



29th ANNUAL REPORT 2017-2018



NPR FINANCE LIMITED

CIN : L65921WB1989PLC047091

REGISTERED OFFICE :

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

BOARD OF DIRECTORS

Managing Director :

Pawan Kumar Todi

Directors :

Nandlal Todi
Arun Charan Mukherji (Resigned
with effect from 2nd April, 2018)
Nitin Guha
Rajendra Kumar Duggar
Ashok Bhandari
Sarika Mehra

COMMITTEES :

Audit Committee :

Arun Charan Mukherji (Resigned
with effect from 2nd April, 2018)
Nitin Guha
Nandlal Todi
Rajendra Kumar Duggar
Ashok Bhandari

Stakeholders Relationship

Committee :

Nitin Guha
Nandlal Todi
Pawan Kumar Todi

Nomination and Remuneration

Committee :

Nitin Guha
Arun Charan Mukherji (Resigned
with effect from 2nd April, 2018)
Rajendra Kumar Duggar
Ashok Bhandari

Risk Management Committee :

Pawan Kumar Todi
Nandlal Todi
Shankar Birjuka

Fair Practice Code Committee :

Pawan Kumar Todi
Nandlal Todi
Nitin Guha

IT Strategy Committee :

Nitin Guha
Pawan Kumar Todi
Sarika Mehra
Ashim Karmakar

Executive Director and Company Secretary :

Sarika Mehra

Chief Financial Officer :

Ashok Kumar Shah

BRANCHES

AHMEDABAD BRANCH :

106-07, 1st 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

NEW DELHI BRANCH :

8C/6, W. E. A. Abdul Aziz Road
Karol Bagh, (Opp. Shastri Park)
2nd Floor, New Delhi - 110 005
Phone : (011) 2875 2585/2481/2081
Fax : (011) 2875 0672

FOREX DIVISION :

Todi Mansion, 2nd Floor
1, Lu-Shun Sarani,
Kolkata - 700 073

AUDITORS

STATUTORY AUDITOR :

M/s. Deoki Bijay & Co.
Chartered Accountants
213C, Jaba Kusum House,
34, Chittaranjan Avenue,
Kolkata - 700 012
E-mail : deokinagrawal@gmail.com

SECRETARIAL AUDITOR :

Niaz Ahmed
Practicing Company Secretary
Todi Mansion, 12th Floor
1, Lu-Shun Sarani,
Kolkata - 700 073

INTERNAL AUDITOR :

Anshika Shroff
AA/7, Rajarhat Road,
Kolkata - 700 059

BANKERS :

Allahabad Bank
HDFC Bank Limited
ICICI Bank Limited
Federal Bank Limited
State Bank of India
Axis Bank Limited

Contents	Page No.
Directors' Report	3
Annexure - I : Extract of Annual Return(Form No. MGT-9).....	13
Annexure - II : Secretarial Audit Report(Form No. MR-3).....	28
Annexure - III : Form AOC - 2.....	33
Annexure - IV : Nomination & Remuneration Policy.....	38
Management Discussion & Analysis	43
Report on Corporate Governance	47
Independent Auditors' Report	67
Balance Sheet	73
Profit & Loss Account	74
Notes on Financial Statements	75
Cash Flow Statement	104



NPR FINANCE LIMITED

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 29th Annual Report of the Company together with Financial Statements for the year ended 31st March, 2018.

1. Financial Summary or Highlights:

The highlights of the financial performance of the Company for the financial year ended 31st March, 2018 as compared to the previous financial year are as under:-

	₹ in Lakhs	
Particulars	2017-2018	2016-2017
Gross Profit before depreciation, interest and Tax	241.89	494.60
(Less) : Depreciation	(64.60)	(65.68)
(Less) : Interest	(61.33)	(73.77)
(Less) : Provision for Current Tax	(23.64)	(79.08)
Add/(Less) MAT Credit entitlement	12.99	-
Add/(Less) : Provision for Deferred Tax	43.84	17.79
Net Profit after tax	149.15	293.86
Add : Brought forward from previous year	1969.55	1740.47
Add/(Less) : Income Tax adjustment of earlier years	74.06	(6.01)
Add/(Less) : Fringe Benefit Tax adjustment of earlier years	0.54	-
Profit available for appropriation	2193.30	2028.32
APPROPRIATIONS		
Statutory Reserve under section 45 IA of the Reserve Bank of India Act, 1934.	29.83	58.77
Surplus Carried to balance sheet	2163.47	1969.55
Total	2193.30	2028.32

