection, the Risk Management Committee of the Company, headed by Shri Pawan Kumar Todi (DIN-00590156), Managing Director of the Company, monitors and reviews the risk management plan of the Company, in accordance with the Risk Management Policy of the Company.

NBFC's on the one hand, are exposed to the risks arising out of counterparty failures, interest rate movements, etc. (i.e. the asset side risks) and on the other hand they are exposed to liquidity and solvency risk (i.e. the liability risk).

The Company manages liquidity risk by ensuring that the management measures not only the liquidity positions on an ongoing basis but also examines how liquidity requirements are likely to evolve under different assumptions. The liquidity is tracked through maturity or cash flow mismatches.

Interest rate risk resulting from changes in market interest rates may have adverse impact on NBFC's earnings (i.e. reported profits) by changing its Net Interest Income. The Company manages the same by regular monitoring of maturity profile.

The Company manages credit risks through stringent credit norms established through several years of experience in this line of business and continues to follow the time tested practice of personally assessing each and every borrower before committing to a credit exposure.

The **Money Changing Sector** is exposed to various types of risks such as: Risks associated with non-payment of dues by customers, Cheque bouncing risk, and adverse impact of Rupee depreciation as this would lead to escalating cost of foreign travel, foreign education, etc. One of the ways to manage currency fluctuations is to have a better geographic balance in revenue mix.

Wind Turbine Technology is very advanced and complex and requires skilled personnel with domain knowledge to carry out the operation & maintenance of turbines working at remote and hostile conditions. **Wind Energy Sector** is adversely subjected to various types of risks, including: unfavourable wind velocity, low plant load factor, and Operation and Maintenance Risk. Since the wind resource cannot be controlled, it is of vital importance that for the Operation and Maintenance of the Wind Turbine Generator to be at its supreme so as to generate maximum power whenever the wind is strong. This requires the availability of skilled manpower, availability of spares at the site.

**The Real Estate Sector** is adversely affected by demand lag, unfavourable economic conditions, slow income growth, high borrowing costs and very high inflation.

### 7. Internal Control Systems and their Adequacy

The Compliance Certificate provided by the Managing Director and the Chief Financial Officer regarding the adequacy of the Internal Control procedures forms part of the Annual Report.

The Audit Committee of the Board of Directors in coordination with the Internal Audit Department periodically reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening the existing control system in view of changing business needs from time to time.



**8. Material developments in Human Resources / Industrial Relations front, including number of people employed.**

The Company has revised the Code of Conduct for Senior Management Personnel to incorporate “Confidentiality Clause”, and to define “Serious Misconduct”. However, the Company acknowledges that, an organization’s success depends on its employees’ performance. How employees are treated and how much they value the company they work for, will have an impact on how the company performs. The Company strives to develop a motivated workforce which is expected to generate higher productivity – all of which, shall enable the Company to achieve its objectives.

Number of employees on roll was 40 as on 31<sup>st</sup> March 2016 against 60 as at the end of previous year.

**9. Cautionary Statement**

Statement in the Management Discussion and Analysis describing company’s expectations or predictions may be ‘forward looking statements’ within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed or implied. Depending on various factors including :- the demand supply conditions, change in government regulations, tax regimes, economic development within the country and abroad and such other incidental factors over which Company does not have any direct control.



## NPR FINANCE LIMITED

### CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE.

To  
The Members of,  
NPR Finance Ltd.

I have examined the compliance of conditions of Corporate Governance by NPR Finance Ltd. for the year ended on 31<sup>st</sup> March, 2016, as provided in Clause 49 of the erstwhile Listing Agreement of the Company with the BSE Ltd. and the applicable provisions of the Securities and Exchange Board of India(Listing Obligations and Disclosure)Regulations, 2015 (hereinafter referred to as the "Listing Regulations"),based on the relevant records and documents maintained by the Company and furnished to me.

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the above mentioned Listing Agreement/Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me and the representations made by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as applicable and stipulated in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Kolkata  
Dated : 26.05.2016

Niaz Ahmed  
Company Secretary in Practice  
C.P.No.5965





## CORPORATE GOVERNANCE REPORT

### 1. Brief Statement on Company's Philosophy on Code of Governance.

Corporate Governance envisages commitment of the Company towards the attainment of high levels of transparency, accountability and equity with the ultimate objective of increasing long-term shareholders value, keeping in view the needs and interests of all the stakeholders.

Your Company also believes that good Corporate Governance makes good business sense and build up a good Corporate Image. As such your Company not only complies with all requirements of Corporate Governance laid by various bodies, but follows it in spirit also.

During the period under review, the Company has complied with applicable Corporate Governance norms as stipulated in the erstwhile Clause 49 of the Listing Agreement and Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from 1<sup>st</sup> December, 2015, including, the corporate governance requirements specified in Regulation 17 to 27 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and clause (b) to (i) of requirements specified in regulation 17 to 27 and clause (b) to (i) of sub-regulation 46 of the said Regulations.

### 1. Board of Directors

The Board of Directors (hereinafter referred to as "the Board") of the Company is a reflection of enriched experience, optimum diversity and vast knowledge. The Board of Directors have performed their role from time to time and have periodically reviewed the compliance reports as provided in Regulation 17(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/CMD/5/2015, dated 24<sup>th</sup> September, 2015. The Board of Directors have sufficiently reviewed and acted upon the various agenda items placed before them, including, but not limited to, the minimum information as required to be placed before the Board of Directors in terms of Part C of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### 2.1 The composition and category of the Board of Directors and their attendance at the Board Meetings during the year and at the last Annual General Meeting and also the number of shares held by them in the Company alongwith their Directorship and Committee Membership /Chairmanship in other Companies.

The Company's Board of Directors as on 31<sup>st</sup> March, 2016, comprises of one Managing Director (Promoter), one Executive Woman Director and four Non-executive Directors, including three Independent Directors and one Promoter.

Mr. Arun Charan Mukherji (DIN- 00063975), Independent Non-Executive Director, is the Chairman of the Board.

Four Meetings of the Board were held during the financial year 2015-2016 i.e. on 27/05/2015, 11/08/2015, 14/11/2015 and 11/02/2016. The maximum time gap between any two Board Meetings was not more than 120 days.

Requisite quorum was present at all meetings and the Directors who were unable to attend any particular Board Meeting(s), had obtained leave of absence from the Board



## NPR FINANCE LIMITED

The details are as follows:

Name of Director	Category	No of shares held & % of shareholding in the Co.	No. of Board Meetings attended	Whether last AGM Attended	No. of other Directorship		No. of other Committee(s) Membership/ Chairmanship	
					Public	Private	Member	Chairman
Mr. Pawan Kumar Todi	Executive, Non-independent, Promoter Director	794210 shares (13.26%)	4	Yes	...	13	...	...
Mr. Nandlal Todi	Non Executive Non-independent, Promoter Director	340888 shares (5.69%)	4	Yes	...	7	...	...
Ms. Sarika Mehra	Executive, Non-independent, Whole-time Director	Nil	4	Yes	...	...	...	...
Mr. Arun Charan Mukherji	Non Executive, Independent Director	300 shares (0.005%)	4	Yes	3	...	4	2
Mr. Nitin Guha	Non Executive, Independent Director	Nil	4	Yes	...	1	...	...
Mr. Rajendra Kr. Duggar	Non Executive, Independent Director	Nil	3	Yes	...	5	...	...

Every Director has informed the Company about the committee positions he or she occupies in other listed entities, if any, and has further, intimated changes thereto, as and when the same has taken place.

None of the Directors on the Board is a member of more than 10 Committees & Chairman of more than 5 Committees across all the Companies in which he or she is a Director. It be noted that, for the purpose of determination of limit, chairpersonship of the Audit Committee and the Stakeholder's Relationship Committee alone, have been considered.

### 2.2 Disclosure of relationships between Directors inter-se.

Mr. Pawan Kumar Todi (DIN-00590156), Managing Director and Promoter, is the son of Mr. Nandlal Todi (DIN-00581581), Non- Executive Promoter Director.

### 2.3 Invitees:

Apart from the Board members, the Company Secretary and the Chief Financial Officer (CFO) are invited to attend all the Board Meetings. Other senior management executives are called as and when necessary, to provide additional inputs for the items being discussed by the Board.

### 2.4 Independent Directors

#### (a) Criteria of Independence

The Independent Directors have confirmed that they meet the criteria of 'Independence' as stipulated under Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149(6) of the Companies Act, 2013.



## (b) Separate meetings of the Independent Directors

In terms of Regulation 25(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Schedule IV of the Companies Act, 2013, one exclusive meeting of the Independent Directors was held on 11<sup>th</sup> February, 2016, to discuss inter-alia amongst others, the agenda items as specified in 25(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Schedule IV of the Companies Act, 2013.

The quorum for the separate meeting of the Independent Directors has been fixed as two (2).

## (c) Tenure & Formal Letter of appointment to Independent Directors:

All the Independent Directors of the Company were re-appointed for a term of five years at the 25<sup>th</sup> Annual General Meeting of the Company with effect from 19<sup>th</sup> September, 2014 & were issued Appointment Letters in this regard.

The appointment letters containing the terms and conditions of appointment have been disclosed on the website of the Company.

## (d) Familiarisation programme for Independent Directors

Pursuant to Regulation 25(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from 1<sup>st</sup> December, 2015, the company shall familiarise the independent directors about the company, including- their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programmes.

In this connection, various familiarization programmes were conducted during the Financial Year 2015-16, and the details of such familiarisation programmes has been disclosed on the website of the Company ; viz: [www.nprfinance.com](http://www.nprfinance.com), via the following link:

<http://www.nprfinance.com/showreport.aspx?prmRsCtg=FPID&prmCtgType=S>

## 2.5 Profile of the Directors appointed/re-appointed.

All the Independent Directors of the Company were appointed for a term of five years at the 25<sup>th</sup> Annual General Meeting of the Company with effect from 19<sup>th</sup> September, 2014. Further, Ms. Sarika Mehra (DIN-06935192), Executive Director & Company Secretary, was appointed as an Executive Director of the Company for a term of five years with effect from 19<sup>th</sup> September, 2014.

Mr. Pawan Kumar Todi (DIN-00590156), Managing Director was re-appointed for a term of five years with effect from 1<sup>st</sup> November, 2014.

Mr. Nandlal Todi (DIN-00581581), who retired by rotation at the 26<sup>th</sup> Annual General Meeting, was re-appointed thereto. He is liable to retire by rotation at the ensuing 27<sup>th</sup> Annual General Meeting. In this connection, a brief Profile of the Director proposed to be re-appointed at the ensuing Annual General Meeting, is provided in the Notice of the forthcoming 27<sup>th</sup> Annual General Meeting, in terms of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## 2.6 Disclosure to the Board of Directors by the Senior Management, in terms of Regulation 26(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

There have been no material, financial and commercial transactions in which, the senior management have such personal interest that may have a potential conflict with the interest of the Company. Hence the question of disclosure



by the senior management in terms of Regulation 26(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, does not arise.

## 2.7 Succession Planning

Pursuant to Clause 49 (II)(D)(6) of the erstwhile Listing Agreement, and Regulation (4)(2)(f)(ii) read with Regulation 17(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has, during the financial year under review, satisfied itself that plans are in place for orderly succession for appointments to the Board and the senior management. The Company recognizes that succession planning will ensure that investors do not suffer due to sudden or unplanned gaps in leadership. Succession Planning will therefore ensure that the Company is well-prepared for expansion, loss of any key talent, business continuity and that there is an appropriate balance of skills, experience and expertise on the Board and Senior Management.

## 2.8 Policy on Board Diversity

Based on the Company's Policy on Board Diversity, as formulated by the Nomination and Remuneration Committee, the Board has time and again ensured that, optimum diversity on the Board is attained and maintained. This Policy shall be reviewed and amended by the Nomination and Remuneration Committee as and when required, subject to the approval of the Board of Directors

## 3. Audit Committee:

### 3.1 Terms of Reference.

The Audit Committee has the power to investigate any activity within its terms of reference, to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

The terms of reference of the Committee is in accordance with that specified in Regulation 18(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Part C of Schedule II thereto, and also confirms to the requirements of Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014. The Committee was constituted on 29<sup>th</sup> July, 2000.

The Board of Directors at their meeting held on 11<sup>th</sup> February, 2016, further empowered the Audit Committee to mandatorily review the information in accordance with Part C (B)(6) of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which is reproduced here under :

Part C (B)(6) of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

The audit committee shall mandatorily review:

- (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
- (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

### 3.2 The composition of the Committee and the attendance at the members during the year.

The composition of the Audit Committee reflects independence and comprises of members with enriched qualification and all members are financially literate. It comprises of three non-executive independent directors and one non-executive promoter director as on 31<sup>st</sup> March, 2016.

The Committee met 4 (Four) times during the year i.e. on 27/05/2015, 11/08/2015, 14/11/2015 and 11/02/2016. The maximum time gap between any two Audit Committee Meetings was not more than 120 days.

Requisite quorum was present at all meetings and the committee members who were unable to attend any particular Meeting(s) of the Committee, obtained leave of absence from the Committee.



## NPR FINANCE LIMITED

The details are enumerated herein below:

Sl. No.	Name	Category	No. of Meetings Attended
1	Mr. Nandlal Todi	Non-Executive, Non-Independent, Promoter Director	4
2	Mr. Arun Charan Mukherji	Non-Executive, Independent Director	4
3	Mr. Nitin Guha	Non-Executive, Independent Director	4
4	Mr. Rajendra Kumar Duggar	Non-Executive, Independent Director	3

Mr. Nitin Guha (DIN- 01107480), Independent Non-Executive Director, is the Chairman of the Committee, who, along with the other committee members, was present at the 26<sup>th</sup> Annual General Meeting of the Company.

Ms. Sarika Mehra (DIN-06935192), Executive Director and Company Secretary, acts as the Secretary to the Audit Committee.

### 3.3 Invitees:

Apart from the Committee members and the Company Secretary, the CFO is invited to attend all the Board Meetings. Other senior management executives, internal auditor, representative of the statutory auditor, etc., are called as and when necessary, to provide additional inputs for the items being discussed by the Committee.

## 4. Nomination and Remuneration Committee

### 4.1 Terms of Reference.

The Remuneration Committee which was constituted on 30/10/2002 in accordance with Schedule XIII of the Companies Act, 1956 to carry out functions as envisaged under the said schedule, was reconstituted as the Nomination and Remuneration Committee at the meeting of the Board of Directors held on 16<sup>th</sup> May, 2014 pursuant to the requirements of Section 178 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014.

The Nomination and Remuneration Committee has performed its role in accordance with its terms of reference in accordance with the erstwhile Listing Agreement and Regulation 19(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Part D of Schedule II thereto, effective from 1<sup>st</sup> December, 2015.

### 4.2 The composition of the Committee and the attendance of the members during the year

The Nomination and Remuneration Committee of the Company comprises of three Non-Executive and Independent Directors.

The Committee met 2 (Two) times during the year i.e. on 27/05/2015 and 14/11/2015. Requisite quorum was present at all meetings and committee members who were unable to attend any particular Board Committee Meeting(s), obtained leave of absence from the Committee.

The details are as follows:

Sl. No.	Name	Status	No. of Meetings Attended
1	Mr. Arun Charan Mukherji	Non Executive, Independent Director	2
3	Mr. Nitin Guha	Non Executive, Independent Director	2
4	Mr. Rajendra Kumar Duggar	Non Executive, Independent Director	1

Mr. Nitin Guha (DIN- 01107480), Independent Non-Executive Director, is the Chairman of the Committee, who, along with the other committee members, was present at the 26<sup>th</sup> Annual General Meeting of the Company.

