

31ST ANNUAL REPORT 2019-2020



NPR FINANCE LIMITED



CIN: L65921WB1989PLC047091

REGISTERED OFFICE

Todi Mansion, 9th Floor
1, Lu-Shun Sarani,
Kolkata – 700073
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
Nitin Guha
Rajendra Kumar Duggar
Ashok Dhirajlal Kanakia
Sarika Mehra

COMMITTEES :

Audit Committee :

Nitin Guha
Ashok Dhirajlal Kanakia
Nandlal Todi
Rajendra Kumar Duggar

Stakeholders Relationship

Committee :
Nitin Guha
Nandlal Todi
Pawan Kumar Todi

Nomination and Remuneration Committee :

Nitin Guha
Rajendra Kumar Duggar
Ashok Dhirajlal Kanakia

Risk Management Committee :

Pawan Kumar Todi
Nandlal Todi
Shankar Birjuka

Fair Practice Committee :

Pawan Kumar Todi
Nandlal Todi
Nitin Guha

IT Strategy Committee :

Nitin Guha
Pawan Kumar Todi
Sarika Mehra
Ashim Karmakar

Company Secretary :

Rimpa Roy

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 - 380006
Phone : (079) 2640 1482/3

NEW DELHI BRANCH :

8C/6, W.E.A. Abdul Aziz Road
Karol Bagh, (Opp. Shastri Park)
2nd Floor, New Delhi - 110005
Phone : (011) 2875 2585/2481/2081

SILIGURI BRANCH :

33, New 41, Sarat Bose Road, Siliguri
Ward No- 16, 1st Floor, Siliguri (M. Corp.)
Darjeeling, Pincode - 734001
Phone – 08327432019

BAGDAH BRANCH :

Halencha 1 No. Colony,
P.O. Halencha Bazar,
Police Station - Bagdah
Dist. North 24 Parganas
Pincode – 743 270
Phone - 07407330069

BARDHAMAN BRANCH :

Opp. Banerjee Ford
Bardhaman/Sonalika Tractor
Keshabhganj Chatti
Bardhaman – 713 104
Phone - 09734170778

COOCH BEHAR BRANCH :

Ground Floor, 2 No. Kalighat Road,
Gariahati, Cooch Behar - 1
Pincode – 736 101
Phone - 08918048035

DUTTAPUKUR BRANCH :

Ground Floor, Plot No. -2,
Khatian No.4606, J.L. NO. 122,
Mouza - Duttapukur
Police Station - Duttapukur
District – North 24 Parganas,
Pincode - 743248
Phone No. 09674678011

NIMTALA BRANCH :

First Floor, Khatian No. 937,
J.L.No.32, Mouza –Jalkar Domra
Police Station - Haringhata
Post Office – Mahadebpur,
District- Nadia,
Pincode – 741257
Phone No. 07365888353

FOREX DIVISION :

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

AUDITORS

STATUTORY AUDITOR :

M/s. Deoki Bijay & Co.
Chartered Accountants
209, A J C Bose Road,
150A, Karnani Estate, 4th Floor,
Kolkata – 700 017
E- mail : deokinagrawal@gamil.com

SECRETARIAL AUDITOR:

CS Niaz Ahmed
Practicing Company Secretary
Todi Mansion, 12th Floor
1 Lu – Shun Sarani,
Kolkata – 700 073
E-mail : csniazahmed@gmail.com

INTERNAL AUDITOR :








CS Anshika Shroff
Practicing Company Secretary
AA/7, Rajarhat Road,
Kolkata – 700 059
E-mail : anshikashroff@gmail.com

BANKERS :








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

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**NPR FINANCE LIMITED**

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Reg. Office: Todi Mansion, 1, Lu- Shun Sarani, 9th Floor, Kolkata-700 073Phone No. 033 2237 7201, Website : www.nprfinance.com, E-Mail- npr1@nprfinance.com**DIRECTORS' REPORT**

Dear Members,

Your Directors have pleasure in presenting the 31st Annual Report of the Company together with Financial Statements for the year ended 31st March, 2020.

