

23rd ANNUAL REPORT 2011-2012



NPR FINANCE LIMITED

BOARD OF DIRECTORS

Managing Director :

Pawan Kumar Todi

Directors :

Nand Lai Todi

Arun Charan Mukherjee

Nitin Guha

Rajendra Kumar Duggar

COMMITTEES :

Audit Committee :

Arun Charan Mukherjee

Nitin Guha

Nand Lal Todi

Rajendra Kumar Duggar

ShareTransfer & Investors

Grievance Committee :

Nitin Guha

Pawan Kumar Todi

Remuneration Committee :

Nitin Guha

Arun Charan Mukherjee

Asset Liability Committee :

Pawan Kumar Todi

Shanker Birjuka

Fair Practice Code Committee :

Pawan Kumar Todi

Nand Lai Todi

Nitin Guha

Executive Vice President &

Company Secretary :

Sarika Mehra

REGISTERED OFFICE :

19, R. N. Mukherjee Road,

1st Floor, Main Building,

Kolkata - 700 001

Phone: (033)22484788

Fax:(033)22430151

E-mail: npr@cal.vsnl.net.in

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 (2 lines)

Fax : (079) 2640 4346

BHUBANESWAR BRANCH :

42/A, Saheed Nagar

In front of Metro Builders Office

Bhubaneswar - 751 007

Phone : (0674) 254 8556

KOCHI BRANCH :

41/1787, Chitoor Road

Opp - Sree Sudheendra Hospital

Kochi - 682018

Phone : (0484) 402 3117, 329 6830

Fax No. : (0484) 235 1589

MUMBAI BRANCH :

218, Majestic Shopping Centre

Premises Society

144, Jagannath Shankar Seth Road

(J. S. S. Road)

Girgaun, Mumbai - 400 004

Phone:(022)23801507

Fax: (022)2380 2715

AUDITORS :

M/s. L. N. Todi & Co.

Chartered Accountants

"Hudco Niwas" 15N, Nelie Sengupta

Sarani (Lindsay Street)

4th Floor, Room No. 4

Kolkata - 700 087

AGRA BRANCH :

18/163-8/5, Fatehabad Road

Opp. Hanuman Temple

Near Taj View Hotel, Agra - 282 001

Phone : (0562) 2223 4053

CHENNAI BRANCH :

No. 35/36, Creams 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)

2nd Floor, New Delhi -110 005

Phone: (011) 28752585/2481/2081

Fax:(011)28750672

PUNE BRANCH :

A-17, Surya Prakash Apartment

Market Yard Road

Pune - 411 037

Phone: (020)24226810

KOZHIKODE BRANCH :

1st Floor, V P Complex

Wayanad Road

Kozhikode 673011

Phone : (0495) 4020889/4020518

Fax No. : (0495)2761477

FINANCIAL INSTITUTION

Indian Renewable Energy

Development Agency Limited

BANKERS:

Allahabad Bank

HDFC Bank Ltd.

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NPR FINANCE LIMITED

NOTICE

NOTICE is hereby given that the 23rd Annual General Meeting of the Members of the Company will be held on Friday, the 14th day of September, 2012 at Jhajharia Committee Room, Merchant Chamber of Commerce, 15-B, Hemanta Basu Sarani, 2nd Floor, Kolkata- 700 001 at 11.00 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, 2012, the Audited Balance Sheet as on that date and the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr. Nand Lal Todi who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Rajendra Kumar Duggar who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT consent of the Company be and is hereby accorded to appoint M/s. R. P. Boobna & Co. (FRN 304093E) Chartered Accountants of 209, A.J.C. Bose Road, Karnani Estate, 2nd Floor, Room No. 87, Kolkata-700 017, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting in place of retiring auditors M/s. L. N. Todi & Co., (FRN 304022E) Chartered Accountants of Hudco Niwas, 15N, Nelie Sengupta Sarani (Lindsay Street), 4th Floor, Room No. 4, Kolkata- 700 087 who have not offered themselves for re-appointment as Auditors of the Company."

Regd. Office:
19, R.N.Mukherjee Road
Main Building, 1st Floor
Kolkata-700 001
Dated : 30th May, 2012

BY ORDER OF THE BOARD
SARIKA MEHRA
Executive Vice-President &
Company Secretary

NOTES :

1. 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.
2. M/s. L. N. Todi & Co. , Chartered Accountants of Hudco Niwas, 15N, Nelie Sengupta Sarani (Lindsay Street), 4th Floor, Room No. 4, Kolkata- 700 087, who are the Statutory Auditors of the Company, hold office, in accordance with the provisions of the Companies Act, 1956, upto the conclusion of the forthcoming Annual General Meeting. They have not offered themselves for re-appointment as Auditors of the Company for the Financial Year 2012-2013 as their partnership firm is in the process of merger with M/s. R. P. Boobna & Co., Chartered Accountants of 209, A.J.C. Bose Road, Karnani Estate, 2nd Floor, Room No. 87, Kolkata-700 017 and post merger, the partner(s) of M/s. L. N. Todi & Co., will become partners of M/s. R. P. Boobna & Co. only. Since the merger is likely to be affected any time after ensuring Annual General Meeting, it is therefore advisable to appoint M/s. R. P. Boobna & Co. as Statutory Auditor instead of M/s. L. N. Todi & Co. Further, M/s. R. P. Boobna & Co., Chartered Accountants have expressed their willingness for appointment as the Statutory Auditors and confirmed that their appointment, if made, will be within the prescribed limits under section 224(1B) of the Companies Act, 1956, and they are not disqualified for appointment within the meaning of Section 226 of the Companies Act, 1956 as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, in place of M/s. L. N. Todi & Co., the retiring Auditors of the Company.
3. Members holding share in dematerialized form are requested to bring their Depository Account No. and Client I. D. No. for identification.
4. The Register of Members and Share Transfer Books of the Company in respect of Equity Shares shall remain closed from 6th day of September, 2012 to 14th day of September, 2012.(both days inclusive).