**4.3 Performance evaluation criteria for independent directors.**

The Nomination & Remuneration Committee has formulated criteria for evaluating the performance of Independent Directors & the Board as a whole along with that of the various Committees. In this connection, the Company's Policy on Evaluation of the Performance of the Board of Directors and Board Committees prescribes the performance evaluation criteria of all the Directors, including the Independent Directors and Committee members.

The Committee has further laid the criteria for determining qualifications, positive attributes and independence and independence of a director and recommended to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.

Structured questionnaire(s), encompassing inter-alia amongst others, the following aspects form the basis for performance evaluation of the independent Directors:

- (i) Application of independent judgment while deciding on agenda items placed before the Board;
- (ii) Ensuring that the financial controls and systems of risk management are robust and defensible;
- (iii) Taking appropriate measures, where required, to safeguard the interests of all stakeholders, particularly the minority shareholders;
- (iv) Reporting concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy; etc.

The performance evaluation of the Independent Directors was conducted by the entire Board of Directors, excluding the director being evaluated.

On the basis of the report of performance evaluation of independent directors, it is to be decided whether to extend or continue the term of appointment of the independent director,

**5. Remuneration of Directors****5.1 All pecuniary relationship or transactions of the non-executive directors vis-à-vis, the Company.**

The details of the related party transactions depicting, inter-alia amongst others, transactions of the non-executive directors, vis-à-vis, the Company, is disclosed in Note No. "2.37" of schedule to the Financial Statements for the period under review.

**5.2 Criteria of making payments to non-executive Directors.**

The Remuneration payable to the Directors, Key Managerial Personnel and Senior Management Personnel is determined in accordance with the Nomination and Remuneration Policy of the Company.

The Nomination and Remuneration Policy has been disclosed on the website of the Company: i.e.: [www.nprfinance.com](http://www.nprfinance.com) and also forms part of the Directors' Report.

**5.3 Disclosures with respect to remuneration in terms of Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.****(a) Remuneration of the Non-Executive Directors.**

All non-executive Directors of the Company, including the Independent Directors, receive only sitting fees for attending Committee Meetings and the Meetings of the Board of Directors. The Managing Director and the Whole-time / Executive Director, receive monthly salary/remuneration.

The sitting fees is determined and revised by the Board and is subjected to the threshold limit prescribed in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Companies Act, 2013 and the Rules made thereunder, and any other applicable law(s) in force.



## NPR FINANCE LIMITED

Further, the non-executive directors may receive such other remuneration as permissible under the provisions of the Companies Act, 2013 read with Rules made thereunder and/or the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Regulation 17(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, provides that :

- (i) The board of directors shall recommend all fees or compensation, if any, paid to non-executive directors, including independent directors and shall require approval of shareholders in general meeting.
- (ii) The requirement of obtaining approval of shareholders in general meeting shall not apply to payment of sitting fees to non-executive directors, if made within the limits prescribed under the Companies Act, 2013, for payment of sitting fees without approval of the Central Government.
- (iii) The approval of shareholders as mentioned in (i) above, shall specify the limits for the maximum number of stock options that may be granted to non-executive directors, in any financial year and in aggregate.
- (iv) Independent directors shall not be entitled to any stock option.

**(b) Remuneration of the Executive Directors including Whole-time Director and Managing Director.**

The remuneration of the Managing Director and Whole-time Director is determined by the Board of Directors, subject to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, statutory limits laid in the Companies Act, 2013, read with the Rules and Schedules forming part thereto and the approval of the shareholders and/or Central Government, wherever required.

The remuneration is broadly divided into the following components:

- (i) **The Fixed Components-** This broadly encompasses: Salary, allowances, perquisites, retirement benefits, etc.
- (ii) **The Variable Components-** Performance based promotion and bonus are primarily included hereto.

Any annual increase in the remuneration of the Directors shall be at the sole discretion of the Board, based on the recommendation of the Nomination and Remuneration Committee.

Further, in determining the director's remuneration, their performance evaluation as duly carried out by the Board and/or Independent Directors, shall also be given due weightage. The performance evaluation criteria is explained hereunder:

Performance Evaluation Criteria of the Board of Directors & the Committees thereto:

The Nomination and Remuneration Committee has formulated criteria for evaluating the performance of Independent Directors & the Board as a whole along with that of the various Committees. The Committee has further laid the criteria for determining qualifications, positive attributes and independence and independence of a director and recommended to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.

Structured questionnaire(s), encompassing inter-alia amongst others, the following key aspects was prepared for the performance evaluation:

- (i) Attendance at the Board and Committee meetings;
- (ii) Level of participation;
- (iii) Fulfillment of specific Roles, duties and Responsibilities;
- (iv) Adherence to the Code of Conduct ;
- (v) Providing adequate protection to the whistle blowers;
- (vi) Timely disclosure of interest;
- (vii) Disclosure of non-independence by the Independent Directors, if any;
- (viii) Contribution in enhancing the Brand image of the Company;



## NPR FINANCE LIMITED

- (ix) Safeguarding of confidential information;
- (x) Reporting of frauds, if any;
- (xi) Safeguarding interest of the minority stakeholders; etc.

The performance of the individual directors is evaluated by the Nomination and Remuneration Committee of the Company.

The performance of the non-independent directors and the Board as a whole was evaluated in a separate meeting of the Independent Directors. Further, in the same meeting, the performance evaluation of the Chairman was perused, taking into account the views of the executive directors and non-executive directors.

The performance evaluation of the Independent Directors was conducted by the entire Board of Directors, excluding the director being evaluated.

The performance of the Board Committees was evaluated by the entire Board.

### (c) Details of Remuneration paid to the Directors.

During the Financial Year 2015-16, the non-executive directors were paid sitting fees of ₹ 7,500/- for each meeting of the Board, ₹ 4000/- for Audit Committee and ₹ 4000/- for Nomination and Remuneration Committee meeting attended by them.

The details of remuneration paid to all the directors during the year ended 31<sup>st</sup> March, 2016, are given below:

Name	Salary & Allowances ₹	Employer's Contribution to E.P.F. ₹	Sitting Fees (excluding Service Tax) ₹	Total ₹
Mr. Pawan Kumar Todi	12,90,242/-	...	...	12,90,242/-
Mr. Nandlal Todi	...	...	46,000/-	46,000/-
Ms. Sarika Mehra	11,28,840/-	30,960/-	...	11,59,800/-
Mr. Arun Charan Mukherji	...	...	54,000/-	54,000/-
Mr. Nitin Guha	...	...	54,000/-	54,000/-
Mr. Rajendra Kumar Duggar	...	...	38,500/-	38,500/-
<b>Total</b>	<b>24,19,082/-</b>	<b>30,960/-</b>	<b>1,92,500/-</b>	<b>26,42,542/-</b>

Further, the disclosure on remuneration in terms of section 178, 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and other applicable provisions, if any, of the Companies Act, 2013, read with the Rules made thereunder, is disclosed in the Directors' Report.

### (d) Service Contracts, notice period and severance fees.

Mr. Pawan Kumar Todi (DIN-00590156), Managing Director, has been reappointed for a period of five (5) consecutive years with effect from 1<sup>st</sup> November, 2014. His tenure as the Managing Director, will expire on 30<sup>th</sup> October, 2019. Further, Ms. Sarika Mehra (DIN-06935192), has been appointed as the Executive Director of the Company for a term of five (5) consecutive years with effect from 19<sup>th</sup> September, 2014. She is designated as the Executive Director & Company Secretary of the Company. Her tenure as a Executive Director, will expire on 18<sup>th</sup> September, 2019.





## NPR FINANCE LIMITED

The tenure of the Managing Director and the Executive Director & Company Secretary can be terminated by either party by giving ninety (90) days notice in writing and shall be subject to the approval of the Nomination and Remuneration Committee and the Board of Directors.

Policy shall be reviewed and amended by the Committee as and when required, subject to the approval of the Board of Directors.

### 6. Stakeholders Relationship Committee

The Share Transfer and Investors Grievance Committee which was constituted on 31<sup>st</sup> July, 2001, was subsequently reconstituted as the Stakeholders Relationship Committee at the meeting of the Board of Directors held on 16<sup>th</sup> May, 2014 pursuant to the requirements of Section 178 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014.

#### 6.1 Composition of the Committee and Compliance Officer.

The Committee consists of one Non - Executive Independent Director and two Promoter Directors, as on 31<sup>st</sup> March, 2016. The details are as follows:

Sl. No.	Name	Category
1	Mr. Nitin Guha	Non-Executive, Independent Director.
2	Mr. Nandlal Todi	Non-Executive, Non-Independent, Promoter Director
3	Mr. Pawan Kumar Todi	Executive, Non-Independent, Promoter Director

Mr. Nitin Guha (DIN- 01107480), Non-executive and Independent Director, is the Chairman of the Committee.

Ms. Sarika Mehra, Executive Director and Company Secretary (DIN-06935192), is the Compliance Officer.

#### 6.2 Terms of Reference

During the financial year 2015-16, the Committee has performed its role in accordance with the erstwhile Listing Agreement and Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Committee deals with matters relating to approval of Share Transfer, Transmissions and Transposition, Folio Consolidation, Issue of Duplicate Share Certificates, Replacement of Share Certificates, Split and Consolidation of Certificates, Dematerialisation and Rematerialisation requests, monitoring of shareholder complaints /requests. The Committee is also empowered to resolve the grievances of the security holders of the Company.

#### 6.3 Status of Complaints received from the members:

During the period under review, the Company has received 2 (two) investor complaints, which were resolved within the stipulated time period.

The summary of complaints is provided herewith:

Particulars	No. of Complaints
Number of shareholders' complaints received so far.	2
Number of shareholders' complaints not solved to the satisfaction of the shareholders.	Nil
Number of pending complaints.	Nil

**7. Risk Management Committee**

The Risk Management Committee of the Company monitors and reviews the risk management plan of the Company. It is responsible for laying down procedures to inform Board members about the risk assessment and minimization procedures. The Board shall be responsible for framing, implementing and monitoring the risk management plan for the Company.

With the enactment of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the constitution of the Risk Management Committee is not mandatory for the Company. However, on account of good Corporate Governance principles, and the fact that, NBFCs are subjected to varieties of risks which require constant monitoring and mitigation, the Company has decided to continue with the functioning of the Risk Management Committee.

**7.1 Composition**

Majority of the members of the Committee are Board members. The Committee comprises of two promoter directors and one non-board member, who is a senior executive. The details are as follows:

Sl. No.	Name	Category
1	Mr. Nandlal Todi	Non-Executive, Non-Independent, Promoter Director
2	Mr. Pawan Kumar Todi	Executive, Non-Independent, Promoter Director
3	Mr. Shankar Birjuka	General Manager

Mr. Nandlal Todi (DIN-00581581), Director, is the Chairman of the Committee.

**8. General Body Meetings:****8.1 Location and time for last three Annual General Meetings were:**

Financial Year	Date of AGM	Venue	Time
2014-2015	23-09-2015	Jhajharia Committee Room Merchant Chamber of Commerce, 15-B, Hemanta Basu Sarani, 2 <sup>nd</sup> Floor, Kolkata- 700 001	11.00 A.M.
2013-2014	19-09-2014	Jhajharia Committee Room Merchant Chamber of Commerce, 15-B, Hemanta Basu Sarani, 2 <sup>nd</sup> Floor, Kolkata- 700 001	11.00 A.M.
2012-2013	23-09-2013	Jhajharia Committee Room, Merchant Chamber of Commerce, 15-B, Hemanta Basu Sarani, 2 <sup>nd</sup> Floor, Kolkata- 700 001	11.00 A.M.



## 8.2 Special Resolutions passed at the last three Annual General Meetings:

At the 26 <sup>th</sup> Annual General Meeting held on	23/09/2015	:	1
At the 25 <sup>th</sup> Annual General Meeting held on	19/09/2014	:	3
At the 24 <sup>th</sup> Annual General Meeting held on	23/09/2013	:	1

## 8.3 Details of Special Resolution passed through postal ballot during the financial year 2015-16 :

No special resolution was passed through Postal Ballot during the Financial Year 2015-16.

## 8.4 Whether any Special Resolution proposed to be conducted through postal ballot in the forthcoming Annual General Meeting.

No Resolution is proposed to be conducted through Postal Ballot in the forthcoming 27<sup>th</sup> Annual General Meeting.

## 9. Management Discussion and Analysis.

Management Discussion and Analysis forms part of the Annual Report.

## 10. Means of Communications

### 10.1 Quarterly results and Newspapers wherein the results are normally published.

Quarterly unaudited results and the Audited results for the entire financial year/last quarter financial results, of the Company were published in accordance with the erstwhile Listing Agreement and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in i) Arthik Lipi -Bengali (Kolkata edition), and ii) Business Standard - English (Mumbai edition).

The quarterly and the annual results of the Company are faxed to the BSE Ltd, and also uploaded through the Listing Centre of the Exchange within the permitted time frame after the closure of the meeting of the Board of Directors.

### 10.2 Website where displayed.

The financial results of the Company are also posted on the website of the Company, viz. [www.nprfinance.com](http://www.nprfinance.com), under the "Stakeholder Focus" section.

### 10.3 Official news releases.

The Company has not made any official news releases during the period under review.

### 10.4 Presentations made to institutional investors or to the analysts.

The Company was not required to make any presentations to the institutional investors or analysts.

### 10.5 Annual Reports.

The Annual Reports are sent to every shareholder of the Company through the permitted mode within the stipulated time frame.

### 10.6 Outcome of the Annual General Meeting.

The voting results of the 26<sup>th</sup> Annual General Meeting were displayed on the website of the Company ([www.nprfinance.com](http://www.nprfinance.com)). The outcome of the Annual General Meeting is also faxed to the BSE Ltd. and uploaded through the Listing Centre of the Exchange.



## NPR FINANCE LIMITED

### 11. General shareholder information

#### 11.1 Annual General Meeting

- (a) **Date** : 21<sup>st</sup> September, 2016  
(b) **Time** : 11.00 A.M.  
(c) **Venue** : Jhajharia Committee Room, Merchant Chamber of Commerce, 15- B, Hemanta Basu Sarani, 2<sup>nd</sup> Floor, Kolkata- 700 001

#### 11.2 Financial Calendar : (Tentative)

Financial Year – 1 <sup>st</sup> April, 2016 to 31 <sup>st</sup> March, 2017	Relevant Dates
Board Meeting for consideration of accounts	26 <sup>th</sup> May, 2016
Dividend payment date	No dividend has been declared for the Financial Year ended 31 <sup>st</sup> March, 2016.
Posting of Annual Report along with notice of AGM	Atleast 21 clear days before the date of the Annual General Meeting.
Book closure dates	15 <sup>th</sup> September,2016 to 21 <sup>st</sup> September,2016 (both days inclusive).
Last date for receipts of proxy forms	48 hrs before the date of the Annual General Meeting (before 11.30 a.m.).
Unaudited results for the quarter ended on June 30, 2016.	On or before 14 <sup>th</sup> August, 2016.
Unaudited results for the quarter ended on September 30, 2016.	On or before 14 <sup>th</sup> November, 2016.
Unaudited results for the quarter ended on December 31, 2016.	On or before 14 <sup>th</sup> February, 2017.
Audited results for the year ended on March, 31, 2017.	On or before 30 <sup>th</sup> May, 2017.

#### 11.3 Dividend payment date.

The Board of Directors has not recommended any dividend for the Financial year 2015-16.

#### 11.4 The name and address of the stock exchange(s) at which the Company's securities are listed, alongwith the Stock code.

The BSE Ltd (Stock code: 530127)  
1<sup>st</sup> Floor, New Trading Ring,  
Corporate Relation Department  
Rotunda Building  
Phiroze Jeejeebhoy Towers, Dalal Street,  
Fort, Mumbai - 400 001.

#### 11.5 Listing Fees

The Company has paid the listing fee to the BSE Ltd for the year 2016-2017.