2. Dividend.

Company has registered ₹115.96 lakhs towards Profit before taxes during the financial year under review as against ₹355.16 lakhs during the previous financial year. The fall in profit is by and large attributable to the fall in turnover from the money changing sector and the Wind Energy sector, coupled with the decline in turnover by ₹535.32 lakhs on account of gradual reduction in financing activities over the past few years and fall in revenue generated from sale of Shares & Securities. It be also noted that, provision towards diminution in value of investment was written back to the extent of ₹5.74 lakhs in comparison to ₹84.58 lakhs in the

previous financial year, which has also affected the profitability. However, there has also been a rise in recovery against losses and write-offs in comparison to the previous year. The Company for the foreseeable future shall retain earnings for funding further growth. The Company is also desirous to exploit the opportunities to undertake suitable projects. Therefore, the Board of Directors (hereinafter referred to as "the Board") has decided not to declare any dividend for the financial year under review.

3. The amount proposed to be carried to reserves.

The Company proposes to transfer ₹29.83 lakhs to the Statutory Reserve maintained under section 45 IA of the Reserve Bank of India Act, 1934 out of the amount available for appropriation and an amount of ₹2163.47 lakhs is proposed to be retained in the profit and loss account.

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 2018-19 to BSE Ltd.

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 31st March, 2018, 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**.



NPR FINANCE LIMITED

8. Directors & Key Managerial Personnel.

a. Board of Directors

As on 31st March, 2018, the Board comprised of 4 independent Directors, 1 non-executive Director, 1 Managing Director and 1 Executive Woman Director. The Board was chaired by Mr. Arun Charan Mukherji (DIN-00063975), Independent Non-executive Director.

During the financial year under review, Mr. Ashok Bhandari (DIN-00012210) was appointed as an Additional Director (Independent Non-executive Director) of the Company with effect from 22nd May, 2017. He has been further appointed for a period of five years at the 28th Annual General Meeting ("AGM") held on 14th September, 2017.

All the remaining Independent Directors hold office till the conclusion of the 30th AGM to be held in the calendar year 2019.

Further, the shareholders at the 28th AGM, accorded consent to vary to terms and condition of appointment of Ms. Sarika Mehra's (DIN-06935192) office in the capacity of a whole-time director, by making her office liable to retire by rotation in terms of section 152 of the Act and applicable provisions of the Listing Regulations. Ms. Sarika Mehra's (DIN-06935192) and Mr. Nandlal Todi (DIN-00581581), Non-executive Director, retire by rotation at the ensuing AGM and have placed themselves for re-appointment.

The shareholders at the 28th AGM held on 14th September, 2017, also accorded consent through special resolution, to the revision in the remuneration of Mr. Pawan Kumar Todi (DIN-00590156), Managing Director, to ₹2,50,000/- with effect from 1st June, 2017. He holds office till 31st October, 2019.

Mr. Arun Charan Mukherji (DIN-00063975) resigned from the Directorship of the Company with effect from 2nd April, 2018 on account of advancing age and health status. The Board applauds his selfless commitment and priceless contribution towards the growth of the Company since the past several years. Mr. Nandlal Todi (DIN-00581581) – Non-Executive Non-independent Promoter Director, has been appointed as the Chairperson of the Board with effect from 30th May, 2018.

Accordingly, as on date, the Board of Directors comprises of the following Directors:

1. Mr. Nandlal Todi (DIN-00581581) – Chairperson (Non-Executive Non-independent Director);
2. Mr. Pawan Kumar Todi (DIN-00590156) – Managing Director;
3. Mr. Rajendra Kumar Duggar (DIN-00403512) – Independent Director;
4. Mr. Nitin Guha (DIN-01107480) – Independent Director;

5. Mr. Ashok Bhandari (DIN-00012210) – Independent Director;

6. Ms. Sarika Mehra (DIN-06935192) – Executive Director & Company Secretary.

Further, SEBI has notified a new Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), effective from 1st April, 2019, whereby, no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect. Since, Mr. Nitin Guha (DIN-01107480) and Mr. Nandlal Todi (DIN-00581581) – both non-executive directors, are above 75 years of age, the approval of the shareholders is being sought at the ensuing AGM for enabling the continuation of their Directorship. Both the aforementioned Directors have several years of experience in varied fields and the Company has time and again, been immensely benefitted from their guidance and support. It is thus being considered prudent to place the proposal for the continuation of their directorship.

b. Company Secretary.

Ms. Sarika Mehra (DIN-06935192) continues to act as the Company Secretary of the Company.

c. Chief Financial Officer.

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

9. Number of Meetings of the Board.

The Board of Directors (hereinafter, "the Board") of the Company met four (4) times during the Financial Year under review. The details are provided in the Corporate Governance Report which is annexed to this Report.

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 13th February, 2018.