NPR FINANCE LIMITED

5. Electronic Clearing Services (ECS) Facility :-
 - a. To avoid loss of dividend warrants in transit and undue delay in respect of receipt thereof, the Company provides ECS facility to the members. The ECS facility is available at locations identified by the Reserve Bank of India, from time to time and covers most of the cities and towns.
 - b. Members holding shares in the physical form may furnish their details in the prescribed form, which can be obtained from the Registrar & Share Transfer Agents of the Company.
 - c. Members holding shares in the electronic form may furnish their details in the prescribed form, which can be obtained from their respective Depository Participants.
6. Members are requested to notify to the Company, change of address, if any, with pin code quoting reference of their folio number/DP ID and Client ID to our Registrar & Share Transfer Agent i.e. Niche Technologies Private Ltd., D-511, Bagree Market, 5th Floor, 71, B.R.B.B. Road, Kolkata 700 001, Phone Nos. 2235-7270/7271/3070.
7. *In case, the mailing address mentioned in this Annual Report is without the PIN CODE, members are requested to kindly inform their PIN CODE immediately.*
8. Non- Resident Indian Shareholders are requested to inform the Company immediately:
 - a. the change in residential status on return to India for permanent settlement.
 - b. the particulars of NRE Bank Account maintained in India with complete name and address of the Bank, if not furnished earlier.
9. As per the provisions of the Companies Act, 1956, facility for making nominations is available to the members in respect of shares held by them. Members holding shares in physical form may furnish their details in the prescribed form, which can be obtained from the Company/ Registrar and Share Transfer Agent. Members holding shares in electronic form may furnish their details in the prescribed form which can be obtained from the respective Depository Participant.
10. Members who are holding shares in identical order or names in more than one folio are requested to send the Company/ Registrar and Share Transfer Agent, the details of such folios together with the Share Certificates for consolidating their holdings in one such folio.
11. Members are requested to quote their Folio number/DP I.D. and Client I.D. in all correspondence.
12. 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 by the member.
13. Members are requested to note that trading in securities of the Company are compulsorily in dematerialised form only. Hence members who are yet to dematerialise their shares are advised to do so. The Company has entered into agreements with National Securities Depositories Ltd. (NSDL) and Central Depositories Services (I) Ltd. (CDSL) for Demat facilities.
14. The dividend for the Financial Year 2004-05, 2005-06, 2006-07, which remained unclaimed after 30 days from the date of declaration of dividend had been transferred to the Unpaid Dividend Account. The Dividend remaining unclaimed for seven years from the date of transfer to the above mentioned account is required to be transferred by the Company to the Investor Education and Protection Fund (IEPF). The due dates for transfer of unpaid dividend amount are 06/10/2012, 25/10/2013 and 18/10/2014 respectively.
15. Members who have not yet encashed their dividend warrants or have not received the dividend warrants are requested to seek issuance of demand draft. Such members may write to NPR Finance Ltd. for the payment of unpaid dividend amount. It may be noted that once the unclaimed dividend is transferred to the IEPF, no claim shall lie in respect thereof.

Regd. Office:
19, R.N.Mukherjee Road
Main Building, 1st Floor
Kolkata-700 001
Dated : 30th May, 2012

BY ORDER OF THE BOARD
SARIKA MEHRA
Executive Vice-President &
Company Secretary



NPR FINANCE LIMITED

INFORMATION OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING (PURSUANT TO CLAUSE 49 (VI) (A) OF THE LISTING AGREEMENT

Name of Director	Date of Birth	Date of Appointment	Expertise in functional areas specific	Qualifications	Directorship in other Companies	Membership of Committees in other Companies	Nature of Directorship	Remarks
Mr. Nand Lal Todi	30.05.1931	30.06.2006	60 years of working experience in the field of Manufacturing, Trading & Export.	B.Com (Hons)	<ol style="list-style-type: none"> 1. Akshay Vinimay Pvt. Ltd. 2. NPR Motors Pvt. Ltd. 3. Zee ABC Agro Industries Pvt. Ltd. 4. Ace Impex Pvt. Ltd. 5. Shristi Developers Pvt. Ltd. 6. Rishi Motors Pvt. Ltd. 7. Silva Computech Pvt. Ltd. 8. Ganesh Narayan Brijlal Pvt. Ltd. 9. Supreme Credit Corporation Ltd. 10. Rani Leasing & Finance Pvt. Ltd. 	Non - Executive Promoter Director	Retiring by rotation at the forthcoming Annual General Meeting & offers himself for Re-Appointment
Mr. Rajendra Kumar Duggar	26.11.1950	28.01.2011	37 years of Working in field of Accounts, Finance & Taxation	B.Com, FCA I.S.A	<ol style="list-style-type: none"> 1. Duggar Agencies Pvt. Ltd. 2. Sunny Realters Pvt. Ltd. 3. Radiant Corporation Pvt. Ltd. 4. Nutan Finvest Pvt. Ltd. 5. Duggar Estate Management Pvt. Ltd. 6. Arvind Engineering Works Ltd. 7. Radiant - RSCC Specialty Cable Pvt. Ltd. 	Director	Retiring by rotation at the forthcoming Annual General Meeting & offers himself for Re-Appointment



NPR FINANCE LIMITED

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 23rd Annual Report of the Company together with Audited Accounts for the year ended 31st March, 2012.