## NPR FINANCE LIMITED

### 11.6 Market price data- high, low, during each month in last financial year.

Month	High (₹)	Low (₹)	Volume (Nos.)
April, 2015	14.59	11.00	4,668
May, 2015	17.79	11.60	4,993
June, 2015	14.99	12.10	15,561
July, 2015	15.41	11.75	69,803
August, 2015	15.49	12.61	10,642
September, 2015	17.50	12.05	994
October, 2015	14.73	11.56	4,824
November, 2015	13.99	11.38	5,566
December, 2015	16.25	11.29	34,096
January, 2016	19.60	13.35	67,386
February, 2016	13.53	11.04	5,334
March, 2016	12.95	9.71	8,127

### 11.7 Performance in comparison to broad-based indices.

Month	BSE Sensex Closing (in ₹)	NPR Finance Ltd Closing Share Price(in ₹)
April, 2015	27011.31	13.55
May, 2015	27828.44	12.70
June, 2015	27780.83	13.45
July, 2015	28114.56	13.20
August, 2015	26283.09	15.49
September, 2015	26154.83	12.50
October, 2015	26656.83	14.00
November, 2015	26145.67	12.50
December, 2015	26117.54	16.25
January, 2016	24870.69	14.20
February, 2016	23002.00	11.61
March, 2016	25341.86	12.95
<b>Average Share Price</b>	<b>26275.64</b>	<b>13.53</b>



## NPR FINANCE LIMITED

### 11.8 Trading eligibility of the securities.

The Equity Shares are eligible for active trading on the Stock Exchange and have not been suspended from trading.

### 11.9 Registrar & Share Transfer Agent.

M/s. Niche Technologies Private Ltd.  
D-511, Bagree Market, 71, B.R.B. Basu Road, Kolkata 700 001,  
Phone Nos. (033) 2235-7270/7271, 2234-3576  
Fax: (033) 2215- 6823  
E- mail: [nichetechpl@nichetechpl.com](mailto:nichetechpl@nichetechpl.com)

### 11.10 Share Transfer System

The Company's shares are in compulsory demat mode. The shares received for transfer in physical mode are registered and returned within a period of 15 days from the date of receipt, if the documents are clear in all respects. Shares under objection are returned within two weeks. Total number of physical shares transferred during the year ended 31<sup>st</sup> March, 2016 were 1200. Total number of physical shares transmitted during the year ended 31<sup>st</sup> March, 2016 were 200

### 11.11 Distribution of shareholding & shareholding pattern.

#### (a) Distribution of shareholding as on 31/03/2016.

Ordinary Shares held	Number of shareholders	% of shareholders	Number of shares held	% of shares held
Upto 500	2,552	82.40	4,83,520	8.07
501-1000	312	10.07	2,67,623	4.47
1001-5000	185	5.97	4,02,898	6.72
5001-10000	13	0.42	98,602	1.65
10001-50000	16	0.52	4,40,045	7.35
50001-100000	8	0.26	5,33,781	8.91
100001 and above	11	0.36	37,63,131	62.83
<b>Total</b>	<b>3,097</b>	<b>100.00</b>	<b>59,89,600</b>	<b>100.00</b>

#### (b) Shareholding Pattern as on 31/03/2016

Category	% of shareholding
Promoters Holding	67.87%
Other Bodies Corporate	4.76%
Individuals	22.90%
Mutual funds	0.05%
NRIs	4.02%
Clearing Members	0.4%



## 11.12 Dematerialization of shares and liquidity.

The Company's shares are tradable compulsorily in electronic form and are available for trading in the depository systems of both National Securities Depositories Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The International Securities Identification Number (ISIN) of the Company as allotted by NSDL and CDSL is INE446D01011. Nearly 92.27% of total equity shares have been dematerialized as on 31.03.2016.

## 11.13 Outstanding American Depository Receipt/Global Depository Receipt/ Warrants/ convertible instruments, conversion data and likely impact on equity.

Not Applicable.

## 11.14 Commodity price risk or foreign exchange risk and hedging activities.

Commodity price risk is the threat that a change in the price of a production input will adversely impact a producer who uses that input. Non-Banking Financial Companies (NBFCs) are, by their inherent nature, exposed to commodity price risk in the form of, fluctuation in the Rupee currency, RBI Policy on lending rates etc.

The Money Changing Sector is exposed to various types of risks such as : adverse impact of Rupee depreciation as this would lead to escalating cost of foreign travel, foreign education, etc.

Wind Energy Sector is exposed to climatic risk and Operation and Maintenance Risk. The performance of the Wind-Energy sector is largely subject to varied wind velocity over which the Company has no control. However Operation & Maintenance Risk is by and large controlled by constantly monitoring & supervising the performance to, reduce down time due to breakdowns.

The Real Estate Sector is adversely affected by poor macro economic conditions, slow income growth, high borrowing costs and very high inflation.

In order to mitigate or hedge the various risks to which the Company is exposed to, the Company strives to review and update, the adequacy of its Risk Management system from time to time. Further, diversification is also considered a mode to hedge risks.

## 11.15 Plant Locations.

The Company has two Wind Turbine Generators of 1.25 MW each, installed at the following sites:

- (i) Village Chhadvel, Taluka Sakari  
District: Dhule  
Maharashtra
- (ii) Village Kundlapur, Taluka Kawthe Mahakal  
District: Sangli  
Maharashtra

## 11.16 Address for correspondence.

### (a) Address for matters related to shares, any correspondence.

**M/s. Niche Technologies Private Ltd.**  
D-511, Bagree Market, 71, B.R.B. Basu Road, Kolkata 700 001,  
Phone Nos. (033) 2235-7270/7271, 2234-3576  
Fax: (033) 2215- 6823  
E- mail: [nichetechpl@nichetechpl.com](mailto:nichetechpl@nichetechpl.com)

### (b) Address for any kind of assistance/clarification.

**Ms. Sarika Mehra**, Compliance Officer (Executive Director & Company Secretary, DIN- 06935192)  
C/o NPR Finance Ltd.  
Todi Mansion, 1, Lu – Shun Sarani, 9<sup>th</sup> Floor, Kolkata-700 073  
E-mail : [smehra@nprfinance.com](mailto:smehra@nprfinance.com)



(c) **Dedicated email ID for Investors.**

For the convenience of our investors, the Company has designated an exclusive email ID for investors i.e. [investors@nprfinance.com](mailto:investors@nprfinance.com).

(d) **Website**

[www.nprfinance.com](http://www.nprfinance.com)

**12. Other Disclosures**

**12.1 Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large.**

Related Party transactions have been disclosed under note "2.37" of schedule to the Financial Statements for the year under review. Further, there were no materially significant transactions with the related parties viz. Promoters, Directors or the Management, or their relatives or Subsidiaries having potential conflict with the Company's interest.

The Audit Committee at its Meeting held on 27<sup>th</sup> May, 2015, accorded omnibus approval in line with the Company's Policy on Related Party Transactions, to pursue related party transactions subject to a maximum threshold limit of Rs. 1 Crore per transaction for Related Party Transactions that are repetitive in nature, for the financial year 2015-16. The Committee has, on a quarterly basis, reviewed the details of the Related Party Transactions entered into by the Company, pursuant to each omnibus approval accorded. Further, the members at the 26<sup>th</sup> Annual General Meeting, have ratified/accorded consent by way of a special resolution, to pursue related party transactions in terms of section 188 of the Companies Act, 2013, read with the Rules framed thereunder.

**12.2 Details of non-compliance by the Company, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years.**

The Company has duly complied with all the various applicable requirements and regulations of the erstwhile Listing Agreement entered with the Stock Exchange and the Regulations under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. No penalty has been imposed or strictures have been issued by SEBI or any other Stock Exchange or any statutory authority, on matters related to Capital Market, during the last three (3) years.

**12.3 Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee.**

The Board of Directors of the Company have adopted a Vigil Mechanism/Whistle Blower Policy with a view to provide a vigil mechanism for the directors and employees of the Company to raise concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc. The purpose of this Policy is to encourage the Company's directors and employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

No personnel have been denied access to the Audit Committee. There were no instances of reporting under the Whistle Blower Policy.

The Vigil Mechanism/Whistle Blower Policy is disclosed on the website of the Company.

The details of the Policy are provided hereunder:

(a) **Main Objectives**

- i. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and to attain high level of transparency, accountability and equity with the ultimate objective of providing maximum level of customer satisfaction & increasing long term shareholders value keeping in view the needs and interest of all stakeholders. For achieving the same, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.





## NPR FINANCE LIMITED

- ii. The Vigil mechanism of the Whistle Blower Policy shall provide a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy. Further, this mechanism shall provide for adequate safeguards against the victimization of the director(s) / employee(s) who avail of the mechanism and a direct access to the Chairman/Chairman of the Audit Committee in appropriate or/and exceptional cases.

### (b) Eligibility

All Employees of the Company are eligible to make Protected Disclosures under the Policy in relation to issues covered under this Policy and concerning the Company.

### (c) Receipt and Disposal of Protected Disclosures.

All Protected Disclosures should be reported in writing in English, Hindi or in the regional language of the place of employment of the Whistle Blower as soon as possible after the Whistle Blower becomes aware of the same so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English, Hindi or in the regional language of the place of employment of the Whistle Blower.

Alternatively, the same can also be sent through email with the subject "Protected disclosure under the Whistle Blower Policy".

On receipt of the protected disclosure, the Vigilance and Ethics Officer / Chairman/ Chairman of the Audit Committee, as the case may be, shall make a record of the Protected Disclosure and also ascertain from the complainant whether he was the person who made the protected disclosure or not. He/she shall also carry out initial investigation either himself/herself or by involving any other Officer of the Company or an outside agency before referring the matter to the Audit Committee of the Company for further appropriate investigation and needful action.

### (d) Contact details of the Vigilance and Ethics Officer.

Name	Designation	Correspondence address	e-mail id
Ms. Sarika Mehra	Executive Director & Company Secretary	NPR Finance Ltd.Todi Mansion, 9 <sup>th</sup> Floor,1, Lu-Shun Sarani Kolkata 700 073	smehra@nprfinance.com

## 12.4 Details of compliance with mandatory requirements and adoption of the non-mandatory requirements.

### (a) Compliance with mandatory requirements.

The Company has duly complied with all the mandatory requirements as stipulated in Clause 49 of the erstwhile Listing Agreement and Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has, inter-alia amongst others, duly complied with the mandatory compliances of :

- i. Website publications;
- ii. Quarterly, non-quarterly and annual statutory compliances submissions;
- iii. Formation/Constitution/Re-constitution of Board Committees, the terms of references and their further empowerment;
- iv. Notice for Convening of Meetings of the Board of Directors, various Board Committees and General Meeting and intimation about the closure of Trading Window;
- v. Quorum maintenance at the Meetings of the Board of Directors, and the Board Committees
- vi. Scheduling and selection of agenda items alongwith Notes on Agenda for Board meetings and various Board Committee meetings;
- vii. Recording Minutes of the proceedings of the Meeting of the Board of Directors, the Committees of the Board and the General Meeting;



- viii. Remuneration of Directors;
- ix. Appointment/Re-appointment of Auditor;
- x. Quarterly submission of the Reconciliation of Share Capital Audit Report under SEBI (Depositories and Participants) Regulations, 1996;
- xi. Non-quarterly compliance in terms of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, and SEBI (Substantial Acquisition of Shares and Takeover) Regulation, 2011;
- xii. Disclosure in terms of Regulation 54(5) of the SEBI (Depositories and Participants Regulations), 1996;
- xiii. Formulation of various policies in terms of the erstwhile Listing Agreement and Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with the Companies Act, 2013 and the Rules framed thereunder ;
- xiv. Annual declaration of Independence by the Independent Directors;
- xv. Disclosure of Directors' interest and their shareholding ; etc.

**(b) Adoption of non-mandatory/discretionary requirements.**

The Company has fulfilled the following discretionary requirements as prescribed in Part E of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

**i. The Board - Non-Executive Chairman's Office.**

The Board of Directors is chaired by Mr. Arun Charan Mukherji (DIN: 00063975), who is a Non-Executive and Independent Director;

**ii. Modified opinion(s) in audit report.**

The Company's financial statements does not contain any modified audit opinion(s).

**iii. Separate posts of Chairperson and Managing Director.**

Mr. Arun Charan Mukherji (DIN- 00063975) is the Chairperson of the Board of Directors and Mr. Pawan Kumar Todi (DIN-00590156), is the Managing Director of the Company.

**12.5 Web link where policy for determining 'material' subsidiaries is disclosed.**

The Company does not have any material listed/unlisted subsidiary companies and is therefore, not required to comply with the provisions of Regulation 24 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, regarding the Corporate Governance requirements with respect to subsidiary.

The Company has formulated a policy for determining "material subsidiary" and the same is disclosed on the website of the Company via the link :

<http://www.nprfinance.com/showreport.aspx?prmRsCtg=MSP&prmCtgType=S>

**12.6 Web link where policy on dealing with related party transactions is disclosed.**

The Company has a Policy on Related Party Transactions and Materiality of Related Party Transactions, which is disclosed on the website of the Company via the link:

<http://www.nprfinance.com/showreport.aspx?prmRsCtg=PRPT&prmCtgType=S>

**12.7 Disclosures with respect to demat suspense account/ unclaimed suspense.**

None of the issued Equity shares of the Company are in the demat suspense account or unclaimed suspense account.



### 13. Code of Conduct on Prevention of Insider Trading

The Company had laid down a Code of Conduct for Prevention of Insider Trading based on the SEBI (Insider Trading) Regulations, 1992. This code was applicable upon all Directors and select employees. The code ensured prevention of dealing in shares by persons having access to unpublished price sensitive information.

The aforesaid Code was effective till 14<sup>th</sup> May, 2015 & thereafter repealed with the “Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information”, made effective from 15<sup>th</sup> May, 2015 pursuant to the SEBI(Prohibition of Insider Trading )Regulations, 2015. This Code has been disclosed on the website of the Company via the link:

<http://www.nprfinance.com/showreport.aspx?prmRsCtg=CCPIT&prmCtgType=S>

### 14. CEO/CFO Certification

In terms of Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Certificate from the Managing Director and the Chief Financial Officer (CFO) was obtained and placed before the Board.

### 15. Practising Company Secretary’s Compliance Certificate on Corporate Governance.

The Practising Company Secretary’s Certificate on Compliance of Conditions of Corporate Governance as provided in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of the Directors’ Report.

### 16. Declaration – Code of Conduct for all Board members and select employees.

The Board has laid down a code of conduct for all Board members. It also suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013 and is disclosed on the website of the Company.

The Company has a separate Code of Conduct for the senior management of the Company, which was modified by the Board of Directors at their meeting held on 11<sup>th</sup> February,2016.

As provided in Regulation 26(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors and select Employees have affirmed Compliance with the code of conduct and a declaration to this extent has been provided by Managing Director, Mr. Pawan Kumar Todi (DIN-00590156). The same forms part of the Annual Report.

Place : Kolkata  
Dated : 26<sup>th</sup> May, 2016

For and on behalf of the Board of Directors

**Arun Charan Mukherji**  
**Chairman**  
**DIN: 00063975**



## NPR FINANCE LIMITED

### CEO & CFO CERTIFICATION

To  
The Board of Directors  
NPR Finance Limited  
Todi Mansion, 9<sup>th</sup> Floor  
1, Lu-Shun Sarani  
Kolkata – 700 073.

We, Pawan Kumar Todi (DIN-00590156), Managing Director and Ashok Kumar Shah, Chief Financial Officer of the Company, hereby certify that:

- A. We have reviewed the financial statements and the cash flow statement for the Financial year ending on 31<sup>st</sup> March, 2016 and to the best of our knowledge and belief, hereby certify that:-
1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year ended on 31<sup>st</sup> March, 2016, which are fraudulent, illegal or violative of the Company's code of conduct except as disclosed to the Company's Auditors and the Company's Audit Committee of the Board of Directors.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the internal controls, of which we are aware and we have taken the required steps to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit Committee :
- (1) significant changes, if any, in the internal control over financial reporting during the year.
  - (2) significant changes, if any, in accounting policies during this year and that the same have been disclosed in the notes to the financial statements; and
  - (3) 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.

