

10th  
Annual Report  
& Accounts  
1998-99

For NPR FINANCE LTD.

*T. K. Srivastava*

T. K. Srivastava  
(Company Secretary)

Report  Junction.com



**NPR FINANCE LIMITED**



# NPR FINANCE LIMITED

## BOARD OF DIRECTORS

### *Chairman :*

Nand Lal Todi

### *Managing Director :*

Pawan Kumar Todi

### *Directors :*

Ramesh Chand Jain  
Debi Prosad Ganguly  
Arun Charan Mukherjee  
Nand Gopal Khaitan  
Narendra Kumar Bajoria

### *Company Secretary :*

Tarun Kumar Srivastava

### *Auditors :*

L. N. Todi & Co.  
Chartered Accountants

### *Bankers :*

Allababad Bank  
Bank of Madura

### *Registered Office :*

19, R. N. Mukherjee Road, 1st Floor  
Main Building, Calcutta - 700 001  
Phone : 248-8824, 248-9902, 248-4788  
Fax : 243-0151, E-mail : npr@cal.vsnl.net.in

### *Branches :*

8C/6, W.E.A. Abdul Aziz Road  
Karol Bagh (Opp. Shastri Park) 2nd Floor  
New Delhi - 110 005  
Phone : 574-8542, 574-8545, Fax : 575-0672

218, Majestic Shopping Centre Co-op Society  
144, Jaganath Shankar Seth Road  
(J.S.S. Road) Girgaun, Mumbai - 400 004  
Phone : 380-1507 (3 Lines), Fax : 380-2715

1, Bheemasena Garden Street, 3rd Floor  
Mylapore, Chennai - 600 004  
Phone : 499-1590, 497-0501, Fax : 499-2246

201, 2nd Floor Samedh Complex  
Above Global Trust Bank  
C. G. Road, Ahmedabad - 380 006  
Phone : 656-6228/6243, 640-1482  
Fax : 640-5655

2B, 2nd Floor, Central Zone Appartment  
CC-41/194, G. Ammankovil Road  
Near K. S. R. T. C. Bus Stand  
Cochin - 682 035, Phone 36-6436/7927  
640-1482/83, 656-6228/6243, Fax : 640-5655

23, G. T. Road (East)  
Usha Gram, Asansol  
Phone : 20-4774

302, 2nd Floor, Salimar Complex Church Road,  
Off Mirza Ismail Road, Jaipur - 302 001  
Phone : 37-4273, 36-9371



# NPR FINANCE LIMITED

## NOTICE

Notice is hereby given that the Tenth Annual General Meeting of the Members of the Company will be held on Wednesday, the 29th day of September, 1999 at the Conference Hall of the Academy of Fine Arts, 2 Cathedral Road, Calcutta - 700 071. at 11 a.m. to transact the following business .

### Ordinary Business :

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 1999, the Audited Balance Sheet as at that date and the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Shri N. K. Bajoria who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri A. C. Mukherjee who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri R. C. Jain who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorise the Board to fix their remuneration :
  - a) M/s. L. N. Todi & Co., Chartered Accountants of 14, Princep Street, Calcutta - 700 072 retires from the office of the Auditors and being eligible offer themselves for reappointment.
  - b) M/s. B. Srinivasan & Co., Chartered Accountants of 318, Mount Road, Teynampet, L. R. Swami Building, Chennai-600 018 retires from the office of the Auditors of Chennai and Cochin Branch and being eligible offer themselves for reappointment.
  - c) M/s. Sunit K. Mittal, Chartered Accountants of 8-D, Hansalaya, 15 Barakhamba Road, Connaught Place, New Delhi-110 001 retires from the office of the Auditors of Delhi and Jaipur Branch and being eligible offer themselves for reappointment.
  - d) M/s. P. P. Jayaraman & Co., Chartered Accountants of No. 5 Rameshwar Building, Ram Maruti Road, Naupada, Thane (W)-400 602 retires from the office of the Auditors of Mumbai Branch and being eligible offer themselves for reappointment.
  - e) M/s. Jain Kedia & Sharma, Chartered Accountants of 13, Mill Officers Colony, 2nd Floor, Behind La Gajjar Chambers, Ashram Road, Ahmedabad-380009 retires from the office of the Auditors of Ahmedabad Branch and being eligible offer themselves for reappointment.
  - f) The Board to be authorised by members to appoint auditors for further branches to be opened and to fix their remuneration for the financial year 1999-2000 by passing the following resolution as an Ordinary Resolution :

"RESOLVED that pursuant to the Provision of Section 226 and Section 228 and other applicable provisions, if any, of the Companies Act, 1956 the Board of Directors be and is hereby authorised to appoint the Company's Auditors and/or in consultation with the Company's Auditors any person or persons qualified for appointment as Auditors of the Company for further new branches to be opened for the financial year 1999-2000 and to fix their remuneration."