FINANCIAL RESULTS :

	₹ in Lacs	
	2011-12	2010-11
Gross Profit before depreciation, interest and Tax	381.13	311.19
(Less) : Depreciation	(81.86)	(82.85)
(Less) : Interest	(191.65)	(194.38)
(Less) : Provision for Current Tax	(58.05)	(40.31)
Add/(Less) : Provision for Deferred Tax	29.52	30.61
Net Profit after tax	79.09	24.26
Add : Brought forward from previous year	1,300.97	1,287.46
Add : Income Tax adjustment from earlier years	(1.23)	(5.89)
Profit available for appropriation	1,378.83	1,305.83
APPROPRIATIONS		
Statutory Reserve	15.82	4.86
Surplus Carried to balance sheet	1,363.01	1,300.97
Total	1,378.83	1,305.83

OPERATIONS

The Company has made a net profit of ₹ 79.09 lacs against ₹ 24.26 lacs registered in the previous year despite higher write-offs. Such increase is by & large attributable to increase in gross income from financing operation by 15% and increase in income from power generation by 14%.

DIVIDEND

Keeping in view the low profit, the Directors are unable to recommend any dividend in respect of the financial year under review.

DIRECTORS

Mr. Nand Lal Todi and Mr. Rajendra Kumar Duggar, Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible offers themselves for re-appointment.

Further Mr. Debiprasad Chatterjee resigned from the office of directorship on 5th April, 2012 as he was unable to continue as a Director of the Company and Board hereby records its appreciation of the service and advices rendered by him during tenure of his office.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Board of Directors confirm:-

- that in the preparation of the Company's Annual Accounts for the period ended March, 31, 2012, the applicable Accounting Standards have been followed and there are no material departures;
- that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- that the directors had 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;
- that the directors had prepared the annual accounts on a going concern basis.

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.

MANAGEMENT DISCUSSION AND ANALYSIS

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

AUDITORS

M/s. L. N. Todi & Co., Chartered Accountants of Hudco Niwas, 15N, Nelie Sengupta Sarani (Lindsay Street), 4th Floor, Room No. 4, Koikata- 700 087, who are the Statutory Auditors of the Company, hold office, in accordance with the provisions of the Companies Act, 1956, upto the conclusion of the forthcoming Annual General Meeting. They have not offered themselves for re-appointment as Auditors of the Company for the Financial Year 2012-2013 as their partnership firm is in process of merger with M/s. R. P. Boobna & Co., Chartered Accountants of



NPR FINANCE LIMITED

209, A.J.C.Bose Road, Karnani Estate, 2nd Floor, Room No. 87, Kolkata-700 017 and post merger, the partner(s) of M/s. L. N. Todi & Co. will become partners of M/s. R. P. Boobna & Co. only. Since the merger is likely to be affected any time after ensuring Annual General Meeting, it is therefore advisable, to appoint M/s. R. P. Boobna & Co. only as Statutory Auditor instead of M/s. L. N. Todi & Co. as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, in place of M/s. L. N. Todi & Co., the retiring Auditors of the Company.

M/s. R. P. Boobna & Co., Chartered Accountants, have expressed their willingness for appointment as the Statutory Auditors and confirmed that their appointment, if made, will be within the prescribed limits under Section 224 (1B) of the Companies Act, 1956, and they are not disqualified for appointment within the meaning of Section 226 of the Companies Act, 1956.

AUDITORS' REPORT

Auditor's Report is self explanatory and hence does not require any further explanations.

PUBLIC DEPOSIT

Total Public Deposit as on 31st March, 2012 after taking into account interest accrued but not due stood at ₹ 400.82 lacs (previous year ₹ 377.35 lacs). As on 31st March, 2012, there were 17 deposits aggregating to ₹ 17.43 lacs which matured but remained unclaimed by the depositors out of which 14 deposits aggregating to ₹ 17.16 lacs have already been paid/renewed. For the remaining deposits, steps are continuously been taken to arrange for repayment/renewals.

Further, the Board of Directors of the Company have resolved to stop accepting / renewing public deposits and is currently making repayments of deposits according to maturity schedule.

Place : Kolkata
Dated : 30.05.2012

PRUDENTIAL NORMS FOR NBFCs

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 & all other requirements.

PARTICULARS OF EMPLOYEES

The Company has no employee of the category indicated under Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended from time to time.

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

The Company has no activity relating to conservation of energy and technology absorption in terms of Section 217 (1) (e) of the Companies Act, 1956. The Company has Foreign exchange earnings of ₹ 1.14 lacs and no Foreign exchange outgo during the financial year under review.

ACKNOWLEDGEMENT

Your Directors take this opportunity to place on record their deep sense of gratitude to the banks, financial institutions, customers and business associates for their continued co-operation and support. Your directors express their deep sense of appreciation for the total commitment, dedication and hard work put in by the employees of the Company. Lastly, your directors are deeply grateful for the confidence and faith shown by the members of the Company.

ON BEHALF OF THE BOARD OF DIRECTORS
NAND LAL TODI
Chairman



MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC AND INDUSTRY OVERVIEW

In the past few years, the increased competition from banks in the retail finance segment has led to excess diversification by NBFCs from their core business activities. The sector has witnessed introduction of various innovative products such as used vehicles financing, small personal loans, three-wheeler financing, IPO financing, finance for tyres & fuel, asset management, mutual fund distribution and insurance advisory, etc. Besides, NBFCs are aspiring to emerge as a one-stop shop for all financial services.