Place : Kolkata  
Date : 26<sup>th</sup> May 2016

Pawan Kumar Todi  
Managing Director  
DIN 00590156

Ashok Kumar Shah  
Chief Financial Officer (CFO)



## NPR FINANCE LIMITED

### **Declaration Regarding Compliance by Board Members and Senior Management Personnel with the Code of Conduct**

This is to confirm that the Company has adopted Code of Conduct for its employees including the Managing Director. In addition, the Company has adopted the Code of Conduct for the Directors of the Company. Both these Codes are posted on the Company's website.

I confirm that the Company has in respect of the financial year ended 31<sup>st</sup> March, 2016, received from the senior management team of the Company and the Members of the Board of Directors, a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the officers/personnel of the Company who are members of its core management team excluding Board of Directors and this shall comprise all members of management one level below the executive directors, including all functional heads.

Place : Kolkata  
Date : 26<sup>th</sup> May 2016

**Pawan Kumar Todi**  
Managing Director  
DIN-00590156



## INDEPENDENT AUDITOR'S REPORT

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **NPR FINANCE LIMITED** which comprise the Balance Sheet as at 31<sup>st</sup> March, 2016, 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.

### Management's Responsibility for the Standalone 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 standalone financial statement that give a true and fair view of the financial position, financial performance of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and 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 standalone financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31<sup>st</sup> March, 2016, and its profit for the year ended on that date.



## NPR FINANCE LIMITED

### Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors' Report) Order, 2016 issued by the Government of India in terms of sub section (11) of sec 143 of the Companies Act 2013, we annex herewith "**Annexure A**" on statement on the matters specified in paragraph 3 & 4 of the said Order, to the extent applicable.

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 and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
- c. The Balance Sheet, the Statement of Profit and Loss & the Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from the branches not visited by us.
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. There are no observations or comments on financial transactions or matters which have any adverse effect on the functioning of the company.
- f. On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2016 taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March, 2016 from being appointed as a director in terms of section 164(2) of the Act.
- g. There are no qualifications, reservations or adverse remarks relating to the maintenance of accounts and other matters connected therewith.
- h. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**";
- i. During the Course of Audit and according to the information and explanation given to us, there was a fraud on the Company by an employee of the company, wherein there was a misappropriation of funds to the tune of Rs. 9.45 Lacs (Approx.). This has been reported by the Internal Auditor and Secretarial Auditor in their reports; and
- j. 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 has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Point No.(ii) of note no. 2.26 of notes to the financial statements;
  - ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company at the end of the year.

Place : Kolkata  
Dated : 26<sup>th</sup> day of May, 2016

For **R.P. BOOBNA & CO**  
Chartered Accountants  
Registration No. : 304093E  
**PANKAJ KAKARANIA**  
Partner  
Membership No. : 053304



### Annexure A to the Auditor's Report

The Annexure referred to in our Independent Auditor's Report to the members of the company on the standalone financial statements for the year ended 31 March 2016, we report that:

As required by the Companies (Auditors' Report) Order 2016 issued by the Government of India in terms of sub section (11) of sec 143 of the Companies' Act 2013, we annex herewith a statement on the matters specified in paragraph 3 & 4 of the said order and on the basis of such checking of the Books and Records as we consider appropriate and the information and explanations given to us during the course of our Audit, we further report that:

- (i) a) The company has maintained proper Fixed Assets Register showing full particulars including quantitative details and situation of fixed assets.
  - b) The company has a regular programme of physical verification of its fixed assets by which fixed assets are verified. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.
  - c) The title deeds of immovable properties have been verified by us and are held in the name of the company. We have relied on the Certificate of Management with respect to title deeds pledged with bank.
- ii) As informed, the inventory has been physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed.
- iii) According to the information and explanation given to us, the company has granted unsecured loans, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Please refer to point no 2.37 of notes to the financial statements for details. As informed to us the amounts are payable on demand.
  - (a) The receipt of Principal amount as well as interest is regular. However, the terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph 3(iii)(b) of the order is not applicable to the company in respect of repayment of the principal amount.
  - (b) Since the loans are repayable on demand clause 3(iii)(c) of the Order is not applicable.
- iv) In our opinion & according to the information & explanation given to us, the company has complied with the provisions of Section 185 & 186 of the Companies Act, 2013 in respect of loans, investments, guarantees & securities.
- v) As informed, the company has not accepted any deposit from the public covered under the terms of section 73 to 76 of the Companies Act, 2013 or any other relevant provisions of the Act & rules framed there under.
- vi) As explained to us the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Companies Act, 2013.
- vii) a) According to the information and explanation given to us, provident fund, employee state insurance, VAT, Service tax, TDS and other statutory dues have generally been regularly deposited with the appropriate authorities. There are no arrear outstanding statutory dues at the last day of financial year for a period of more than six months from the date they become payable.
  - (b) On the basis of our examination of the documents and records and according to the information and explanation given to us, there are no disputed statutory liabilities with respect to above.





## NPR FINANCE LIMITED

- (viii) Based on our audit procedure and as per the information provided to us, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions, banks, governments at the end of financial year covered by the audit.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments). However the company has taken term loan & the said were applied for the purpose for which it was raised.
- (x) According to the information and explanation given to us, a fraud on the company by its employee has been noticed during the year, wherein there was a misappropriation of funds to the tune of Rs. 9.45 lacs (approx.). Please refer to point no 2.32 of notes to the financial statements for details.
- (xi) In our opinion, the managerial remuneration has been provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The clause (xii) regarding Nidhi Co. is not applicable to the company.
- (xiii) In our opinion, all transactions with the related parties are in compliance with Section 177 & Section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Note no. 2.37 of the notes to the financial statements as required by the applicable accounting standards.
- (xiv) According to the information & explanation given to us, no preferential allotment/private placement has been made. Therefore, provisions of clause 3 (xiv) of the Companies (Auditor's Report) Order, 2016, are not applicable to the Company.
- (xv) The company has not entered into any non - cash transactions with directors or persons connected with him.
- (xvi) The company is a Non-Banking Financial Institution without accepting Public Deposits registered under section 45 IA of the Reserve Bank of India Act, 1934 having valid Certificate of Registration.

Place : Kolkata  
Dated : 26<sup>th</sup> day of May, 2016

For **R.P. BOOBNA & CO**  
Chartered Accountants  
Registration No. 304093E  
**PANKAJ KAKARANIA**  
Partner  
Membership No.: 053304



## NPR FINANCE LIMITED

### **Annexure B** to the Independent Auditor's Report of even date on the Standalone Financial Statements of **NPR Finance Limited**

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 **NPR Finance Limited** as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

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;



## NPR FINANCE LIMITED

- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 March 31, 2016, 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. However in the light of fraud detected by the company during the year, such control system has been further strengthened.

Place : Kolkata  
Dated : 26<sup>th</sup> day of May, 2016

For **R.P. BOOBNA & CO**  
Chartered Accountants  
Registration No. : 304093E  
**PANKAJ KAKARANIA**  
Partner  
Membership No. : 053304



## NPR FINANCE LIMITED

### BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2016

(Amount in ₹)

Particulars	Note No.	As at 31/03/2016		As at 31/03/2015	
<b>I. EQUITY AND LIABILITIES</b>					
<b>Shareholders' Funds</b>					
Share Capital	2.1	59,966,000		59,966,000	
Reserves and surplus	2.2	303,154,804	<b>363,120,804</b>	298,840,856	358,806,856
<b>Non-Current Liabilities</b>					
Long-term borrowings	2.3	1,529,027		469,636	
Deferred tax liabilities (Net)	2.4	20,775,922		21,976,922	
Other Long term liabilities	2.5	286,300		313,400	
Long term provisions	2.6	2,210,181	<b>24,801,430</b>	1,000,000	23,759,958
<b>Current Liabilities</b>					
Short-term borrowings	2.7	27,562,004		17,850,070	
Trade payables	2.8	2,028,560		516,404	
Other current liabilities	2.9	4,879,272		8,362,849	
Short-term provisions	2.6	4,894,458	<b>39,364,294</b>	2,059,896	28,789,219
<b>TOTAL</b>			<b>427,286,528</b>		411,356,033
<b>II. ASSETS</b>					
<b>Non-current assets</b>					
<b>Fixed Assets</b>					
Tangible assets	2.10	72,103,156		75,169,306	
Non-current investment	2.11	3,319,000		15,277,000	
Long term loans and advances	2.12	43,158,689	<b>118,580,845</b>	23,303,267	113,749,573
<b>Current Assets</b>					
Inventories	2.13	7,454,705		21,492,366	
Trade receivables	2.14	9,896,013		5,267,868	
Cash and cash equivalents	2.15	5,624,065		6,460,563	
Short-term loans and advances	2.12	276,436,651		261,927,685	
Other current assets	2.16	9,294,249	<b>308,705,683</b>	2,457,978	297,606,460
<b>TOTAL</b>			<b>427,286,528</b>		411,356,033

Significant Accounting Policies &  
Notes to the Financial Statements

1 & 2

The Notes are an integral part of the financial statements

As per our report of even date

209, A. J. C. Bose Road  
"Karnani Estate"  
2<sup>nd</sup> Floor, Room No. 87  
Kolkata - 700 017  
Dated : 26<sup>th</sup> Day of May, 2016

**For R. P. Boobna & Co.**  
Chartered Accountants  
Registration No : 304093E  
**PANKAJ KAKARANIA**  
Partner  
Membership No . 053304

**PAWAN KUMAR TODI**  
Managing Director  
DIN :- 00590156  
**SARIKA MEHRA**  
Executive-Director  
& Company Secretary  
DIN :- 06935192

**NAND LAL TODI**  
Director  
DIN :- 00581581  
**ASHOK KUMAR SHAH**  
Chief Financial Officer



## NPR FINANCE LIMITED

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2016

(Amount in ₹)

Particulars	Note No.	For the year ended 31/03/2016	For the year ended 31/03/2015
<b>INCOME</b>			
Revenue from operations	2.17	440,133,563	477,608,877
Other Income	2.18	366,412	357,749
<b>Total Revenue</b>		<b>440,499,975</b>	<b>477,966,626</b>
<b>EXPENSES</b>			
Purchases of Stock-in-Trade	2.19	345,360,760	362,968,752
Changes in inventories of Stock-in-Trade	2.20	13,370,126	(2,917,936)
Employee benefit expenses	2.21	13,217,052	15,693,765
Financial costs	2.22	1,906,876	5,226,737
Depreciation and Amortisation Expenses	2.23	6,228,225	6,140,393
Other expenses	2.24	35,854,629	55,658,474
Provision for diminution in value of Investment		11,958,000	2,008,000
<b>Total Expenses</b>		<b>427,895,668</b>	<b>444,778,185</b>
<b>Profit before tax</b>		<b>12,604,307</b>	<b>33,188,441</b>
Tax expense :			
Current Tax		9,674,000	12,543,000
Deferred Tax Charge/(Credit)		(1,201,000)	(2,202,000)
		<b>8,473,000</b>	<b>10,341,000</b>
<b>Profit for the year (after tax)</b>		<b>4,131,307</b>	<b>22,847,441</b>
Basic & Diluted Earning Per Share of ₹ 10/- each		<b>0.69</b>	<b>3.81</b>

Significant Accounting Policies &  
Notes to the Financial Statements

1 & 2

The Notes are an integral part of the financial statements

As per our report of even date

209, A. J. C. Bose Road  
"Karnani Estate"

2<sup>nd</sup> Floor, Room No. 87  
Kolkata - 700 017

Dated : 26<sup>th</sup> Day of May, 2016

**For R. P. Boobna & Co.**  
Chartered Accountants  
Registration No : 304093E

**PANKAJ KAKARANIA**  
Partner  
Membership No . 053304

**PAWAN KUMAR TODI**  
Managing Director  
DIN :- 00590156

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& Company Secretary  
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**NAND LAL TODI**  
Director  
DIN :- 00581581

**ASHOK KUMAR SHAH**  
Chief Financial Officer



## SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS

### 1. SIGNIFICANT ACCOUNTING POLICIES:

#### 1.1 Accounting Convention :

The Company prepares its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) under historical cost convention on accrual basis and also in accordance with requirements of the Companies Act, 2013 and the Rules made thereunder and guidelines issued by the Securities Exchange Board of India (SEBI). It follows the directions prescribed by Reserve Bank of India for Non-Banking Financial Companies and as per the applicable accounting standards issued by the Institute of Chartered Accountants of India (ICAI).

#### 1.2 Fixed Assets :

Fixed Assets are stated at historical cost less accumulated depreciation and impairments, if any. Direct costs are capitalized until fixed assets are ready for use.

#### 1.3 Depreciation :

Pursuant to the enactment of Companies Act, 2013, the company has applied the estimated useful lives as specified in Schedule II. Accordingly the unamortised carrying value is being depreciated / amortised over the revised/remaining useful lives as provided in Schedule II. Further, the assets costing below ₹ 5000 is treated as revenue expenditure.

#### 1.4 Non Current investment :

Long-term investments are usually carried at cost. However, when there is a decline, other than temporary, in the value of a long term investment, the carrying amount is reduced to recognize the decline.

#### 1.5 Current Assets :

- i. Stock of shares & securities are stated at cost or net realizable value whichever is lower.
- ii. Valuation of repossessed assets:  
Assets, when repossessed are treated as Stock of Vehicles repossessed. Such stock is revalued as on year end and are stated at cost or net realizable value whichever is lower, and the difference between such valuation and the book value of the asset is written-off.

#### 1.6 Revenue Recognition:

- i. Income from financing transactions is accounted for on the basis of Internal Rate of Return method.
- ii. All other income are accounted for on accrual basis.

#### 1.7 Foreign Currency Transactions:

- i. Foreign Exchange Transactions in respect of purchase and sale of Travellers' Cheques and currencies are recorded at the exchange rate prevailing at the time of transaction.
- ii. Closing Stock of foreign currency notes & coins and Travellers' Cheques are valued at cost price or market price, whichever is lower.

#### 1.8 Retirement Benefits:

In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation at each Balance Sheet date using the projected unit credit method. The employees' gratuity fund scheme is managed by Life Insurance Corporation of India.



## 1.9 Non-Performing Assets :

Identification of Non-Performing Assets (NPAs) has been done as per the guidelines of Non-Systematically Important Non-Banking Financial (Non Deposit Accepting or Holding ) Companies Prudential Norms (Reserve Bank), Directions, 2015. The company is following the policy of writing off the Non- Performing Assets in its books of accounts every year instead of making provisions as per the guidelines.

## 1.10 Provisions & Contingent Liabilities :

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

The Company's Master Data on the portal of the Ministry of Corporate Affairs reveals prosecution proceedings being initiated against the Company. However, as explained by the Management, the Company did not receive any show cause notice or prosecution notice, or copy of complaint filed with Ld. Court, any other documents pertaining to the prosecution and therefore, in this connection, the Company has been corresponding with the concerned Department(s) of the Ministry of Corporate Affairs in order to obtain the prosecution details. The same is in process.