All the meetings were held in accordance with the provisions of the Act, Listing Regulations and the Secretarial Standard-1 (SS-1).

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

The Audit Committee of the Company comprised of four (4) non-executive independent directors and one non-executive non-independent promoter director as on 31st March, 2018, being chaired by Mr. Nitin Guha (DIN-01107480).



NPR FINANCE LIMITED

Subsequent to the resignation of Mr. Arun Charan Mukherji (DIN-00063975), the Audit Committee as on date, comprises of: three (3) non-executive independent directors and one non-executive non-independent promoter director. The Committee is being chaired by Mr. Rajendra Kumar Duggar (DIN-00403512) – Independent Non-executive Director, since 30th May, 2018. Being a Chartered Accountant by profession, Mr. Rajendra Kumar Duggar (DIN-00403512) possesses accounting and related financial management expertise.

During the Financial Year under review, the Audit Committee met four (4) times and all such meetings were held in accordance with the provisions of the Act read with the Rules made thereunder and the Listing Regulations. Details of the same are provided in the Corporate Governance Report.

Further, the Board has accepted all the recommendations of the Audit Committee in the Financial Year 2017-18.

11. Composition of the Nomination and Remuneration Committee.

As on 31st March, 2018, the Nomination and Remuneration Committee of the Company comprised of four (4) Non-Executive Independent Directors. Subsequent to the resignation of Mr. Arun Charan Mukherji (DIN-00063975), it comprises of (Three) Non-Executive Independent Directors as on date.

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

12. Composition of the Stakeholders Relationship Committee.

The Stakeholders Relationship Committee comprises of one Non-Executive Independent Director, one Non-Executive Non-independent Promoter Director and one Executive Non-independent Promoter Director.

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

13. 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 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 at the end

of the Financial Year ended on 31st March, 2018 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.
- 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.
- 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.

14. Details in respect of frauds.

During the year under review the company has detected a fraud pertaining to misappropriation of cash amounting to ₹0.74 lakhs which was committed by an employee of the Company at its Delhi Branch. The Company has lodged Complaint with the Karol Bagh Police Station, New Delhi. The fraud has been reported to the Audit Committee meeting on 13.02.2018 and to the Bombay Stock Exchange on 02.02.2018.

15. 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.

16. Policy on Directors' Appointment & Remuneration.

Pursuant to the provisions of Section 178(4) of the Act read with the Rules made thereunder and the Listing Regulations, 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:



NPR FINANCE LIMITED

- a. 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;
- b. The relationship of remuneration to performance is clear and meets appropriate benchmarks; and
- c. 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 2017-18.

17. Auditors & Auditors' report.

A. Statutory Auditor

M/s R. P. Boobna & Co. (Firm Registration No. 304093E), Chartered Accountants of 209, A.J.C. Bose Road, "Karnani Estate", 2nd Floor, Room No. 87, Kolkata 700 017, retired from the office of the Statutory Auditor at the 28th Annual General Meeting in terms of the provisions of section 139 of the Act read with the Rules made thereunder. Based on the recommendation of the Audit Committee, M/s Deoki Bijay & Co. (Firm Registration No. 313105E), Chartered Accountants of 213C, Jabakusum House; 2nd Floor, 34, Chittaranjan Avenue, Kolkata 700012, has been appointed as the Statutory Auditor for a period of five years from the conclusion of the 28th Annual General Meeting till the conclusion of the 33rd Annual General Meeting. With the commencement of section 40 of the Companies (Amendment) Act, 2017, read with the Companies (Audit and Auditors) Second Amendment Rules, 2018, both effective from 7th May, 2018, the requirement of ratification of the appointment of the Auditor at the AGM has been omitted.

M/s Deoki Bijay & Co. has furnished a Certificate of Eligibility in terms of section 139 read with section 141 of the Act and the Rules framed thereunder.

B. Independent Auditors' Report.

The Self Explanatory Independent Auditors' Report does not contain any adverse remarks or qualification.

C. Secretarial Auditor.

Mr. Niaz Ahmed (C.P. No. 5965, Membership No. F9432), Company Secretary in whole-time Practice, who was appointed pursuant to the provisions of Section 204 of the Act read with the Rules made thereunder to issue the Secretarial Audit Report for the Financial Year ended 31st March, 2018, has been further re-appointed by the Board at its meeting held on 7th August, 2018, based on the recommendation of the Audit Committee, to issue the Secretarial Audit Report for the Financial Year ended 31st March, 2019.

D. Secretarial Audit Report.

The Secretarial Audit Report is appended to the Directors' Report in **Annexure-II**. The Secretarial Audit Report does not contain any adverse remarks.