### Special Business :

6. To consider and if thought fit to pass with or without modification the following Resolution as an Ordinary Resolution :

"RESOLVED that pursuant to the provisions of Section 198, 309, 310 and Schedule XII and other applicable provisions, if any, of the Companies Act, 1956 and Article 145 (1) and Article 173 of the Articles of Association of the Company, Shri Pawan Kumar Todi, Managing Director of the Company be paid, with effect from 1st, March, 1999 till the period of his continuance in the Office of Managing Director, the revised remuneration and perquisites as mentioned below :-



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- A. Salary** Rs. 15,000/- (Rupees Fifteen Thousand only) per month.  
Annual increment (upto a maximum of Rs. 2000/- per month) will be effective from 1st, April of each year which will be decided by the Board.
- B. Perquisites**
- (i) **Housing/House Rent Allowance.**  
The expenditure incurred by the Company will be subject to a ceiling of 60% of salary.
- (ii) **Medical reimbursement.**  
The expenses incurred by him and his family including Premium for Mediclaim Insurance Policy for himself and his family.  
Major hospitalisation expenses for him and his family which are not payable under Mediclaim Insurance policies. The Managing Director will also be entitled to medical benefit after retirement or his resignation.  
The Managing Director is entitled to actual expenditure incurred by him on medical treatment or by any member of his family outside India. The expenditure incurred for travel and stay abroad including for one attendant, subject to the condition that the expenditure on medical treatment and stay abroad will be allowed only to the extent permitted by the Reserve Bank of India and also subject to the permission, if any required, of any authority as per Companies Act.
- (iii) **Leave and Leave Travel Concession**  
Leave as per Rules of the Company including encashment of leave as per Rules of the Company.  
Leave in a year :  
(a) Total 45 days Annual and Casual leave including sickness in addition to  
(b) Hospitalisation leave for the days remain hospitalised.  
(c) Leave Travel Concession for self and family once in a year.  
(iv) **Club Fees.**  
Fees of Clubs subject to a maximum of two Clubs, excluding admission and life membership fee.
- (v) **Personal Accident Insurance**  
Personal Accident Insurance of an amount the annual premium of which does not exceed Rs. 4000/-.  
For the purpose of calculating the above ceiling, perquisites will be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such rule, perquisites shall be evaluated at actual cost.
- C. Other Payments and Provisions :**
- (i) Contribution towards Provident Fund will be subject to a ceiling of 10%/12% of the salary or at increased rate as per rules of the Govt. Contribution to Pension / Superannuation Fund together with Provident Fund shall not exceed such percentage of the salary as laid down in the Income Tax Rules, 1962. Contribution to Provident Fund, Superannuation Fund and Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act.
- (ii) **Car**  
Provision of car for use on Company's business purpose. Use of car for private purpose shall be billed by the Company. The use of Company's car for business purpose will not be considered as a perquisite.



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(iii) Gratuity

Gratuity shall not exceed one half month's salary for each completed year of service.

(iv) Telephone

Provision of telephone at residence will not be considered as perquisite but personal long distance calls shall be billed by the Company."

7. To consider and if thought fit to pass with or without modification the following Resolution as an Ordinary Resolution.

"RESOLVED that pursuant to the provisions of Sections 198, 269, 309, 310 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and Article 145 (1) and Article 171 to Article 177 of the Articles of Association of the Company, Shri Pawan Kumar Todi, be re-appointed as Managing Director of the Company with effect from 1st. November, 1999 for a period of Five Years, on the following terms and conditions of remuneration as mentioned below :-

**A. Salary :** Rs. 15,000/- (Rupees Fifteen Thousand only) per month.

Annual increment (upto a maximum of Rs. 2000/- per month) will be effective from 1st April of each year which will be decided by the Board.

**B. Perquisites :** (i) Housing/House Rent Allowance.

The expenditure incurred by the Company will be subject to a ceiling of 60% of salary. The Managing Director will also be entitled to the said benefit even after retirement or his resignation subject to restriction, if any, under the Companies Act, 1956.

(ii) Medical reimbursement.

The expenses incurred by him and his family including Premium for Mediclaim Insurance policies for himself and his family.

Major hospitalisation expenses for him and his family which are not payable under Mediclaim Insurance policies.