## 1.11 Income Taxes :

Income taxes are accrued in the same period that the related revenue and expenses arise .A provision is made for income tax, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

Minimum alternate tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability, is recognized as an asset in the Balance Sheet if there is convincing evidence that the Company will pay normal tax after the tax holiday period and the resultant asset can be measured reliably. The Company offsets, on a year on year basis, the current tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

The differences that result between the profit considered for income taxes and the profit as per the financial statements are identified, and there after a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount of timing difference. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on enacted or substantively enacted regulations. Deferred tax assets in situation where unabsorbed depreciation and carry forward business loss exists, are recognized only if there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax asset can be realized. Deferred tax assets, other than in situation of unabsorbed depreciation and carry forward business loss, are recognized only if there is reasonable certainty that they will be realized. Deferred tax assets are reviewed for the appropriateness of the irrespective carrying values at each reporting date. Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority. The income tax provision for the interim period is made based on the best estimate of the annual average tax rate expected to be applicable for the full financial year.



## NPR FINANCE LIMITED

### 2. NOTES TO THE FINANCIAL STATEMENTS

#### 2.25 (a) Contingent Liabilities :

- i. Bank Guarantee issued by bank on behalf of the Company is ₹ 11.67 Lacs (P.Y ₹ 16.79 Lacs). Bank Guarantee has been obtained by pledging Fixed Deposit of the equivalent amount.
- ii. Suit Filed against the Company by customers under hypothecation contract amount to ₹ 7.49 Lacs (P.Y ₹ 9.63 lacs). However in some cases the amounts are indeterminate and hence are not mentioned.
- iii. Suit Filed against the Company by employees amount to ₹ 4.78 Lacs (P.Y. ₹ 1.49 lacs).
- iv. With respect to Income Tax there is a disputed demand of interest amounting to ₹ 10970/- in respect of Assessment Year 2009-2010 for which management has submitted letter for rectification.
- v. With respect to complain filed in lower court by Ministry of Corporate Affairs for prosecution proceedings initiated against the Company, the amount is not ascertainable.

#### (b) Commitments :

The Estimated amount of Contracts remaining to be executed on capital account and not provided for is - **NIL**

#### 2.26 Income Tax :

- i. The net deferred tax liability of ₹ 207.76 lacs as on 31.03.2016, component of which is liability arising out of timing difference on account of depreciation on fixed assets between Companies Act, 2013 and Income Tax Act, 1961 has been recognized in the accounts.
- ii. With respect to income tax, demand amounting to ₹ 38.27 lacs has been shown in the Income Tax site. As per the management, these are fictitious demand which needs to be cancelled /rectified by the Income Tax Department and in respect of which corrective response has been submitted by the Company in the Income Tax Site.

#### 2.27 Managerial Remuneration : Payment made to Key Managerial Personnels:

Particulars	Pawan Kumar Todi (Managing Director)		Ashok Kumar Shah (Chief Financial Officer)		Sarika Mehra (Executive Director & CS)	
	C.Y. (₹)	P.Y. (₹)	C.Y. (₹)	P.Y. (₹)	C.Y. (₹)	P.Y. (₹)
Salary	10,80,000	10,45,000	6,74,760	6,28,000	9,84,840	8,87,400
Employers Contribution to P.F.	1,50,000	1,50,000	23,040	21,600	30,960	28,800
Medical- Re-imbursment	14,734	13,565	1,02,000	1,02,800	1,44,000	1,44,000
Insurance premium	45,508	34,275	-	-	-	-
<b>Total</b>	<b>12,90,242</b>	<b>12,42,840</b>	<b>7,99,800</b>	<b>7,52,400</b>	<b>11,59,800</b>	<b>10,60,200</b>

#### Note : Gratuity provided for the KMP's (F.Y. 2015-16):

Pawan Kumar Todi - ₹ 99,523

Ashok Kumar Shah - ₹ 32,228

Sarika Mehra - ₹ 38,188





## NPR FINANCE LIMITED

### 2.28 Segment Reporting :

#### Primary Segment: Business Segment:

- The Company's business is organized around four business segments namely, Financial, Money Changing, Wind Power Generation and Real Estate. Financial activities consist of granting of loan covered by Hypothecation Agreements, Inter Corporate Deposits and Shares & Securities. Accordingly, the Company has provided primary segment information for these four segments as per Accounting Standard 17 on Segment Reporting issued by ICAI.
- There is no inter-segment transfer.
- All the common income, expenses, assets and liabilities which are not possible to be allocated to different segments are treated as un-allocable items.

#### Segment Information

The following table presents segment revenue, results, assets & liabilities in accordance with AS-17 as on 31.03.2016

#### Segment Reporting

(₹ in Lacs)

Business Segment	Financing Operations		Money Changing		Power Generation		Real Estate		Consolidated Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>REVENUE</b>										
Segment Revenue	1100.98	1683.79	3143.04	2737.11	157.32	168.75	-	186.44	4401.34	4776.09
Inter Segment Revenue	-	-	-	-	-	-	-	-	-	-
Total Revenue	1100.98	1683.79	3143.04	2737.11	157.32	168.75	-	186.44	4401.34	4776.09
<b>RESULTS</b>										
Segment Results	56.70	72.88	13.23	8.44	81.86	96.02	-	182.64	151.79	359.98
Unallocated Income (net off expenses)										
Unallocated Expenditure	-	-	-	-	-	-	-	-	25.75	28.10
Profit before tax	-	-	-	-	-	-	-	-	126.04	331.88
Less : Income Tax	-	-	-	-	-	-	-	-	96.74	125.43
: Deferred Tax	-	-	-	-	-	-	-	-	(12.01)	(22.02)
Profit after tax	-	-	-	-	-	-	-	-	41.31	228.47
<b>OTHER INFORMATION</b>										
Segment Assets	3247.13	3320.26	14.17	7.20	688.43	681.61	262.06	62.06	4211.79	4071.13
Unallocated Assets	-	-	-	-	-	-	-	-	61.07	42.43
Total Assets	-	-	-	-	-	-	-	-	4272.86	4113.56
Segment Liabilities	395.52	284.09	14.93	11.63	211.64	209.63	-	-	622.09	505.35
Unallocated Liabilities	-	-	-	-	-	-	-	-	19.57	20.14
Total Liabilities	-	-	-	-	-	-	-	-	641.66	525.49
Capital Expenditure	31.94	5.71	-	-	-	-	-	-	31.94	5.71
Depreciation	15.31	31.27	0.28	0.28	46.69	46.69	-	-	62.28	78.24
Non - Cash Expenditure other than depreciation	-	-	-	-	-	-	-	-	-	-



## NPR FINANCE LIMITED

### 2.29 Earning Per Share :

Calculation of Weighted Average Number of Equity Shares of ₹ 10/- each.

Particulars	31.03.2016	31.03.2015	31.03.2014
Number of shares outstanding at the beginning of the year (excluding share forfeited)	59,89,600	59,89,600	59,89,600
Shares issued during the year	—	—	—
Number of shares outstanding at the end of the year	59,89,600	59,89,600	59,89,600
Net profit after tax available for equity shares (₹)	41,31,307	2,28,47,441	1,48,02,088
Basic and diluted earning per share (₹)	0.69	3.81	2.47

### 2.30 Depreciation :

Depreciation on Fixed Assets is provided on the Straight line Method over the useful life of assets as prescribed under Part C of Schedule II of the Companies Act, 2013. Depreciation for assets purchased/sold during a period is proportionately charged.

### 2.31 Suit filed by the Company :

During the year and in earlier years, company had filed cases against the customers to whom loans were given under the Hypothecation Contract. Total numbers of Cases pending are 3092 and the amount involved is approximately ₹ 3372.90 lakhs. The money realized is shown as income in the profit & loss account as all the debts were written off in earlier years.

### 2.32 Fraud

During the year under review the Company has deducted one fraud valued at approximately ₹ 9.45 lacs. The fraud was done by an employee of the Company. The Company has lodged FIR with Bowbazar Police Station, Kolkata. The Fraud has been reported to the Audit Committee meeting on 11/02/2016. It has also been reported to the Statutory Bodies.

### 2.33 Information relating to Micro and Small Enterprises (MSEs) :

(I) The principal amount and interest due thereon remaining unpaid to any supplier as at the end of the year :	
Principal	-----
Interest	-----
(II) The amount of interest accrued and remaining unpaid at the end of accounting year	-----
(III) The amount of interest paid by the buyer in terms of Section 16 to the Micro, Small and Medium Enterprise Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year :	
Principal	-----
Interest	-----

The above particulars, as applicable, have been given in respect of MSEs. No party could be identified on the basis of information available with the Company and pursuant to amendment of Schedule VI to the Act vide Notification dated 16th November, 2007 issued by the Central Government.



## NPR FINANCE LIMITED

**2.34 As required by Accounting Standard (AS-28)** on 'Impairment of Assets' issued by the Institute of Chartered Accountants of India, in the opinion of the management, the net realizable value of fixed assets is in excess of the written down value and there is no significant impairment loss in the value of fixed assets appearing in this Balance Sheet requiring appropriation/adjustment in the Accounts.

### 2.35 Gratuity Plan

The following table set out the status of the Gratuity Plan as required under AS-15.

#### Reconciliation of opening and closing balances of the present value of the defined benefit obligation and Plan assets:

Particulars	₹ in lacs As at March 31	
	2016	2015
Obligations at the year beginning	26.38	27.24
Transfer of obligation	-	-
Service cost	1.53	1.64
Interest cost	2.09	2.41
Actuarial (gain)/ loss	(2.88)	(0.68)
Benefits paid	(1.35)	(4.24)
Amendment in benefit plans	-	-
Obligations at the year end (A)	25.77	26.37
Less: Fair Value of Plan Assets (B)	16.04	15.03
Net Assets/(Liability) (B-A)	(9.73)	(11.34)

#### Change in plan assets

Plan assets at the year beginning, at fair value	15.03	-
Expected return on plan assets	1.24	0.67
Actuarial gain/(Loss)	(0.03)	(0.55)
Contributions	1.16	19.15
Benefits paid	(1.35)	(4.24)
Plan assets at the year end, at fair value	16.05	15.03

#### Reconciliation of present value of the obligation and the fair value of the plan assets:

Fair Value of Plan assets at the end of the year	-	-
Present value of defined benefit obligation	25.77	26.38
Liability recognized in the balance sheet	25.77	26.38

#### Assumptions

Interest rate (per annum)	8.00%	8.00%
Expected rate of return on plan assets (per annum)	8.00%	9.00%
Salary growth rate (per annum)	6.00%	5.00%
Expected Average remaining working lives of employees (years)	14.55	17.45
Withdrawal Rates:	Varying between 8%p.a and 1% p.a. depending on duration and age of the employees	



## NPR FINANCE LIMITED

Net gratuity cost for the year ended March 31, 2016 and March 31, 2015 comprises of the following components:

Particulars	₹ in lacs	
	Year ended March 31	
<b>Gratuity cost for the year</b>	<b>2016</b>	<b>2015</b>
Service cost	1.53	1.64
Interest cost	2.09	2.41
Expected return on plan assets	(1.24)	(0.68)
Actuarial (gain)/loss	(2.85)	(0.12)
Plan amendment amortization	-	-
Net gratuity cost	(0.47)	3.25

In the actuarial valuation report of gratuity expense recognized in Profit & Loss account has been shown at ₹ (0.47) lacs, which is after deducting net interest income of ₹ 2.85 lacs earned by the Group Gratuity Cash accumulation plan fund as on 31.03.2016 as reported by LIC. The excess provision of ₹ 0.95 lacs has been written back and accordingly has been considered in Miscellaneous income.

### 2.36 Leave Encashment Plan

The following table set out the status of the Leave Encashment Plan as required under AS 15.

**Reconciliation of opening and closing balances of the present value of the defined benefit obligation and Plan assets:**

Particulars	₹ in lacs	
	As at March 31	
<b>Obligations at the year beginning</b>	<b>2016</b>	<b>2015</b>
Transfer of obligation	4.90	4.14
Service cost	-	-
Interest cost	0.69	0.83
Actuarial (gain)/ loss	0.38	0.36
Benefits paid	(0.60)	1.06
Amendment in benefit plans	(0.76)	(1.49)
Obligations at the year end	-	-
	4.61	4.90

**Defined benefit obligation liability as at the balance sheet date is not funded by the Company.**

### Change in plan assets

Plan assets at year beginning, at fair value	-	-
Expected return on plan assets	-	-
Actuarial gain	-	-
Contributions	0.76	1.49
Benefits paid	(0.76)	(1.49)
Plan assets at the year end, at fair value	-	-



## NPR FINANCE LIMITED

### Reconciliation of present value of the obligation and the fair value of the plan assets:

Particulars	₹ in lacs	
	Year ended March 31	
	2016	2015
Fair Value of Plan assets at the end of the year	-	-
Present value of defined benefit obligation	4.61	4.90
<b>Liability recognized in the balance sheet</b>	<b>4.61</b>	<b>4.90</b>
<b>Assumptions</b>		
Interest rate (per annum)	8.00%	8.00%
Expected rate of return on plan assets (per annum)	0.00%	0.00%
Weighted expected rate of salary increase (per annum)	6.00%	5.00%
Expected Average remaining working lives of employees (years)	14.55	17.53
Withdrawal Rates		Varying between 8% p.a and 1% p.a depending on duration and age of the employees.

### Net leave encashment cost for the year ended March 31, 2016 and March 31, 2015 comprises of the following components:

Particulars	₹ in lacs	
	Year ended March 31	
	2016	2015
<b>Leave Encashment cost for the year</b>		
Service cost	0.69	0.83
Interest cost	0.38	0.36
Expected return on plan assets	-	-
Actuarial (gain)/loss	(0.60)	1.07
Plan amendment amortization	-	-
Net Leave Encashment cost	<u>0.47</u>	<u>2.26</u>
Actual return on plan assets	-	-

The excess provision of ₹ 3497 has been written back and accordingly has been considered in Miscellaneous income.