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

Details pertaining to loans, guarantees or investments are provided in the notes to the Financial Statements.

19. 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 the Listing Regulations and/or section 188 of the Act read with the Rules made thereunder.

The Audit Committee at its meeting held on 11th February, 2017 had granted 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 2017-18. The Committee has, on a quarterly basis, reviewed the details of the Related Party Transactions entered into by the Company pursuant to omnibus approval accorded. In terms of the Listing Regulations and section 177 of the Act read with the Rules made thereunder, such omnibus approval is valid only for one year.



NPR FINANCE LIMITED

Accordingly, the Audit Committee at its Meeting held on 13th February, 2018, has accorded fresh omnibus approval 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 2018-19. The Committee on a quarterly basis, reviews 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 29th 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.

20. State of Company Affairs & Future Outlook.

As on 31st March, 2018, the Company, a Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Company, does not have any outstanding public deposits and the Company shall not accept in the Financial Year 2018-2019 and thereafter, any public deposit without obtaining the prior approval in writing of the Reserve Bank of India.

The Company's financial disbursement has gone down by ₹25.33 lakhs, in comparison to the previous financial year due to gradual reduction in financing activities over the past few years on account of stiff competition. Further, the Company has recently entered the personal loan segment wherein the Company is following a slow and cautious approach. Also, there has been a rise in recovery against losses and write-offs by ₹32.64 lakhs. Company is striving hard to make higher recoveries in the years to come against earlier years' write-off.

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 income from the Money Changing Business which is operational in Kolkata has marginally gone up by 1.86% and the Company expects consistent but modest profitability from this area of business.

Gross Income from power generation has gone down by 26.31% in comparison to previous financial year on account of various factors including, reduction in wind speed, scheduled downtime etc. also due to the fact that, a one-time income of ₹28.03 lakhs was recorded in the previous financial year, being reimbursement of Expenses incurred by the

Company towards Common Power Evacuation at the time of purchase of Wind Power Generators. This sector is depicting a positive growth potential in the near future on account of government's active initiatives and participation.

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.

21. 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.

22. 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 financial year under review.

23. Risk Management Policy.

In terms of the Listing Regulations, 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 the Listing Regulations, the Board of Directors is responsible for framing, implementing and monitoring the Risk Management Plan of the Company, and has delegated the power of



NPR FINANCE LIMITED

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.

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

The manner of formal annual evaluation by the Board of its own performance and that of its committees and individual directors is morefully described in the Corporate Governance Report which is annexed to the Directors' Report.

25. Nomination and Remuneration Policy.

The Nomination and Remuneration Policy of the Company, in terms of Section 178 of the Act, read with Rules made thereunder and the Listing Regulations, is enclosed in **Annexure-IV**.

26. 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.

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 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.

A reference is made in this connection to the CEO & CFO Certification which forms part of the Annual Report.

29. 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 of the employees' alongwith Employers' contribution to Provident Fund and Employees State Insurance Fund has been considered. Gross Salary of the employees primarily encompasses Salary, allowances, perquisites etc.

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
Mr. Pawan Kumar Todi	20.00 times(approx.)
Arun Charan Mukherjee (resigned with effect from 2 nd April, 2018).	Paid Sitting Fees only
Nitin Guha	Paid Sitting Fees only
Rajendra Kumar Duggar	Paid Sitting Fees only
Ashok Bhandari (appointed with effect from 22 nd May, 2017).	Paid Sitting Fees only
Ms. Sarika Mehra	9.55 times(approx.)



NPR FINANCE LIMITED

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	104.43%
Ms. Sarika Mehra - Executive Director & Company Secretary	-1.26%
Mr. Ashok Kumar Shah - Chief Financial Officer of the Company	6.99%

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

There has been increase of 41.40% 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 31st March, 2018, there are 30 employees on the roll 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 2017-18.	50,66,771
Total Revenue	35,76,85,090
Remuneration of KMP's as a percentage of Total Revenue	1.42%
Profit before tax	1,15,96,136
Remuneration of KMP's as a percentage of Profit before Tax	43.69%
Profit after tax	1,49,15,026
Remuneration of KMP's as a percentage of Profit after Tax	33.97%

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 st March, 2018	31 st March, 2017	% Change +/-
Market Capitalisation (in ₹)	18,74,74,480	10,57,16,440	77.34%
Price Earnings Ratio	12.57	3.59	250.14%

B. Percentage change 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 st March, 2018	27 th Feb, 1995 (IPO issue)	% Change
Market Price (in ₹)	31.30	15.00	108.67%

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

Percentile decrease in the salary in 2016-17	Percentile increase in the salary in 2017-18
9.64	0.35%