Given the significant slowdown in the Indian economy, NBFCs were encountering structural challenges such as increased refinancing risk, short-term asset-liability mismatch leading to decelerating growth and declining margins. This is expected to have a bearing on the profitability of NBFCs in the medium term.

Given that growth in vehicle finance might remain low in the medium term, NBFCs are expected to focus on rural and semi-urban markets. Credit requirements of rural population are primarily met by banks from organized sector or local money lenders. Though, in recent years there has been some penetration of NBFCs in this segment, the market still remains largely untapped. There is a large section of rural population which does not have access to credit either because of their inability to meet the lending covenants of banks or due to high interest rates of local money lenders. This provides a huge opportunity for NBFC sector to spread their business in the rural & semi-urban markets.

OPERATING & FINANCIAL PERFORMANCE

- Company's Gross Receivable as on 31st March, 2012 stand at ₹ 4,061.25 lacs against ₹ 4,329.21 lacs recorded in the previous year.
- Your Company has recorded disbursement of ₹ 2,702 lacs during the year against ₹ 2,946 lacs of previous year..
- Company's gross income from financing has gone up by 15% in comparison to previous year. Company's Gross income from Money changing operation is down by 29% because of closure of operation at Mumbai besides overall reduction in volume in other operational Branches.
- Income from Wind Power Generation has gone up by 14% due to higher generation of units of power coupled with yearly increase of tariff by 15 paise in the month of October.
- The Company has registered net profit of ₹ 79.09 lacs as against ₹ 24.26 lacs of previous year.
- Net owned Fund of the Company stands at ₹ 3,155.05 lacs as against ₹ 3,077.19 lacs, recorded in previous year.
- The Capital to Risk Weighted Asset Ratio of the Company stands at 66.29 % as on 31st March, 2012, which is well above the minimum level of 15% prescribed by Reserve Bank of India.

DEBT STRUCTURE

Secured Loan of the Company is marginally down by 22% due to scheduled repayment of Term Loan to IREDA against Wind Turbine Generators. Unsecured Loan has also gone down by around 42 % due to repayment of Inter Corporate Deposits & Promoters' Deposit. Company's debt Equity ratio as on 31st March, 2012 stands at 0.37:1

OUTLOOK

Company is now focusing more on recoveries & is financing conservatively to the customers after closely assessing their profile. So far as Money changing activity is concerned, the Company is presently operating at Kolkata and Agra only on a very low key. Income from Wind Turbines Generators shall by & large will be affected by wind velocity in the current year.



RISK MANAGEMENT

NBFCs are exposed to credit and market risks in view of Asset Liability transformation. Intense competition for business involving both the assets and liabilities has brought pressure on the management of NBFCs to maintain a good balance among spreads, profitability and long term viability. NBFCs are exposed to major risks in the course of their business viz; credit risk, interest rate risk, liquidity risk and operational risk. The Company is guarding itself against these risks by laying down appropriate strategy for product positioning which is supplemented by business plans, review mechanism and action plans.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Internal Control and Audit is an important procedure and the Audit Committee of your Company reviews all the control measures on a periodic basis and recommends improvements, wherever appropriate. The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data and for maintaining accountability of assets.

HUMAN RESOURCE DEVELOPMENT

Employees' relations continued to be harmonious throughout the year with the management. Number of employees on roll was 81 as on 31st March 2012 against 84 as at the end of previous year.

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. Important factors that would make a difference to the Company's operation include demand supply conditions, change in government regulations, tax regimes, economic development within the country and abroad and such other factors over which Company does not have any direct control.



NPR FINANCE LIMITED

CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE AS STIPULATED IN CLAUSE 49 OF THE LISTING AGREEMENT

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 31st March, 2012 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange, with 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 said clause. 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 stipulated in Clause 49 of the above mentioned Listing Agreement.

I state that no investor grievance is pending for a period exceeding one month against the company as per the records maintained and certified by the Company.

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 : 30th May, 2012

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 other 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.

2 Board of Directors

The Company's Board of Directors as on 31st March, 2012 comprises of one Managing Director and five Non Executive Directors including the Chairman.

Four Meetings of the Board were held during the financial year 2011-2012 i.e. on 26/05/2011, 29/07/2011, 31/10/2011 and 13/02/2012.

As is evident, the maximum time gap between any two Board Meetings was not more than four months.

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 is a Director.

The composition 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 Directorship and Committee Membership /Chairmanship held by them in other Companies are given below :-

Name of Director	Category	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	Promoter & Managing Director	4	Yes	2	12		...
Mr. Nand Lal Todi	Non Executive Promoter Director	3	Yes	1	9		...
Mr. Arun Charan Mukherjee	Non Executive Independent Director	4	Yes	7	0	4	5
Mr. Debiprasad Chatterjee(*)	...do...	1	No	0	1		...
Mr. Nitin Guha	...do...	4	Yes	0	2		...
Mr. Rajendra Kumar Duggar	...do...	3	Yes	1	6		...

* Mr. Debiprasad Chatterjee resigned from the directorship of the company with effect from 5th April 2012.



NPR FINANCE LIMITED

3 Audit Committee :

(a) Composition :

The Audit Committee comprises of four non-executive independent directors and one non-executive promoter director as on March, 31st, 2012. The Committee met 4 (Four) times during the year i.e. on 26/05/2011, 29/07/2011, 31/10/2011 and 13/02/2012.