1. Financial Summary or Highlights.

The highlights of the financial performance of the Company for the financial year ended 31st March, 2020 as compared to the previous financial year are as under:-

₹in Lakhs

Particulars	2019-2020	2018-2019
Revenue from Operations	2779.07	3660.60
Other Income	46.07	19.91
Gross Profit before depreciation, Finance Costs and Tax	285.10	438.02
(Less) :Depreciation	(67.58)	(67.65)
(Less) : Finance Costs	(40.04)	(61.46)
Add/(less): Exceptional items	-	-
(Less) : Provision for Current Tax	(29.62)	(63.76)
Add: MAT Credit entitlement	-	4.11
Add: Provision for Deferred Tax	17.96	3.64
Net Profit after tax	165.82	252.90
Other Comprehensive Income	179.64	40.92
Total Comprehensive Income (comprising profit & Other Comprehensive Income)	345.46	293.82
Add : Brought forward from previous year	3016.72	2775.39
Profit available for appropriation	3362.18	3069.21
APPROPRIATIONS		
Statutory Reserve under section 45 IA of the Reserve Bank of India Act, 1934.	33.16	52.49
Surplus Carried to balance sheet	3329.02	3016.72
Total	3362.18	3069.21

2. Dividend.

Company has registered ₹177.48 lakhs towards Profit before taxes during the financial year under review as against ₹308.91 lakhs during the previous financial year. In view of the fact that, the Company is considering business expansion, the Company shall retain earnings for funding further growth. Therefore, the Board of Directors has decided not to declare any dividend for the financial year under review.



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3. The amount proposed to be carried to reserves.

The Company proposes to transfer ₹33.16 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 ₹3329.02 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 issued, subscribed and Paid-up Share Capital of the Company is ₹5,98,96,000 divided into 59,89,600 Equity Shares of ₹10/- each.

Further, during the financial year under review, there was no instance of:

- a. reclassification or sub-division of the authorised share capital;
- b. reduction of share capital or buy back of shares;
- c. change in the capital structure resulting from restructuring; and
- d. change in voting rights.
- e. Issue of shares or other convertible securities
- f. Issue of equity shares with differential rights
- g. Issue of Sweat Equity Shares
- h. Employee Stock Options
- i. Shares held in trust for the benefit of employees where the voting rights are not exercised directly by the employees
- j. Issue of debentures, bonds or any non-convertible securities
- k. Issue of warrants

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 2019-2020 to BSE Ltd.



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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.

In terms of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Certificate issued by a Company Secretary in whole time practice regarding compliance of condition of Corporate Governance is annexed to the Directors' Report.

7. Extract of the Annual Return.

The Extract of the Annual Return as on the financial year ended on 31st March, 2020, 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*.

The Annual Return in Form MGT-7 for the financial year ended 31st March, 2019, is uploaded on the website of the Company and can be viewed via the link: <http://www.nprfinance.com/showreport.aspx?prmRsCtg=AR&prmCtgType=S>. Further, Form MGT-7 for the financial year ended 31st March, 2020, will be uploaded on the website via the above link, once it is filed with the Registrar of Companies.

8. Directors & Key Managerial Personnel.

a. Board of Directors

As on 31st March, 2020, the composition of the Board is as under:

- a. Mr. Nandlal Todi (DIN-00581581) – Chairperson : Non-Executive Non-Independent Director;
- b. Mr. Pawan Kumar Todi (DIN-00590156) – Managing Director & Non-Independent Director;
- c. Mr. Rajendra Kumar Duggar (DIN-00403512) – Independent Non-Executive Director;
- d. Mr. Nitin Guha (DIN-01107480) – Independent Non-Executive Director;
- e. Mr. Ashok Dhirajlal Kanakia (DIN-00738955) – Independent Non-Executive Director;
- f. Ms. Sarika Mehra (DIN-06935192) – Whole time Director.

Mr. Ashok Dhirajlal Kanakia (DIN-00738955) was appointed as an Additional Director (Independent Non-executive category) of the Company with effect from 14th February, 2019. Accordingly, his tenure expired at the 30th Annual General Meeting (AGM) held on 17th day of



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September, 2019, where he has been appointed for a period of five years. Considering his vast work experience, his appointment was considered prudent.

The remaining Independent Directors (i.e.: Mr. Rajendra Kumar Duggar (DIN-00403512) and Mr. Nitin Guha (DIN-01107480) have been reappointed for a period of five years at the 30th AGM held on 17th day of September, 2019.

The tenure of Mr. Pawan Kumar Todi (DIN-00590156) and Ms. Sarika Mehra (DIN-06935192) as Managing Director and Whole-time Director respectively, expired on 31st October, 2019 and 18th September, 2019 respectively and they have been reappointed at the 30th AGM held on 17th day of September, 2019, for a period of three consecutive year with effect from 1st November, 2019 and 19th September, 2019 respectively.