## NPR FINANCE LIMITED

### 2.37 RELATED PARTY TRANSACTIONS DISCLOSURE

#### Enterprises where control Exists

- 1 GNB Motors Private Limited
- 2 Mountview Tracom LLP
- 3 Rani Leasings & Finance Private Limited
- 4 T.P. Farms Private Limited
- 5 Viewlink Highrise Private Limited
- 6 Ganesh Narayan Brijlal Private Limited
- 7 Zee ABC Agro Industries Private Limited
- 8 Tamal Stationers Private Limited
- 9 NSP Finance Private Limited
- 10 Global Developers Private Limited
- 11 Bengal NPR Housing Development Limited
- 12 GNB Investments Private Limited
- 13 Regent Enclave Private Limited
- 14 Limelight Holdings Private Limited
- 15 E.I. Investments Private Limited
- 16 Frontline Global Services Private Limited
- 17 Dream Properties Private Limited
- 18 Ace Impex Private Limited
- 19 East End Finance Private Limited
- 20 Krishnav Constructions Private Limited
- 21 NPR Developers Private Limited
- 22 NPR Motors Private Limited
- 23 Rishi Motors Private Limited
- 24 Silva Computech Private Limited
- 25 Shristi Developers Private Limited
- 26 Supreme Credit Corp. Ltd.
- 27 Matra Studios LLP
- 28 Priyashi Construction Pvt. Ltd.
- 29 Rani Nagar Paper & Boards Pvt. Ltd.
- 30 New Age Enclave Pvt. Ltd.
- 31 Oval Promoters LLP
- 32 Starwire (India) Vidyut Private Limited
- 33 Badu Road Developers LLP
- 34 Aakash Libra Lights Pvt Ltd
- 35 Akash Libra Pvt Ltd.
- 36 Akshay Vinimay LLP
- 37 Alisa Vinimay Pvt Ltd
- 38 Outshine Developers LLP
- 39 Capricon Towers Private Limited
- 40 Elgin Impex Pvt. Ltd.
- 41 Joolz Creation Pvt Ltd
- 42 Krishi Realty Private Limited
- 43 Maximum Enclave Private Limited
- 44 Mirage Goods Private Limited
- 45 Rose Velly Enclave Private Limited
- 46 Seven Eighty One Anandapur Maintenance Service Private Limited
- 47 Startrade Goods P Ltd
- 48 Sustaindia Energy Private Limited
- 49 Three Ha Industries Private Limited
- 50 UVM Finance Pvt Ltd.
- 51 Hazra Exotica LLP
- 52 Adya Kutir Private Limited
- 53 Arial View Highrise LLP
- 54 Vehement Highrise LLP
- 55 Raving View Highrise LLP

#### Other Entities under the Control of the Company

- 1 Pawan Kumar Todi
- 2 Nand Lal Todi
- 3 Renu Todi
- 4 Varun Todi
- 5 Rishi Todi
- 6 Shanti Devi Todi
- 7 Priya Manjari Todi
- 8 Nandlal Pawan Kumar Todi HUF
- 9 Pawan Kumar Todi HUF
- 10 Pawan Kumar Raj Kumar Todi HUF
- 11 Pawan Kumar NandLal Todi HUF
- 12 Nandlal Raj Kumar Todi HUF

#### Key Managerial Personnel

- 1 Pawan Kumar Todi, Managing Director
- 2 Sarika Mehra , Executive Director & Company Secretary
- 3 Ashok Kumar Shah ,CFO



# NPR FINANCE LIMITED

Related party transaction (AS-18)										Amount in ₹		
Name of the Parties	Character	Nature of Transaction	Opening Balance	Remuneration Paid	Rent Paid	Loan Given during the Year	Refund of Loan given during the Year	Interest received during the Year (Gross)	TDS	Balance on 31/03/2016	Maximum Amount	Minimum Amount
Ganesh Narayan Bijlaj Pvt. Ltd.	Enterprise where Control Exist	Rent Paid	-	-	86,356	-	-	-	-	-	-	-
Mr. P. K. Todt	Key Managerial Person	Remuneration	-	1,290,242	-	-	-	-	-	-	-	-
Ms. Sarika Mehra	Key Managerial Person	Remuneration	-	1,159,800	-	-	-	-	-	-	-	-
Mr. Ashok kumar Shah	Key Managerial Person	Remuneration	-	799,800	-	-	-	-	-	-	-	-
GNB Motors Pvt. Ltd.	Enterprise where Control Exist	Loan Given	119,520,797	-	-	5,500,000	28,000,000	13,655,545	1,365,555	109,310,787	128,371,478	97,020,797
Mountview Tracom LLP	Enterprise where Control Exist	Loan Given	7,403,298	-	-	-	-	888,396	88,840	8,202,854	8,239,124	7,403,298
T.P. Farms Pvt.Ltd.	Enterprise where Control Exist	Loan Given	11,019,033	-	-	-	-	1,155,843	115,584	12,059,292	12,181,717	11,019,033
Maitra Studios LLP	Enterprise where Control Exist	Loan Given	3,826,958	-	-	150,000	-	483,049	48,304	4,411,703	4,411,703	3,826,958
Star Wire (India) Vidyut Pvt. Ltd.	Enterprise where Control Exist	Loan Given	53,923,308	-	-	34,000,000	-	7,670,139	888,868	94,704,579	94,704,579	53,923,308
Star Wire (India) Vidyut Pvt. Ltd.	Enterprise where Control Exist	Investment	7,000,000	-	-	-	-	-	-	7,000,000	5,047,000	5,047,000
Sheersh Endave Private Limited*	Enterprise where Control Exist	Loan Given	-	-	-	3,500,000	-	26,393	2,639	3,523,754	-	-
Viewlink Highrise LLP	Enterprise where Control Exist	Loan Given	3,054,300	-	-	-	3,124,434	77,927	7,793	-	-	-
Oval Promoters LLP	Enterprise where Control Exist	Loan Given	10,944,000	-	-	-	-	1,310,272	131,027	12,123,245	12,123,245	10,944,000
			216,691,694	3,198,242	86,356	43,150,000	31,124,434	25,267,564	2,648,610	251,336,214	265,078,846	189,184,394

**Note:- Company has made provision amounting ₹51,00,000 towards diminution in value of investment of ₹70,00,000 made in shares & securities of M/S Star Wire (India) Vidyut Pvt. Ltd. Accordingly amount carried in the Balance Sheet as on 31.03.2016 is net of provision i.e. ₹19,00,000.**

**\*Formerly Rose Velly Enclave Private Limited.**



## NPR FINANCE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

(Amount in ₹)

Particulars	As on 31/03/2016	As on 31/03/2015
<b>2.1. SHARE CAPITAL</b>		
<b>Authorised</b>		
70,00,000 Equity Shares of ₹10 each	<b>70,000,000</b>	70,000,000
( Previous Year 70,00,000 Equity Shares of ₹10 each)	<b>70,000,000</b>	70,000,000
<b>Issued &amp; Subscribed</b>		
59,89,600 Equity Shares of ₹ 10 each	<b>59,896,000</b>	59,896,000
( Previous Year 59,89,600 Equity Shares of ₹ 10 each)	<b>59,896,000</b>	59,896,000
<b>Paid up</b>		
59,89,600 Equity Shares of ₹ 10 each	<b>59,896,000</b>	59,896,000
( Previous Year 59,89,600 Equity Shares of ₹10 each)	<b>59,896,000</b>	59,896,000
Add : Equity Shares Forfeited (paid up)	<b>70,000</b>	70,000
	<b>59,966,000</b>	59,966,000

- a) There has been no change/ movement in number of shares outstanding at the beginning and at the end of the reporting period.
- b) The company has only one class of issued shares i.e Ordinary Shares having par value of ₹ 10/- per share. Each holder of Ordinary Shares is entitled to One vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of shareholders in ensuing Annual General Meeting , except in case of interim dividend. In the event of liquidation, the ordinary shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their Shareholding.
- c) The Company does not have any Holding Company/ ultimate Holding Company.
- d) Details of Shareholders holding more than 5% Shares in the Company.

Ordinary Shares of ₹10/- each fully paid

	As On 31.03.2016		As on 31.03.2015	
	No. of Shares	% of Shareholding	No. of Shares	% of Shareholding
Pawan Kumar Todi	<b>794,210</b>	<b>13.26</b>	794,210	13.26
E.I Investment Pvt. Ltd.	<b>659,360</b>	<b>11.01</b>	659,360	11.01
Nand Lal Todi	<b>340,888</b>	<b>5.69</b>	340,888	5.69
Silva Computech Pvt. Ltd.	<b>335,800</b>	<b>5.61</b>	335,800	5.61
Tamal Stationers Pvt. Ltd.	<b>319,000</b>	<b>5.33</b>	319,000	5.33
Priya Manjari Todi	<b>357,470</b>	<b>5.97</b>	357,470	5.97

- e) No Ordinary Shares have been reserved for issue under option and contracts/ commitments for the sale of shares/ disinvestment as at the balance sheet date.
- f) No Shares has been allotted or bought back by the company during the period of 5 years preceeding the date at which the balance sheet is prepared.
- g) No Securities convertible into Equity/ Preference Shares issued by the company during the year.
- h) No calls are unpaid by any director or officer of the company during the year.





## NPR FINANCE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

(Amount in ₹)

Particulars	As on 31/03/2016	As on 31/03/2015
<b>2.2. RESERVES AND SURPLUS</b>		
<b>Securities Premium Reserve</b>		
As per last Financial Statements	<b>A</b>	24,948,000
<b>General Reserve</b>		
As per last Financial Statements	<b>B</b>	37,389,486
<b>Statutory Reserve</b>		
As per last Financial Statements	<b>65,944,725</b>	61,375,725
(+ ) Addition during the year	<b>826,000</b>	4,569,000
	<b>C</b>	<b>66,770,725</b>
<b>Surplus as per Profit &amp; Loss Statement</b>		
As per last Financial Statements	<b>170,558,645</b>	154,017,466
(+ ) Profit for the year	<b>4,131,307</b>	22,847,441
	<b>D</b>	<b>174,689,952</b>
<b>(-) Appropriations</b>		
Income Tax Adjustment	<b>(182,641)</b>	53,381
Depreciation Adjustment of earlier years	<b>-</b>	1,683,881
Transfer to Statutory Reserve	<b>826,000</b>	4,569,000
	<b>E</b>	<b>643,359</b>
<b>NET SURPLUS (D-E)</b>	<b>F</b>	<b>170,558,645</b>
<b>TOTAL (A+B+C+F)</b>	<b>303,154,804</b>	<b>298,840,856</b>

(Amount in ₹)

Particulars	Non - current		Current Maturities	
	As on 31/03/2016	As on 31/03/2015	As on 31/03/2016	As on 31/03/2015
<b>2.3. LONG-TERM BORROWINGS</b>				
<b>Secured</b>				
<b>Loans from Banks</b>				
Term Loans	<b>1,529,027</b>	469,636	<b>808,815</b>	469,739
<b>TOTAL</b>	<b>1,529,027</b>	469,636	<b>808,815</b>	469,739
Amount disclosed under the head "other current liabilities" ( Note 2.9)	-	-	<b>808,815</b>	<b>469,739</b>

Term Loan from ICICI bank of ₹ 1,868,206 is secured against "Skoda" and is repayable in monthly instalment till 1st October, 2020

Term Loan from ICICI bank of ₹ 469,636 is secured against "Elantra car" and is repayable in monthly instalment till 15th February,2017



## NPR FINANCE LIMITED

(Amount in ₹)

Particulars	As on 31/03/2016	As on 31/03/2015
<b>2.4. DEFERRED TAX LIABILITIES (NET)</b>		
Arising on account of Depreciation	20,775,922	21,976,922
<b>TOTAL</b>	<b>20,775,922</b>	<b>21,976,922</b>

(Amount in ₹)

Particulars	As on 31/03/2016	As on 31/03/2015
<b>2.5. OTHER LONG-TERM LIABILITIES</b>		
Security deposit	286,300	313,400
<b>TOTAL</b>	<b>286,300</b>	<b>313,400</b>

(Amount in ₹)

Particulars	Long-term		Short-term	
	As on 31/03/2016	As on 31/03/2015	As on 31/03/2016	As on 31/03/2015
<b>2.6. PROVISIONS</b>				
<b>Provision for Employee Benefits</b>				
For Bonus	-	-	35,186	81,802
For Gratuity (Refer Note No. 2.35)	972,657	-	-	1,147,073
For Leave Encashment	237,524	-	223,317	490,181
For Leave Travel Assistance	-	-	152,414	170,420
For Leave Medical Assistance	-	-	152,414	170,420
<b>Other Provisions</b>				
Income Tax, Fringe Benefit Tax (Net)	-	-	4,331,127	-
For Contingent Provision Against Standard Asset	1,000,000	1,000,000	-	-
<b>TOTAL</b>	<b>2,210,181</b>	<b>1,000,000</b>	<b>4,894,458</b>	<b>2,059,896</b>

(Amount in ₹)

Particulars	As on 31/03/2016	As on 31/03/2015
<b>2.7. SHORT-TERM BORROWINGS</b>		
<b>Secured</b>		
Working Capital Loan repayable on demand		
From Banks	2,562,004	1,350,070
<b>(A)</b>	<b>2,562,004</b>	<b>1,350,070</b>
<b>Unsecured</b>		
Inter Corporate deposit	25,000,000	16,500,000
<b>(B)</b>	<b>25,000,000</b>	<b>16,500,000</b>
<b>TOTAL ( A+B )</b>	<b>27,562,004</b>	<b>17,850,070</b>

Cash Credit from Allahabad bank are secured by first charge over the book debts and hypothecation agreements executed by the borrower in favour of the financier and endorsed in favour of bank. Collateral security is also been provided in the form of flat of 89 sq.yard on 3rd Floor and also an office premises measuring 508.10 sq.ft on 2nd floor both situated at Abdul Aziz Road, Karolbagh, New Delhi. Personal Guarantee of Mr. Pawan Kumar Todi and Mr. Nand Lal Todi, Promotor Directors and Mr. Rishi Todi, relative of Promotor directors have also been given apart from Corporate Guarantee given by One of the group Company, M/s Silva Computech Pvt. Ltd.



## NPR FINANCE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

(Amount in ₹)

Particulars	As on 31/03/2016	As on 31/03/2015
<b>2.8. TRADE PAYABLES</b>		
For Goods & Services	<b>2,028,560</b>	516,404
<b>TOTAL</b>	<b>2,028,560</b>	516,404

(Amount in ₹)

Particulars	As on 31/03/2016	As on 31/03/2015
<b>2.9. OTHER CURRENT LIABILITIES</b>		
Current Maturities on Long-term Debt (See Note 2.3)	<b>808,815</b>	469,739
Bonus Payable - employees	<b>27,560</b>	2,400
Other Payables :		
Advance Insurance Premium	<b>1,934,014</b>	1,298,179
Advance Instalments	<b>1,172,195</b>	5,246,301
Unremitted Travellers' Cheques	<b>39,870</b>	373,500
Federal Bank	<b>17,050</b>	-
Output Service Tax & Education Cess	<b>6,001</b>	10,224
Employees' Provident Fund	<b>59,112</b>	69,079
Employees' State Insurance	<b>14,364</b>	18,318
Professional Tax	<b>1,420</b>	1,790
Liabilities for expenses	<b>634,612</b>	618,731
Tax Deducted at Source	<b>164,259</b>	254,588
<b>TOTAL</b>	<b>4,879,272</b>	8,362,849

For details of micro and small enterprise ( Refer Note No. 2.33)

**2.10 FIXED ASSETS (OWNED)**

PARTICULARS	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	AS ON 01/04/2015 ₹	ADDITION DURING THE PERIOD ₹	DEDUCTION DURING THE PERIOD ₹	ADJUST- MENT ₹	TOTAL AS ON 31/03/2016 ₹	AS ON 01/04/2015 ₹	FOR THE PERIOD ₹	ADJUST- MENT ₹	DEPRECIATION APPROPRIATION ₹	TOTAL AS ON 31/03/2016 ₹	AS ON 31/03/2016 ₹	AS ON 31/03/2015 ₹
<b>Tangible Assets</b>												
Land	363,020	-	-	(10,000)	353,020	-	-	-	-	-	353,020	363,020
Office Premises	6,949,651	-	-	10,000	6,959,651	1,390,388	254,212	-	-	1,644,600	5,315,051	5,559,263
Plant & Machinery	125,812,812	-	-	-	125,812,812	61,204,136	4,669,025	-	-	65,873,161	59,939,651	64,608,676
Furniture & Fittings	4,534,523	-	69,392	-	4,465,131	3,961,962	147,971	41,782	-	4,068,151	396,980	572,561
Office Equipment	4,365,523	288,968	10,093	-	4,644,398	3,321,383	366,505	8,108	-	3,679,780	964,618	1,044,140
Computer	5,966,700	54,220	37,147	-	5,983,773	5,708,767	128,432	35,095	-	5,802,104	181,669	257,933
Vehicles (Car)	4,309,126	2,850,534	-	-	7,159,660	1,554,807	668,524	-	-	2,213,331	4,946,329	2,754,319
Vehicles (Motorcycle)	114,666	-	-	-	114,666	105,272	3,556	-	-	108,828	5,838	9,394
<b>Total</b>	<b>152,416,021</b>	<b>3,193,722</b>	<b>116,632</b>	<b>-</b>	<b>155,493,111</b>	<b>77,246,715</b>	<b>6,228,225</b>	<b>84,985</b>	<b>-</b>	<b>83,389,955</b>	<b>72,103,156</b>	<b>75,169,306</b>
Previous Year	152,519,345	571,226	674,550	-	152,416,021	69,508,408	6,140,393	85,967	1,683,881	77,246,715	75,169,306	



## NPR FINANCE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

(Amount in ₹)