The attendances of the members were as follows :

Sl. No.	Name	Status	No. of Meetings Attended
1	Mr. Nand Lal Todi	Non Executive Promoter Director	3
2	Mr. Arun Charan Mukherjee	Non Executive Independent Director (Chairman of the Committee)	4
3	Mr. Debiprasad Chatterjee (*)	Non Executive Independent Director	1
4	Mr. Nitin Guha	Non Executive Independent Director	4
5	Mr. Rajendra Kumar Duggar	Non Executive Independent Director	3

Ms. Sarika Mehra, Executive Vice President & Company Secretary acts as the Secretary to the Audit Committee.

Mr. Arun Charan Mukherji, Chairman of the Committee was present at the 22nd Annual General Meeting of the Company held on 29th day of August, 2011.

(b) Terms of Reference :-

The terms of reference of the Committee is in accordance with that specified in clause 49 of the Listing Agreement with the Stock Exchange and also confirms to the requirements of Section 292A of the Companies Act, 1956.

4. Share Transfer & Investors Grievance Committee

The Company has a Share Transfer and Investors Grievance Committee. The Committee consists of two Non - Executive Independent Directors, Mr. Debiprasad Chatterjee* and Mr. Nitin Guha, one Promoter Director, Mr. Pawan Kumar Todi who is the Chairman of the Committee as on 31st March, 2012. Ms. Sarika Mehra, Executive Vice President & Company Secretary is the Compliance Officer. 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, Dematerialization and Rematerialisation requests, monitoring of shareholder complaints / requests.

During the year, the Company complied with all of the following requests/complaints received from its shareholders.

Serial No.	Nature of request/complaint	Nos.
1	Change of address	5
2	Dividend Revalidation	2
3	Miscellaneous Enquiry	4
4	Non receipt of Annual Report	2
	TOTAL	13

* Mr. Debiprasad Chatterjee resigned from the directorship of the company with effect from 5th April 2012.



NPR FINANCE LIMITED

5. General Body Meetings :

A. Location and time for last three Annual General Meetings were :

Financial Year	Date of AGM	Venue	Time
2010-2011	29-08-2011	Jhajharia Committee Room, Merchant Chamber of Commerce, 15-B, Hemanta Basu Sarani, 2 nd Floor, Kolkata- 700 001	11.00 A.M.
2009-2010	27-08-2010	Jhajharia Committee Room, Merchant Chamber of Commerce, 15-B, Hemanta Basu Sarani, 2 nd Floor, Kolkata- 700 001	11.00 A.M.
2008-2009	14-09-2009	Jhajharia Committee Room, Merchant Chamber of Commerce, 15-B, Hemanta Basu Sarani, 2 nd Floor, Kolkata- 700 001	11.00 A.M.

B. SPECIAL RESOLUTIONS AT THE LAST THREE ANNUAL GENERAL MEETINGS :

At the 22 nd Annual General Meeting held on 29/08/2011	:	Nil
At the 21 st Annual General Meeting held on 27/08/2010	:	Nil
At the 20 th Annual General Meeting held on 14/09/2009	:	Nil

C. WHETHER ANY SPECIAL RESOLUTION PROPOSED TO BE CONDUCTED THROUGH POSTAL BALLOT

No resolution is proposed to be conducted through postal ballot in the forthcoming Annual General Meeting.

6. DISCLOSURES

- Related Party transactions have been disclosed under note "2.30" of schedule to the accounts for the year under review.
- The Company has complied with all the requirements of the Listing Agreement with the Stock Exchange as well as regulations and guidelines of SEBI. No penalty has been imposed or strictures have been issued by SEBI or any other Stock Exchange on matters related to Capital Market so far.
- Certificate as stipulated in Clause 49 of the Listing Agreement from Managing Director in his capacity as Chief Executive Officer (CEO) was obtained and placed before the Board.
- The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement but has not adopted the non-mandatory requirements so far save and except the requirements under Remuneration Committee.

7. MEANS OF COMMUNICATIONS

The Company's quarterly financial results and other general information about the company are uploaded on the Company's website www.nprfinance.com.

Quarterly unaudited/audited results of the Company were published in accordance with the Stock Exchange Listing Agreement in The Financial Express - English (Mumbai edition) and Dainik Lipi -Bengali (Kolkata edition).

The quarterly and the annual results of the Company are faxed to the Bombay Stock Exchange Limited, immediately on closure of meeting of Board of Directors. The Annual Reports are posted to every shareholder of the Company.

Management Discussion and Analysis forms part of the Annual Report.

8. GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting :

Date : 14th September, 2012

Time : 11.00 a.m.

Venue : Jhajharia Committee Room, Merchant Chamber of Commerce, 15-B, Hemanta Basu Sarani, 2nd Floor, Kolkata- 700 001

● **Financial Calendar : (Tentative)**

Financial Year – 1 st April, 2012 to 31 st March, 2013	Relevant Dates
Board Meeting for consideration of accounts	30 th May, 2012
Posting of Annual Report along with notice of AGM.	On or before 22 nd August, 2012
Book closure dates	6 th to 14 th September, 2012 (both days inclusive)
Last date for receipts of proxy forms	12 th September, 2012 (before 11.00 a.m.)
Unaudited results for the quarter ended on June 30, 2012	On or before 14 th August, 2012
Unaudited results for the quarter ended on September 30, 2012	On or before 14 th November, 2012
Unaudited results for the quarter ended on December 31, 2012	On or before 14 th February, 2013
Unaudited results for the quarter ended on March, 31, 2013	On or before 14 th May, 2013

● **Listing on Stock Exchanges at :**

The Bombay Stock Exchange Ltd. (Stock code : 530127)
 1st Floor, New Trade Ring,
 P. J. Towers, Dalal Street,
 Fort, Mumbai - 400 001

- The Company has paid the listing fee to the Bombay Stock Exchange Limited for the year 2012-2013.