The Managing Director is entitled to actual expenditure incurred by him on medical treatment or by any member of his family outside India. The expenditure incurred for travel and stay abroad including for one attendant, subject to the condition that the expenditure on medical treatment and stay abroad will be allowed only to the extent permitted by the Reserve Bank of India and also subject to the permission, if any required, of any authority as per Companies Act, 1956.

The Managing Director and his family will also be entitled to medical benefit after retirement or his resignation subject to restriction, if any, under the Companies Act, 1956.

(iii) Leave and Leave Travel Concession

Leave in a year :

(a) Total 45 days Annual and Casual leave including sickness in addition to

(b) Hospitalisation leave for the days remain hospitalised.

(c) Leave Travel Concession for self and family once in a year.

(d) Encashment of leave as allowed under the Companies Act, 1956 and other applicable laws.

(iv) Holiday passage for children & family

Return holiday passage once in a year by economy class or once in two years by first class to children and to members of the family from the place of their study or



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stay abroad to India if they are not residing in India with the Managing Director.

(v) Club Fees

Fees of Clubs subject to a maximum of two Clubs, excluding admission and life membership fee.

(vi) Entertainment Expenses

The Managing Director shall be reimbursed actual entertainment expenses incurred on the Company's business including fees of credit cards.

(vii) Children's Education Allowance

For children studying in or outside India, an allowance limited to a maximum of Rs.5,000/- per month per child or actual expenses incurred, whichever is less. Such allowance shall be admissible for a maximum of two children.

(viii) Personal Accident Insurance.

Personal Accident Insurance for self and family.

Perquisites will be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such rule, perquisites shall be evaluated at actual cost.

**C. Other Payments and Provisions :**

- (i) Contribution towards Provident Fund will be subject to a ceiling of 12% of the salary or at increased rate as per rules of the Govt. Contribution to Pension / Superannuation Fund together with Provident Fund shall not exceed such percentage of the salary as laid down in the Income Tax Rules, 1962. Contribution to Provident Fund, Superannuation Fund and Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act.

(ii) Car

Provision of car for use on Company's business purpose. Use of car for private purpose shall be billed by the Company. The use of Company's car for business purpose will not be considered as a perquisite.

(iii) Gratuity

Gratuity shall not exceed one half month's salary for each completed year of service

(iv) Telephone

Provision of telephone at residence will not be considered as perquisite but personal long distance calls shall be billed by the Company."

"RESOLVED FURTHER THAT subject to Article 172 of the Articles of Association Shri Pawan Kumar Todi, shall not while he continues to hold the office of Managing Director be subject to retirement by rotation and he shall not be taken into account in determining the Directors liable to retire by rotation."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to take such steps as may be necessary to give effect to this resolution."

8. To consider and if thought fit to pass with or without modification the following Resolution as a Special Resolution :

"RESOLVED that pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and are hereby altered by inserting after



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Article 32, the following new Article 32A :-

**Nomination for Shares**      32A. Notwithstanding anything contained in Article 32 or any other Article of these Articles, a shareholder / member may at any time, make a nomination in such manner as may be permitted pursuant to the provisions of sections 109A, 109B and other applicable provisions of the Companies Act, 1956 and other Laws as may be in force from time to time. Notwithstanding anything to the contrary in these Articles such nominee shall have such rights and be subject to such liabilities as per the provisions of sections 109A, 109B and other applicable provisions of the Companies Act, 1956 and other Laws as may be in force from time to time.

9. To consider and if thought fit to pass with or without modification the following Resolution as a Special Resolution :

"RESOLVED that pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and are hereby altered by inserting after Article 77, the following new Article 77A :-

**Transmission of Shares by Nominee**      77A. Notwithstanding anything to the contrary in these Articles any person who becomes a nominee by virtue of section 109A of the Companies Act, 1956 shall have such rights as he shall be entitled to pursuant to the provisions of section 109B, and other applicable provisions of the Companies Act, 1956 to either elect himself to be registered as the holder of such share(s) or to make transfer of the said shares to which he becomes entitled to as the deceased shareholder could have made. The Board shall on proper compliance of the provisions of the said section 109B and other applicable provisions of the Companies Act, 1956 and other laws that may be applicable register the said nominee as member if he so elects or register the transfer so made by the said nominee.