Particulars	As on 31/03/2016	As on 31/03/2015
<b>2.11. NON CURRENT INVESTMENT</b>		
Investment in Equity Instrument Associates - Unquoted:		
Star Wire (India) Vidyut Pvt. Ltd. (Enterprise where control exists)		
<b>Face Value</b>	<b>No. of Shares</b>	
₹100	70000	7,000,000
Tivoli Park Apartment Pvt. Ltd. (Outsider)		
<b>Face Value</b>	<b>No. of Shares</b>	
₹100	9350	10,285,000
Sub Total	<b>17,285,000</b>	17,285,000
(Less) Provision for diminution in value of Investment	<b>(13,966,000)</b>	(2,008,000)
<b>TOTAL</b>	<b>3,319,000</b>	15,277,000

(Amount in ₹)

Particulars	Long - Term		Short - Term	
	As on 31/03/2016	As on 31/03/2015	As on 31/03/2016	As on 31/03/2015
<b>2.12. LOANS AND ADVANCES</b>				
<b>Secured Considered Good</b>				
Gross Instalment Receivable	<b>19,979,610</b>	18,940,718	<b>15,391,222</b>	43,978,964
(Less): Unearned Interest income	<b>(4,033,275)</b>	(2,493,468)	<b>(3,867,687)</b>	(7,876,646)
(A)	<b>15,946,335</b>	16,447,250	<b>11,523,535</b>	36,102,318
<b>Unsecured Considered Good</b>				
Loans and advances to Employees	-	-	<b>144,066</b>	180,099
Income Tax , Fringe Benefit Tax ( Net)	-	-	-	128,040
Security Deposits	<b>425,425</b>	649,646	-	-
Inter Corporate Loan Given to related parties	-	-	<b>244,336,213</b>	209,691,694
Inter Corporate Loan Given to non related parties	-	-	<b>17,612,221</b>	15,825,534
Loan given to non related parties	-	-	<b>2,820,616</b>	-
Advance for Properties	<b>26,786,929</b>	6,206,371	-	-
(B)	<b>27,212,354</b>	6,856,017	<b>264,913,116</b>	225,825,367
<b>TOTAL(A+B)</b>	<b>43,158,689</b>	23,303,267	<b>276,436,651</b>	261,927,685



## NPR FINANCE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

(Amount in ₹)

Particulars	As on 31/03/2016	As on 31/03/2015
<b>2.13 INVENTORIES</b>		
( As valued and certified by the management )		
Stock of Shares & Securities	6,647,529	20,733,674
Stock of Foreign Currency	716,019	-
Stock of Vehicle repossessed	91,157	758,692
<b>TOTAL</b>	<b>7,454,705</b>	<b>21,492,366</b>
a) Stock of Vehicle repossessed has been valued and certified by the management.		
b) Stock of Shares & Securities & foreign currency have been valued on the basis of Cost or Market value whichever is lower.		

(Amount in ₹)

Particulars	As on 31/03/2016	As on 31/03/2015
<b>2.14 TRADE RECEIVABLES</b>		
Outstanding for a period exceeding six months	-	-
<b>Other Debts</b>		
Secured Considered Good	1,297,243	3,206,883
Unsecured Considered Good	8,598,770	2,060,985
<b>TOTAL</b>	<b>9,896,013</b>	<b>5,267,868</b>

(Amount in ₹)

Particulars	As on 31/03/2016	As on 31/03/2015
<b>2.15 CASH AND CASH EQUIVALENTS</b>		
<b>Balances With Banks</b>		
On Current Account	2,457,808	2,537,325
On Deposit Account	2,891,058	3,406,607
Cash in hand and as imprest	274,024	515,456
Stamp in hand	1,175	1,175
<b>TOTAL</b>	<b>5,624,065</b>	<b>6,460,563</b>
Out of total deposit of ₹ 2,891,058, ₹ 1,291,058 is pledged as Bank Guarantee & ₹ 1,600,000 is pledged against overdraft account.		

(Amount in ₹)

Particulars	As on 31/03/2016	As on 31/03/2015
<b>2.16 OTHER CURRENT ASSETS</b>		
<b>Others</b>		
Advances - others	146,012	918,942
Advances for expenses	140,932	1,348,521
Advance from Dealer	8,792,517	-
Advance Insurance	23,279	-
Rent Receivable	10,000	10,000
Commission Receivable	-	33,438
Interest accrued on Fixed Deposit with bank	68,063	35,270
Interest accrued on Government securities	113,446	111,807
<b>TOTAL</b>	<b>9,294,249</b>	<b>2,457,978</b>



## NPR FINANCE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

(Amount in ₹)

Particulars	As at 31/03/2016	As at 31/03/2015
<b>2.17. REVENUE FROM OPERATIONS</b>		
<b>SEGMENT WISE REVENUE</b>		
<b>Financing from Hypothecation</b>		
Income from Financing under hypothecation agreements	14,771,628	23,431,675
Recovery from Bad Debts	19,334,741	27,928,313
<b>Foreign Currencies &amp; Travellers' Cheques</b>		
Sales of Foreign Currencies & Travellers' Cheques	313,422,197	272,858,639
Service Charges - Forex	120,677	115,535
Commission Income : Forex	749,872	736,227
<b>Windpower</b>		
Income from Generation of Wind Power	15,731,931	16,874,716
<b>Other Operating Revenues</b>		
Sales : Shares & Securities	47,296,297	89,586,978
Income from Real Estate	-	18,644,479
Interest from bank	283,312	327,203
Dividend income	473	473
Interest from Government of India securities & bonds	600,169	598,530
Interest received on Inter Corporate Deposits	27,574,844	26,449,093
Commission Income	-	2,257
Miscellaneous Income	247,422	54,759
<b>TOTAL</b>	<b>440,133,563</b>	<b>477,608,877</b>

**Note:** Miscellaneous income comprises of expenses written back related to Bonus, Gratuity and Leave Encashment.

(Amount in ₹)

Particulars	As at 31/03/2016	As at 31/03/2015
<b>2.18. OTHER INCOME</b>		
Rental Income	366,412	348,774
Profit on Sale of Assets	-	8,975
<b>TOTAL</b>	<b>366,412</b>	<b>357,749</b>

(Amount in ₹)

Particulars	As at 31/03/2016	As at 31/03/2015
<b>2.19. Purchase of Stock-in-trade</b>		
Purchase of Foreign Currencies & Travellers' Cheques	312,411,160	271,468,752
Purchase of Shares & Securities	32,949,600	91,500,000
<b>TOTAL</b>	<b>345,360,760</b>	<b>362,968,752</b>



## NPR FINANCE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

(Amount in ₹)

Particulars	As at 31/03/2016	As at 31/03/2015
<b>2.20. CHANGES IN INVENTORIES OF STOCK-IN-TRADE</b>		
<b>Inventories at the beginning of the year</b>		
Stock of Forex	-	-
Stock of Shares & Securities	20,733,674	17,815,738
(A)	20,733,674	17,815,738
<b>Inventories at the end of the year</b>		
Stock of Forex	716,019	-
Stock of Shares & Securities	6,647,529	20,733,674
(B)	7,363,548	20,733,674
(Increase)/Decrease in Stocks (A-B)	13,370,126	(2,917,936)

(Amount in ₹)

Particulars	As at 31/03/2016	As at 31/03/2015
<b>2.21. EMPLOYEE BENEFITS EXPENSES</b>		
Salaries, Wages, Bonus & allowances	11,678,645	13,932,728
Gratuity	-	337,058
Contribution to Provident Fund	633,158	755,521
Staff Welfare Expenses	905,249	668,458
<b>TOTAL</b>	<b>13,217,052</b>	<b>15,693,765</b>

(Amount in ₹)

Particulars	As at 31/03/2016	As at 31/03/2015
<b>2.22. FINANCE COSTS</b>		
Interest Expenses on Term Loan	1,284,340	3,833,234
Brokerage on Intercompany Deposits	81,305	252,393
Interest Expense on Overdrafts & other Borrowings	541,231	1,141,110
<b>TOTAL</b>	<b>1,906,876</b>	<b>5,226,737</b>

(Amount in ₹)

Particulars	As at 31/03/2016	As at 31/03/2015
<b>2.23 DEPRECIATION AND AMORTISATION EXPENSES</b>		
Depreciation on tangible assets	6,228,225	6,140,393
<b>TOTAL</b>	<b>6,228,225</b>	<b>6,140,393</b>





## NPR FINANCE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

(Amount in ₹)

Particulars	As at 31/03/2016	As at 31/03/2015
<b>2.24. OTHER EXPENSES</b>		
Rent	1,042,702	1,653,890
Rates & Taxes	461,548	662,066
Repair & Maintenance		
- Building	17,435	14,607
- Plant & machinery	2,479,508	2,284,816
- Others	839,886	1,160,873
Insurance	99,972	116,927
Advertisement, Publicity & Sales Promotion	121,835	86,352
Travelling and Other Incidental Expenses	2,340,616	2,801,485
Vehicle Running & Maintenance	984,065	903,366
Printing & Stationery	478,571	558,462
Communication Expenses	1,321,542	1,189,286
Auditor's remuneration - As Auditors	67,555	66,293
- For Tax Audit	22,900	22,472
- For Certification/Limited Review	18,223	21,349
Legal, Professional & Consultancy Charges	3,010,613	5,023,101
Power and Fuel	409,387	516,330
Vehicle Repossession & Incidental Expenses	221,720	922,974
Directors' Sitting Fees	219,174	169,102
Director's Remuneration	1,290,242	1,242,840
Miscellaneous Expenses	1,314,475	1,436,854
Discounts & Claims to Customer and Other Selling Expenses	105,574	59,377
Commission/Brokerage	56,101	101,014
Loss on Sale/disposal of fixed Assets/Intangibles	11,747	-
Bad debts & Writeoffs	18,919,238	34,644,638
<b>TOTAL</b>	<b>35,854,629</b>	<b>55,658,474</b>

2.38 (i) STOCK OF SHARES & SECURITIES																
NAME OF THE SECURITY/SHARE	Opening Balance as on 01/04/2014		Opening Balance as on 01/04/2015		Total Purchases for the year 2014-15		Total Purchases for the year 2015-16		Total Sales for the year 2014-2015		Total Sales for the year 2015-16		Closing Stock as on 31.03.2015		Closing Stock as on 31.03.2016	
	Qty	Value (₹)	Qty	Value (₹)	Qty	Value (₹)	Qty	Value (₹)	Qty	Value (₹)	Qty	Value (₹)	Qty	Value (₹)	Qty	Value (₹)
<b>Government of India Securities &amp; Bonds (Quoted)</b>																
750% GOVT OF INDIA LOAN 2034 (Face Value Rs 100/- per Bond)	10,000	851,500	10,000	851,500	-	-	-	-	-	-	-	-	10,000	851,500	10,000	851,500
740% GOVT OF INDIA LOAN 2035 (Face Value Rs 100/- per Bond)	12,000	1,007,520	12,000	1,007,520	-	-	-	-	-	-	-	-	12,000	1,007,520	12,000	1,007,520
100% GOVT OF INDIA LOAN 2016 (Face Value Rs 100/- per Bond)	21,000	2,201,010	21,000	2,201,010	-	-	-	-	-	-	-	-	21,000	2,201,010	21,000	2,201,010
8.30% GOVT OF INDIA SR. BOND (Face Value Rs 100/- per Bond)	27,000	2,568,780	27,000	2,568,780	-	-	-	-	-	-	-	-	27,000	2,568,780	27,000	2,568,780
<b>TOTAL (A)</b>	<b>70,000</b>	<b>6,628,810</b>	<b>70,000</b>	<b>6,628,810</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>70,000</b>	<b>6,628,810</b>	<b>70,000</b>	<b>6,628,810</b>
<b>Equity Shares (Quoted)</b>																
ABANOFFSHORE LTD. (Rs.2/- per Share)	100	26,380	100	26,380	-	-	-	-	-	-	-	-	100	26,380	100	17,645
INTERWORLD DIGITAL LTD. (Rs 11/- Per Share)	5,000	1,650	5,000	1,650	-	-	-	-	-	-	-	-	5,000	1,650	5,000	650
LCC INFOTECH LTD. (Rs 2/- Per Share)	50	13	50	13	-	-	-	-	-	-	-	-	50	13	50	13
HEATSHRINK TECHNOLOGIES LTD. (FORMERLY REPL ENGINEERING LTD.)	148	96	148	96	-	-	-	-	-	-	-	-	148	96	148	96
TCFC FINANCE LTD.	75	315	75	315	-	-	-	-	-	-	-	-	75	315	75	315
<b>TOTAL (B)</b>	<b>5,373</b>	<b>28,454</b>	<b>5,373</b>	<b>28,454</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,373</b>	<b>28,454</b>	<b>5,373</b>	<b>18,719</b>
<b>Mutual Fund (Quoted)</b>																
HDFC Cash Management Fund-Treasury Advantage Plan-Retail-Growth	416,16557	11,158,475	480,828,08	14,076,410	3,194,722.37	91,500,000	1,071,668.68	30,700,000	3,130,659.86	89,586,978	1,455,686.76	45,038,896	480,828,08	14,076,410	-	-
Birla Sun Life Cash Manager-Growth regulation plan	-	-	-	-	-	-	6,248.04	2,249,600	-	-	6,248.04	2,257,401	-	-	-	-
<b>TOTAL (C)</b>	<b>416,16557</b>	<b>11,158,475</b>	<b>480,828,08</b>	<b>14,076,410</b>	<b>3,194,722.37</b>	<b>91,500,000</b>	<b>1,071,668.72</b>	<b>32,949,600</b>	<b>3,130,659.86</b>	<b>89,586,978</b>	<b>1,501,934.80</b>	<b>47,296,297</b>	<b>480,828,08</b>	<b>14,076,410</b>	<b>-</b>	<b>-</b>
<b>TOTAL (A+B+C)</b>	<b>497,53857</b>	<b>17,815,738</b>	<b>556,201,08</b>	<b>20,733,674</b>	<b>3,194,722.37</b>	<b>91,500,000</b>	<b>1,071,668.72</b>	<b>32,949,600</b>	<b>3,130,659.86</b>	<b>89,586,978</b>	<b>1,501,934.80</b>	<b>47,296,297</b>	<b>556,201,08</b>	<b>20,733,674</b>	<b>75,373,00</b>	<b>6,647,529</b>

Paid up value of Equity Share is ₹ 10 per share unless otherwise stated bracket.