● **Stock Market Price for the Financial Year 2011-2012 :**

Month	High (₹)	Low (₹)	Volume (Nos.)
April, 2011	7.30	6.11	1,400
May, 2011	6.73	5.87	360
June, 2011	7.50	5.90	242
July, 2011	7.84	6.47	667
August, 2011	10.99	8.22	210
September, 2011	12.37	8.91	638
October, 2011	9.50	8.58	105
November, 2011	8.95	5.06	302
December, 2011	4.90	3.28	7,765
January, 2012	7.22	4.00	1,709
February, 2012	7.22	6.43	410
March, 2012	7.68	5.20	27,412

- **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 30 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 31st March, 2012 were 1000.



NPR FINANCE LIMITED

- **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
- **Registrar & Share Transfer Agent :**
M/s. Niche Technologies Private Ltd.
D-511, Bagree Market, 71, B.R.B.B. Road, Kolkata 700 001,
Phone Nos. (033) 2235-7270/7271/3070.
- **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 88.79% of total equity shares have been dematerialized as on 31.03.2012.
- **Distribution of shareholding & shareholding pattern :**

Distribution of shareholding as on 31/03/2012

Ordinary Shares held	Number of shareholders	% of shareholders	Number of shares held	% of shares held.
Upto 2500	1,939	60.84	263,334	4.40
2501-5000	668	20.96	250,710	4.19
5001-10000	331	10.38	281,892	4.71
10001-20000	128	4.02	201,709	3.37
20001-30000	41	1.29	111,428	1.86
30001-40000	7	0.22	24,862	0.41
40001-50000	13	0.41	62,938	1.05
50001-100000	13	0.41	96,553	1.61
100001 and above	47	1.47	4,696,174	78.40
Total	3,187	100.00	5,989,600	100.00

Shareholding Pattern as on 31/03/2012

Sl. No.	Category	No. of shares held	% of shareholding
1	Promoters/Directors & their relatives including Associate Companies	3,518,735	58.75
2	Financial Institutions/ Insurance Companies/ Mutual Funds & Banks	83,400	1.39
3	Non-Resident Indians/ Overseas Corporate Bodies	250,573	4.18
4	Other bodies Corporate	698,240	11.66
5	Indian public	1,389,753	23.20
6	Others	48,899	0.82
	TOTAL	5,989,600	100.00

Outstanding ADRs/GDRs : Not Applicable



NPR FINANCE LIMITED

● **Plant Location :**

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

● **Address for matters related to shares, any correspondence :**

M/s. Niche Technologies Private Ltd.,
D-511, Bagree Market, 71, B.R.B.B. Road, Kolkata 700 001,
Phone Nos. (033) 2235-7270/7271/3070.

● **Address for any kind of assistance/clarification :**

Ms. Sarika Mehra, Compliance Officer
C/o. NPR Finance Ltd.
19, R. N. Mukherjee Road, 1st Floor,
Main Building, Kolkata- 700 001

9. CODE OF CONDUCT

The Company's Code of Conduct has been complied with by all the members of the Board and select employees of the Company.

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

10. DECLARATION

As provided under Clause 49 of the Listing Agreement with the stock exchange, the Board of Directors and select Employees have confirmed Compliance with the code of conduct.

Place : Kolkata

Dated : 30th May, 2012

For and on behalf of the Board of Directors

Nand Lal Todi
Chairman



AUDITORS' REPORT TO THE SHAREHOLDERS

- 1 We have audited the attached Balance Sheet of M/S. NPR FINANCE LIMITED as at 31st March, 2012 and the Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3 As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable.
- 4 Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - I. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - II. In our opinion proper books of accounts, as required by law, have been kept by the Company as far as appears from our examination of those books.
 - III. The Balance sheet, Profit & loss account and Cash Flow Statement dealt with by this report are in agreement with the books of Accounts.
 - IV. In our opinion the Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956.
 - V. On the basis of written representations received from the directors, as on 31.03.2012 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31.03.2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - VI. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting policies and other notes there on give the information required by the companies Act, 1956, in the manner so required, and give a true and fair view, in conformity with the accounting principles generally accepted in India:
 - a) In so far as it relates to Balance Sheet, of the state of affair of the Company as at 31st March, 2012.
 - b) In so far as it relates to the Profit and Loss Account, of the profit of the company for the year ended on that date.
 - c) And in so far as it relates to Cash Flow Statement, of the cash flows for the year ended on that date.