Ms. Sarika Mehra (DIN-06935192), Executive Director, retires by rotation at the ensuing 31st AGM where she presents herself for re-appointment.

b. Company Secretary.

Ms. Sarika Mehra (DIN-06935192) resigned from the post of Company Secretary with effect from 1st April, 2019, in order to facilitate more efficient discharge of her Directorial duties and responsibilities. She continues to act as the Executive Director.

Ms. Rimpa Roy is the Company Secretary of the Company since 1st April, 2019.

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 met four (4) times during the Financial Year under review. The details thereof, including the attendance of the Directors, is 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, 2020.

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



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10. Policy on Directors' Appointment & Remuneration.

The Company's Nomination and Remuneration Policy contains inter-alia, policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178 of the Act and the Listing Regulations.

The Policy defines the basic principles and procedure of nomination and determination of remuneration of all the Directors, Key Managerial Personnel and the senior management. 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. The policy is based on the following pillars:

- 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 Policy is available on the website of the Company via the link:

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

11. Opinion of the Board with regard to integrity, expertise and experience (including proficiency) of the Independent Directors appointed during the year.

In terms of Rule 8(5) (iiia) of the Companies (Accounts) Rules, 2014, the Board hereby declares that:

In the opinion of the Board of Directors, the integrity, expertise and experience of the Independent Directors of the Company is adequate and commensurate with the size, structure, and business requirement of the Company.

Further, the Independent Directors have registered their names in the Independent Directors' databank.



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12. Declaration by the Independent Directors and statement on compliance of Code of Conduct.

All the Independent Directors have furnished the Statement on Declaration of Independence under section 149 (6) of the Act and Regulation 16 of the Listing Regulations. Further, the Independent Directors have complied with the Code of Independent Directors prescribed in Schedule IV to the Act.

13. Statement on compliance of Code of Conduct for Directors and senior management personnel.

The Corporate Governance Report contains a Declaration on compliance to the Code of Conduct by the Directors and Senior Management Personnel of the Company.

14. Disclosure pursuant to Section 177(8) of the Act - Composition of the Audit Committee.

As on 31st March, 2020, the composition of the Audit Committee is as under:

- a. Mr. Rajendra Kumar Duggar (DIN-00403512) – Chairperson & Independent Non-Executive Director;
- b. Mr. Nandlal Todi (DIN-00581581) – Non- Independent Non-Executive Promoter Director;
- c. Mr. Nitin Guha (DIN-01107480) – Independent Non-Executive Director;
- d. Mr. Ashok Dhirajlal Kanakia (DIN-00738955) – Independent Non-Executive Director;

Ms. Rimpa Roy is the Secretary to the Committee since 1st April, 2019.

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, including the meeting dates and the attendance of the Committee members, are provided in the Corporate Governance Report.

Further, the Board has accepted all the recommendations of the Audit Committee in the Financial Year 2019-2020.

15. Composition of the Nomination and Remuneration Committee.

As on 31st March, 2020, the composition of the Nomination and Remuneration Committee is as under:

- a. Mr. Nitin Guha (DIN-01107480) – Chairperson & Independent Non-Executive Director;
- b. Mr. Rajendra Kumar Duggar (DIN-00403512) – Independent Non-Executive Director;
- c. Mr. Ashok Dhirajlal Kanakia (DIN-00738955) – Independent Non-Executive Director;



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Ms. Rimpa Roy is the Secretary to the Committee since 1st April, 2019.

The detail of the Committee, including the meeting dates and the attendance of the Committee members, is provided in the Corporate Governance Report.

16. Composition of the Stakeholders Relationship Committee.

As on 31st March, 2020, the composition of the Stakeholders Relationship Committee is as under:

- a. Mr. Nitin Guha (DIN-01107480)–Chairperson & Non-Executive Independent Director
- b. Mr. Nandlal Todi (DIN-00581581) - Non-Executive Non-Independent Promoter Director and
- c. Mr. Pawan Kumar Todi (DIN-00590156)–Executive Non-Independent Promoter Director (Managing Director).

Ms. Rimpa Roy is the Secretary to the Committee since 1st April, 2019.

The detail of the Committee, including the meeting dates and the attendance of the Committee members, is provided in the Corporate Governance Report.

17. 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, 2020, 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.