*Regd. Office :*  
19, R. N. Mukherjee Road  
Main Building, 1st Floor  
Calcutta - 700 001  
Dated : 28th August, 1999

BY ORDER OF THE BOARD  
**TARUN KUMAR SRIVASTAVA**  
*Company Secretary*

## NOTES :

1. Explanatory Statement as required under Section 173(2) of the Companies Act, 1956 is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
3. The Register of Members and Share Transfer Books of the Company in respect of Equity Shares shall remain closed from 24th September, 1999 to 29th September, 1999 (both days inclusive).
4. A Member or his Proxy is requested to produce at the entrance of the Meeting Hall Attendance Slip forwarded to the member duly completed and signed.



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## EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

### ITEM NO. 5 (f)

In order to expand its areas of operations by entering into new markets the Company may in the current financial year open up new branches at suitable places, and as such for the purpose of appointing Auditors for the said new branches it is advisable to authorise the Board to appoint such Branch Auditors and to fix their remuneration.

Your Directors recommend to pass the said resolution as an Ordinary Resolution.

None of the Directors of the Company are interested in the said Resolution.

### ITEM NO. 6

The members of the Company had at their Ninth Annual General Meeting held on 26th. September, 1998 approved the revised remuneration payable to the Managing Director, with effect from 1st February, 1998 till the end of his tenure, which was the same as mentioned in the text of the resolution except for the salary payable to him mentioned in Part A of the said resolution which was Rs. 18,000 per month. The said Part A which was originally approved by the members at the said Ninth Annual General Meeting is reproduced below:-

**A. Salary :** Rs. 18,000/- (Rupees Eighteen Thousand only) per month.

Annual increment (upto a maximum of Rs. 2000/- per month) will be effective from 1st April of each year which will be decided by the Board.

Further considering the constraints faced by the company and in order to percolate the concept of cost consciousness the Board of Directors found it to be prudent to re-revise the remuneration payable to the Managing Director by reducing the salary payable to him from Rs. 18,000/- (Rupees Eighteen thousand only) per month to Rs. 15,000/- (Rupees Fifteen thousand only) per month, and accordingly the Board of Directors at their meeting held on 29th January, 1999 reduced the salary payable to the Managing Director and amended the Part A of the said remuneration to as is stated in the text of the resolution.

The Abstract of the terms and Memorandum of Interest in terms of Section 302 of the Companies Act, 1956 had already been sent to the Members on 18th February, 1999 after the said remuneration was amended by the Board at their meeting held on 29th January, 1999.

Shri Pawan Kumar Todi and Shri Nand Lal Todi who is related as father of Shri Pawan Kumar Todi are considered to be interested in the said Resolution.

### ITEM NO. 7

The members of the company had at their Extra Ordinary General Meeting held on 24th October, 1994 appointed





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Shri Pawan Kumar Todi as Managing Director of the Company for a period of Five years with effect from 1st November, 1994. The said tenure of the office of the Managing Director held by Shri Pawan Kumar Todi is liable to end on 31st October, 1999.

Shri Pawan Kumar Todi being eligible for re-appointment under the provisions of section 269 and Schedule XIII of the Companies Act, 1956 has consented to be re-appointed as the Managing Director from the expiry of his present tenure. Your Directors are of the opinion that it will be in the beneficial interest of the Company to re-appoint him as the Managing Director of the Company for a further period of five years on the terms and conditions detailed in the text of the resolution.

The terms and conditions including the remuneration payable to the Managing Director as mentioned in the text of the resolution and the Explanatory statement hereto may be treated as an Abstract of the terms and conditions of re-appointment and Memorandum of Interest under Section 302 of the Companies Act, 1956.

Your Directors recommend to pass the said resolution as an Ordinary Resolution.

Shri Pawan Kumar Todi and Shri Nand Lal Todi who is related as father of Shri Pawan Kumar Todi are considered to be interested in the said Resolution.

### ITEM NO. 8 & 9

The Companies Act, 1956, has been amended to include Section 109A and Section 109B which provide shareholders to make nominations and the rights of nominee on such shares respectively. It is so considered necessary to amend the Articles of Association of the Company to incorporate the provisions of the said section for the benefit of the shareholders/members in the manner as stated in the text of the resolutions number 8 & 9.

Your Directors recommend the passing of the said Resolutions as Special Resolution.

None of the Directors are concerned or interested in the said Resolutions.

Copy of the Articles of Association with the proposed amendments will be available for inspection by the members of the Company at the Registered Office of the Company during office hours on all working days (except Sundays and Public holidays) between 11.00 a.m. to 1 p.m.

Regd. Office :  
19, R. N. Mukherjee Road  
Main Building, 1st Floor  
Calcutta - 700 001  
Dated : 28th August, 1999

BY ORDER OF THE BOARD  
**TARUN KUMAR SRIVASTAVA**  
Company Secretary