For L. N. Todi & Co.
Chartered Accountants
Registration No. : 304022E

Lalit Kumar Todi
Partner
Membership No. : 054847
Place : Kolkata
Dated : The 30th Day of May, 2012



Annexure to Auditors Report

Referred to in Paragraph 3 of our report of even date

1. In respect of its fixed assets.
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b. As explained to us, the management during the year has physically verified the fixed assets in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c. During the year, the company has disposed off only part of Motor Vehicles. According to the information and explanations given to us, we are of the opinion that the sale of the said assets has not affected the going concern status of the company.
2. In respect of its inventories:
 - a) As explained to us, the management has conducted physical verification of stock at reasonable intervals.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of stock followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of stock and as reported and explained to us by the management, no material discrepancies were noticed on physical verification of stocks.
3. In respect on loans, Secured or unsecured, granted or taken by the Company to/from Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act 1956:
 - a. The Company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act. Therefore, clause 3(b) to 3 (d) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
 - b. The Company has taken Fixed Deposits from Twenty six parties covered in the register maintained under section 301 of the Act. At the year end outstanding balance of such deposits was ₹ 142.13 lacs.
 - c. In our opinion, the rate of interest and other terms and conditions of such loan are prima facie not prejudicial to the interest of the company.
 - d. The payments of principal amounts and interest have been regular during the year.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. During the course of audit, we have not observed any major weakness in internal control system.
5. In respect on transactions covered under Section 301 of the Companies Act 1956:
 - a. In our opinion and according to the information and explanations given to us, there are no particulars of contracts or agreements required to be entered into in the register in pursuance of Section 301 of the Companies Act, 1956. Therefore, clause 5(b) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
6. The Company has accepted deposits from the public in accordance with the directives issued by the Reserve Bank of India and has complied with the same.



NPR FINANCE LIMITED

7. In our opinion, the internal audit system of the Company is commensurate with its size and nature of its business.
8. In our opinion the companies is not a manufacturing Company. Therefore clause 4 (viii) of the Companies (Auditors' Report) Order, 2003 is not applicable to the Company.
9. In respect of statutory dues:
 - a. According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2012 for a period of more than six months from the date of becoming payable.
10. The Company has no accumulated losses and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
11. In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of dues to financial institutions, banks.
12. In our opinion and according to the information and explanation given to us, the Company has not granted loans against Companies Fixed Deposits.
13. In our opinion, the Company is not a chit fund or a nidhi /mutual fund/ society. Therefore, clause 4(xiii) of the Companies (Auditors' Report) Order, 2003 is not applicable to the Company.
14. The Company has maintained proper records of transactions and contracts in respect of trading in securities, debentures and others investment and timely entries have been made therein. All shares, debenture and other investment, if any, have been held by the Company in its own name.
15. The Company has not given any guarantees for loans taken by others from banks or financial institutions.
16. The Company has not raised any term loans during the year.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company we are of the opinion that no funds raised on short term basis have been used for long-term investments & vice-versa.
18. During the year the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not raised any money by way of debentures issued.
20. The company has not raised any money by way of public issue during the year.
21. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For L. N. Todi & Co.
Chartered Accountants
Registration No. : 304022E

Lalit Kumar Todi
Partner
Membership No. : 054847
Place : Kolkata
Dated : The 30th Day of May, 2012



NPR FINANCE LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2012

(in ₹)

Particulars	Note No.	As at 31/03/2012		As at 31/03/2011	
EQUITY AND LIABILITIES					
Shareholders' Funds					
Share Capital	2.1	59,966,000		59,966,000	
Reserves and surplus	2.2	255,539,480	315,505,480	247,752,770	307,718,770
Non-Current Liabilities					
Long-term borrowings	2.3	19,242,181		33,385,133	
Deferred tax liabilities (Net)	2.4	28,333,922		31,285,922	
Other Long term liabilities	2.5	1,241,350		1,273,550	
Long term provisions	2.6	3,075,624	51,893,077	2,883,023	68,827,628
Current Liabilities					
Short-term borrowings	2.7	83,027,292		130,011,829	
Trade payables	2.8	4,349,612		11,252,300	
Other current liabilities	2.9	40,312,446		40,097,966	
Short-term provisions	2.6	3,393,755	131,083,105	2,713,323	184,075,418
TOTAL			498,481,662		560,621,816
II. ASSETS					
Non-current assets					
Tangible assets	2.10	97,743,629		105,954,952	
Long term loans and advances	2.11	114,513,985		129,602,019	
Other non-current assets	2.12	1,000,000	213,257,614	1,000,000	236,556,971
Current Assets					
Inventories	2.13	16,754,013		18,008,382	
Trade receivables	2.14	32,207,097		71,030,082	
Cash and cash equivalents	2.15	16,602,963		17,297,466	
Short-term loans and advances	2.11	219,045,669		215,369,145	
Other current assets	2.16	614,306	285,224,048	2,359,770	324,064,845
TOTAL			498,481,662		560,621,816

Significant Accounting Policies &
Notes on Financial Statements

1 & 2

The Notes are an integral part of the financial statements

As per our report of even date

Hudco Niwas
Room No. 4, 4th Floor,
15N, Lindsay Street
Kolkata 700 087
Dated : 30th Day of May, 2012

For L.N. TODI & CO.
Chartered Accountants
Registration No : 304022E
LALIT KUMAR TODI
Partner
Membership No . 054847

PAWAN KUMAR TODI
Managing Director

NAND LAL TODI
Director

SARIKA MEHRA
Executive-Vice President
& Company Secretary



NPR FINANCE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

(in ₹)