**Amount in Lakhs(₹)**

<b>As on 31.03.2016</b>	<b>As on 31.03.2015</b>
Govt. Securities - Equity Shares - Mutual Fund -	71.25
	0.20
	-
	141.90



## NPR FINANCE LIMITED

2.38(ii) Particulars in respect of Purchase, Sales & Closing Stock of FFMC Operations : (F.Y.2015-2016)

### A. CURRENCY NOTES

Currency Title	Opening Stock		Total (Purchases)		Total Sales		Closing Stock	
	Qnty	Value (₹)	Qnty	Value (₹)	Qnty	Value (₹)	Qnty	Value (₹)
AUSTRALIAN DOLLAR	-	-	64,975	3,129,490	64,975	3,143,039	-	-
BANGLADESH TAKA	-	-	88,000	74,560	88,000	77,520	-	-
CANADIAN DOLLAR	-	-	75	3,675	75	3,765	-	-
CHINEESE YINHANG	-	-	187,620	1,946,395	187,620	1,975,391	-	-
EURO	-	-	293,430	21,393,533	293,430	21,520,422	-	-
GREAT BRITAIN POUND	-	-	128,935	12,878,165	128,935	12,926,560	-	-
HONG KONG DOLLAR	-	-	198,590	1,709,064	198,590	1,731,415	-	-
JAPANESE YEN	-	-	216,000	113,960	216,000	115,360	-	-
MALAYSIAN RINGEET	-	-	40,679	667,485	40,679	676,692	-	-
NEW ZEALAND DOLLAR	-	-	9,290	420,672	9,290	422,525	-	-
RAND	-	-	2,141	360,174	2,141	362,848	-	-
SAUDI RIAL	-	-	5,747	103,251	5,747	104,650	-	-
SINGAPORE DOLLAR	-	-	115,089	5,473,645	115,089	5,504,272	-	-
SWISS FRANK	-	-	11,660	784,822	11,660	787,843	-	-
THAIBHAT	-	-	7,951,980	15,086,111	7,951,980	15,277,267	-	-
UAE DIHRAM	-	-	186,695	3,324,169	186,695	3,354,695	-	-
US DOLLAR	-	-	1,127,255	73,743,702	1,122,235	73,660,206	5,020	336,102
<b>Total</b>	-	-	<b>10,628,161</b>	<b>141,212,873</b>	<b>10,623,141</b>	<b>141,644,470</b>	<b>5,020</b>	<b>336,102</b>

### B. TRAVELLERS CHEQUES (PURCHASE FROM PUBLIC)

Currency Title	Opening Stock		Total (Purchases)		Surrender		Closing Stock	
	Qnty	Value(₹)	Qnty	Value(₹)	Qnty	Value(₹)	Qnty	Value(₹)
AUSTRALIAN DOLLAR	-	-	52,138	2,483,221	52,138	2,491,864	-	-
EURO	-	-	115,803	8,314,222	115,803	8,347,753	-	-
GREAT BRITAIN POUND	-	-	34,135	3,381,323	34,135	3,392,029	-	-
HONG KONG DOLLAR	-	-	21,214	173,997	21,214	180,683	-	-
JAPANESE YEN	-	-	6,178	3,151	6,178	3,207	-	-
MALAYSIAN RINGEET	-	-	8	128	8	133	-	-
NEW ZEALAND DOLLAR	-	-	14,234	642,665	5,874	264,089	8,359	379,917
SINGAPORE DOLLAR	-	-	53,469	2,506,580	53,469	2,515,313	-	-
SOUTH AFRICA	-	-	54,610	253,676	54,610	262,095	-	-
SWISS FRANK	-	-	13,114	885,534	13,114	889,221	-	-
THAIBHAT	-	-	672,713	1,229,709	672,713	1,240,481	-	-
UAE DIHRAM	-	-	69,138	1,207,814	69,138	1,219,744	-	-
US DOLLAR	-	-	191,561	12,386,498	191,561	12,428,299	-	-
<b>Total</b>	-	-	<b>1,298,315</b>	<b>33,468,518</b>	<b>1,289,955</b>	<b>33,234,911</b>	<b>8,359</b>	<b>379,917</b>



## NPR FINANCE LIMITED

### C. TRAVELLERS CHEQUES SETTLEMENT/SALES

(F.Y.2015-2016)

Currency Title	Opening Unremitted		Remittance		Total Sale		Closing Unremitted	
	Qty	Value(₹)	Qty	Value(₹)	Qty	Value(₹)	Qty	Value(₹)
UAE DIHRAM	-	-	300,625	5,369,106	300,625	5,429,101	-	-
AUSTRALIAN DOLLAR	-	-	108,850	5,192,248	108,850	5,225,513	-	-
CANADIAN DOLLAR	-	-	2,500	124,160	2,500	124,975	-	-
SWISS FRANK	-	-	56,635	3,828,152	56,635	3,849,190	-	-
EURO	-	-	533,155	38,521,415	533,155	38,687,800	-	-
GREAT BRITAIN POUND	-	-	163,256	16,109,490	163,256	16,161,288	-	-
HONG KONG DOLLAR	-	-	100,200	855,822	100,200	874,950	-	-
JAPANESE YEN	-	-	550,000	289,070	550,000	291,800	-	-
MALAYSIAN RINGEET	-	-	8,001	123,647	8,001	125,216	-	-
NEW ZEALAND DOLLAR	-	-	59,906	2,681,687	59,906	2,698,972	-	-
SINGAPORE DOLLAR	-	-	260,475	12,305,389	260,475	12,405,241	-	-
THAIBHAT	-	-	3,480,081	6,647,987	3,480,081	6,734,747	-	-
US DOLLAR	6,000	373,500	685,037	44,196,874	679,637	44,455,283	600	39,870
SOUTH AFRICAN RAND	-	-	283,000	1,444,852	283,000	1,478,740	-	-
<b>Total</b>	<b>6,000</b>	<b>373,500</b>	<b>6,591,721</b>	<b>137,689,899</b>	<b>6,586,321</b>	<b>138,542,816</b>	<b>600</b>	<b>39,870</b>



## NPR FINANCE LIMITED

Particulars in respect of Purchase, Sales & Closing Stock of FFMC Operations :

(F.Y.2014-2015)

### A. CURRENCY NOTES

Currency Title	Opening Stock		Total (Purchases)		Total Sales		Closing Stock	
	Qnty	Value (₹)	Qnty	Value (₹)	Qnty	Value (₹)	Qnty	Value (₹)
AUSTRALIAN DOLLAR	-	-	37900	2,043,426	37900	2,052,912	-	-
BANGLADESH TAKA	-	-	15900	12,082	15900	12,639	-	-
CANADIAN DOLLAR	-	-	6025	325,285	6025	326,767	-	-
CHINEESE YINHANG	-	-	57200	573,791	57200	584,725	-	-
EURO	-	-	184165	14,546,577	184165	14,626,354	-	-
GREAT BRITAIN POUND	-	-	53575	5,321,559	53575	5,348,236	-	-
HONG KONG DOLLAR	-	-	70210	566,775	70210	576,545	-	-
JAPANESE YEN	-	-	987000	515,409	987000	533,256	-	-
MALAYSIAN RINGEET	-	-	38516	707,110	38516	715,193	-	-
NEW ZEALAND DOLLAR	-	-	7070	351,175	7070	352,865	-	-
RAND	-	-	10000	55,000	10000	57,500	-	-
SAUDI RIAL	-	-	6000	97,980	6000	99,000	-	-
SINGAPORE DOLLAR	-	-	87837	4,242,862	87837	4,269,196	-	-
SWISS FRANK	-	-	11350	753,444	11350	757,932	-	-
THAI BAHT	-	-	3094320	5,984,124	3094320	6,049,466	-	-
UAE DIRHAM	-	-	180620	2,985,499	180620	3,017,118	-	-
US DOLLAR	-	-	1165455	71,824,586	1165455	72,121,074	-	-
<b>Total</b>	-	-	<b>6013143</b>	<b>110,906,684</b>	<b>6013143</b>	<b>111,500,778</b>	-	-

### B. TRAVELLERS CHEQUES (PURCHASE FROM PUBLIC)

Currency Title	Opening Stock		Total (Purchases)		Surrender		Closing Stock	
	Qnty	Value (₹)	Qnty	Value (₹)	Qnty	Value (₹)	Qnty	Value (₹)
AUSTRALIAN DOLLAR	-	-	5517	284,182	5517	285,853	-	-
EURO	-	-	44003	3,486,117	44003	3,498,426	-	-
GREAT BRITAIN POUND	-	-	21757	2,161,829	21757	2,169,224	-	-
JAPANESE YEN	-	-	64919	37,004	64919	37,582	-	-
SINGAPORE DOLLAR	-	-	73947	3,449,337	73947	3,457,541	-	-
SWISS FRANK	-	-	12064	805,783	12064	808,753	-	-
UAE DIRHAM	-	-	64681	1,048,533	64681	1,056,798	-	-
US DOLLAR	-	-	188539	11,463,756	188539	11,509,157	-	-
<b>Total</b>	-	-	<b>475427</b>	<b>22,736,541</b>	<b>475427</b>	<b>22,823,334</b>	-	-

### C. TRAVELLERS CHEQUES SETTLEMENT/SALES

Currency Title	Opening Unremitted		Remittance		Total Sale		Closing Unremitted	
	Qnty	Value (₹)	Qnty	Value (₹)	Qnty	Value (₹)	Qnty	Value (₹)
ARAB EMIRATES DIRHAM	-	-	476930	7,993,900	476930	8,078,468	-	-
AUSTRALIAN DOLLAR	-	-	115701	6,065,331	115701	6,114,144	-	-
SWISS FRANK	-	-	32512	2,142,426	32512	2,155,428	-	-
EURO	-	-	420616	33,269,418	420616	33,395,429	-	-
GREAT BRITAIN POUND	-	-	118571	11,783,868	118571	11,827,569	-	-
JAPANESE YEN	-	-	1003000	566,430	1003000	568,970	-	-
SINGAPORE DOLLAR	-	-	394089	18,711,320	394089	18,868,865	-	-
US DOLLAR	-	-	933895	56,919,334	939895	57,525,654	6000	373,500
<b>Total</b>	-	-	<b>3495314</b>	<b>137,452,027</b>	<b>3501314</b>	<b>138,534,527</b>	<b>6000</b>	<b>373,500</b>



## NPR FINANCE LIMITED

**2.39** [ As required in terms of Paragraph 13 of Non-Systemetically Important Non-Banking Financial (Non Deposit Accepting or Holding ) Companies Prudential Norms (Reserve Bank), Directions, 2015 ]

**Liabilities side:**

(₹ in lakhs )

1 <b>Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid :</b>	Amount outstanding	Amount overdue
(a) Debentures : Secured	-	-
: Unsecured (other than falling within the meaning of public deposits*)	-	-
(b) Deferred Credits	-	-
(c) Term Loans	23.38	-
(d) Inter - corporate loans and borrowing	250.00	-
(e) Commercial Paper	-	-
(f) Other Loans : Working Capital loan	25.62	-

**Assets side :**

2 <b>Break - up of Loans and Advances including bills receivables [other than those included in (4) below ] :</b>	Amount outstanding
(a) Secured	-
(b) Unsecured	2,921.25
3 <b>Break- up of Leased Assets and stock on hire and other assets counting towards AFC activities</b>	Amount outstanding
(i) Lease assets including lease rentals under sundry debtors :	
(a) Financial lease	-
(b) Operating lease	-
(ii) Stock on hire including hire charges under sundry debtors :	
(a) Assets on hire	-
(b) Repossessed Assets	-
(iii) Other loans counting towards AFC activities	
(a) Loans where assets have been repossessed	0.91
(b) Loans other than (a) above	274.70
4 <b>Break - up of Investments :</b>	Amount outstanding
Current Investments :	
1. <u>Quoted</u> :	
(i) Shares :	
(a) Equity	0.19
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	66.29
(v) Others	-



## NPR FINANCE LIMITED

(₹ in lakhs )

<p>2. <u>Unquoted</u> :</p> <p>(i) Shares :</p> <p style="padding-left: 20px;">(a) Equity</p> <p style="padding-left: 20px;">(b) Preference</p> <p>(ii) Debentures and Bonds</p> <p>(iii) Units of mutual funds</p> <p>(iv) Government Securities</p> <p>(v) Others</p> <p><u>Long Term Investments</u> :</p> <p>1. <u>Quoted</u> :</p> <p>(i) Shares :</p> <p style="padding-left: 20px;">(a) Equity</p> <p style="padding-left: 20px;">(b) Preference</p> <p>(ii) Debentures and Bonds</p> <p>(iii) Units of mutual funds</p> <p>(iv) Government Securities</p> <p>(v) Others</p>	<p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p>		
<p>2. <u>Unquoted</u> :</p> <p>(i) Shares :</p> <p style="padding-left: 20px;">(a) Equity</p> <p style="padding-left: 20px;">(b) Preference</p> <p>(ii) Debentures and Bonds</p> <p>(iii) Units of mutual funds</p> <p>(iv) Government Securities</p> <p>(v) Other</p>	<p>33.19</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p>		
<p><b>5 Borrower group - wise classification of assets financed as in (2) and (3) above.</b></p>			
Category	<b>Amount net of Provisions</b>		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	2,443.36	2,443.36
(c) Other related parties	-	-	-
2. Other than related parties	275.61	477.89	753.50
<b>Total</b>	<b>275.61</b>	<b>2,921.25</b>	<b>3,196.86</b>
<p><b>6 Investor group - wise classification of all investments (current and long term) in shares and securities (Both quoted and unquoted) :</b></p>			
Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	
1. Related Parties			
(a) Subsidiaries	-	-	
(b) Companies in the same group (Unquoted)*	19.00	19.00	
(c) Other related parties	-	-	
2. Other than related parties (Unquoted)*	14.19	14.19	
Other than related parties (Quoted)*	71.45	66.48	
<b>Total</b>	<b>104.65</b>	<b>99.67</b>	



## NPR FINANCE LIMITED

\* Being unquoted for both related and other than related parties ₹ 121.31 lakhs represents NAV as on 31/03/2015 as the Balance Sheet for the accounting year ended 31/03/2016 is not available and being quoted ₹ 71.45 lakhs represents Market Value as on 31/03/2016

(₹ in lakhs )

7 Other Information	
Particulars	Amount
(i) Gross Non - Performing Assets	
(a) Related parties	-
(b) Other than related parties	0.91
(ii) Net Non - Performing Assets	
(a) Related parties	-
(b) Other than related parties	0.91
(iii) Assets acquired in satisfaction of debt	-

2.40 Previous Year Figures have been regrouped/rearranged/reclassified wherever necessary and rounded off to the nearest Rupee.





## NPR FINANCE LIMITED

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

As per Regulation 34(2)(c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements )

(Amount in ₹)

A CASH FLOW FROM OPERATING ACTIVITIES	2015-2016	2014-2015
Net Profit before tax and extraordinary items	12,604,307	33,188,441
Financial Expenses	1,906,876	5,226,737
Depreciation	6,228,225	6,140,393
(Profit)/Loss on Assets	11,747	(8,975)
Provision for diminution in value of investment	11,958,000	2,008,000
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>32,709,155</b>	<b>46,554,596</b>
<b>Adjustment For:</b>		
Loans & Advances	(66,408,397)	(32,766,975)
Instalment Receivables	20,451,553	46,054,983
Current Liabilities	(2,533,652)	(4,837,513)
Stock in trade	14,037,661	(3,101,080)
<b>CASH GENERATED FROM OPERATIONS</b>	<b>(1,743,680)</b>	<b>51,904,011</b>
Financial Expenses	(1,997,205)	(5,653,961)
Direct Taxes Paid	(5,032,192)	(14,643,399)
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>(8,773,077)</b>	<b>31,606,651</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
(Increase) In Non Current investment	-	(10,285,000)
Purchase of Fixed Assets	(3,193,722)	(571,226)
Sale of Fixed Assets	19,900	597,558
<b>NET CASH FROM INVESTING ACTIVITIES (B)</b>	<b>(3,173,822)</b>	<b>(10,258,668)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase/(Decrease) in Secured Loan	2,610,401	(15,815,876)
Increase/(Decrease) in Unsecured Loan	8,500,000	(8,500,000)
Decrease in Fixed Deposit	515,549	2,473,941
<b>NET CASH FROM FINANCING ACTIVITIES (C)</b>	<b>11,625,950</b>	<b>(21,841,935)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(320,949)</b>	<b>(493,952)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>3,053,956</b>	<b>3,547,908</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>2,733,007</b>	<b>3,053,956</b>

209, A. J. C. Bose Road  
"Karnani Estate"

2<sup>nd</sup> Floor, Room No. 87  
Kolkata - 700 017

Dated : 26<sup>th</sup> Day of May, 2016

**For R. P. Boobna & Co.**  
Chartered Accountants  
Registration No : 304093E

**PANKAJ KAKARANIA**  
Partner  
Membership No . 053304

**PAWAN KUMAR TODI**  
Managing Director  
DIN :- 00590156

**SARIKA MEHRA**  
Executive-Director  
& Company Secretary  
DIN :- 06935192

**NAND LAL TODI**  
Director  
DIN :- 00581581

**ASHOK KUMAR SHAH**  
Chief Financial Officer

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