Particulars	Note No.	For the year ended 31/03/2012	For the year ended 31/03/2011
INCOME			
Revenue from operations	2.17	602,145,819	702,738,529
Other Income	2.18	684,822	515,762
Total Revenue		602,830,641	703,254,291
EXPENSES			
Purchases of Stock-in- trade	2.19	464,316,902	578,928,135
Changes in inventories of Stock-in-Trade	2.20	2,343,732	193,831
Employee benefit expense	2.21	15,602,572	15,140,904
Finance costs	2.22	19,576,587	19,851,054
Depreciation and amortization expense (Refer Note 2.10)	2.23	8,186,421	8,284,981
Bad Debts & Write offs		56,456,031	54,585,514
Other expenses	2.24	25,585,975	21,873,831
Contingent Provision against Standard Asset		-	1,000,000
Total Expenses		592,068,220	699,858,250
Profit before tax		10,762,421	3,396,041
Tax expense :			
Current Tax	2.25	5,805,000	4,031,000
Deferred Tax Charge (Credit)	2.25	(2,952,000)	(3,061,000)
		2,853,000	970,000
Profit for the year (after tax)		7,909,421	2,426,041
Basic & Diluted Earning Per equity Share of ₹ each (In Rupees)		1.32	0.41

Significant Accounting Policies &
Notes on Financial Statements

1 & 2

The Notes are an integral part of the financial statements

As per our report of even date

Hudco Niwas
Room No. 4, 4th Floor,
15N, Lindsay Street
Kolkata 700 087
Dated : 30th Day of May, 2012

For L.N. TODI & CO.
Chartered Accountants
Registration No : 304022E
LALIT KUMAR TODI
Partner
Membership No . 054847

PAWAN KUMAR TODI
Managing Director

NAND LAL TODI
Director

SARIKA MEHRA
Executive-Vice President
& Company Secretary



SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES:

1.1 Change In Accounting Policy :

Presentation and disclosure of Financial Statement

During the year ended 31st March, 2012 revised Schedule VI notified under the Companies Act, 1956 has become applicable to the Company for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principle followed for preparation of financial statements. However, it has significant impact on presentation and disclosure made in the financial statements. The Company has also re-classified the previous year figures in accordance with the requirement applicable in the current year.

1.2 Accounting Convention:

The Company prepares its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) under historical cost convention on accrual basis (except dividend income) and also in accordance with requirements of the Companies Act, 1956. 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).

1.3 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.

1.4 Depreciation:

Depreciation on Fixed Assets both owned & leased is provided on Straight Line Method at the rates given in Schedule XIV of the Companies Act, 1956. Full depreciation is provided on the individual low cost assets (below ₹ 5000).

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, if a loss, is written-off.

1.6 Revenue Recognition:

i. Income from financing transactions is accounted for/on the basis of Internal Rate of Return method, as per Accounting Standard-19.

ii. Incomes from dividend are accounted for on receipt basis.

iii. All other income is 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.

- 1.9** The Statutory maintenance of minimum percentage of liquid assets is based on deposits liabilities as per directions given by Reserve Bank of India.
- 1.10** Non-Performing Assets: Identification of Non-Performing Assets (NPAs) has been done as per the guidelines of Non-Banking Financial Companies (Prudential Norms) Directions, 1998 prescribed by the Reserve Bank of India. Company has written off the amount as per the guideline of RBI.

2. NOTES ON ACCOUNTS

2.26 Contingent Liabilities :

- i. Bank Guarantee issued by bank on behalf of the Company is ₹ 32.82 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 ₹ 11.10 Lacs.
- iii. Suit Filed by the Company against the customer under Hypothecation contract amount to ₹ 3453.33 lacs.

2.27 INCOME TAX :

Pursuant to the requirement of Accounting Standard 22 on Accounting for taxes on Income issued by the Institute of Chartered Accountants² of India, the Company has made Provision for Income Tax after considering both current and deferred taxes.

The implementation of this Accounting Standard has resulted in net deferred tax liability of ₹ 283.34 lacs as on 31.03.2012, component of which is liability arising out of timing difference on account of depreciation on fixed assets.

2.28 MANAGERIAL REMUNERATION : Payment made to Managing Director

Particulars	Current Year (₹)	Previous Year (₹)
Salary	10,20,000	6,96,000
Contribution to P.F.	1,00,000	30,960
Medical Re-imburement	15,372	18,300
Medical insurance premium	39,076	39,076
Total	11,74,448	7,84,336

2.29 SEGMENT ACCOUNTING POLICIES:

Identification of Segments:

Primary Segment: Business Segment:

- The Company's business is organized around three business segments namely, Financial, Money Changing and Wind Power Generation. Financial activities consist of granting of loan covered by Hypothecation Agreements and Shares & Securities. Accordingly the Company has provided primary segment information for these three segments as per Accounting Standard 17 on Segment Reporting issued by I.C.A.I.
- 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.



NPR FINANCE LIMITED

Segment Information

The following table presents segment revenue, results, assets & liabilities in accordance with AS-17 as on 31.03.2012

SEGMENT REPORTING

(₹ in Lacs)

Business Segment	Financing Operations		Money Changing		Power Generation		Consolidated Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
REVENUE								
Segment Revenue	1,132.65	1,029.85	4,703.73	5,834.48	185.08	163.06	6,021.46	7,027.39
Inter Segment Revenue	-	-	-	-	-	-	-	-
Total Revenue	1,132.65	1,029.85	4,703.73	5,834.48	185.08	163.06	6,021.46	7,027.39
RESULTS								
Segment Results	89.19	151.65	(3.79)	(6.91)	68.89	38.61	154.29	183.35
Unallocated Income (net of expenses)								
Unallocated Expenditure	-	-	-	-	-	-	46.67	149.39
Profit before tax	-	-	-	-	-	-	107.62	33.96
Less : Income Tax	-	-	-	-	-	-	58.05	40.31
: Deferred Tax	-	-	-	-	-	-	(29.52)	(30.61)
Profit after tax	-	-	-	-	-	-	79.09	24.26
OTHER INFORMATION								
Segment Assets	4,031.92	4,462.33	53.40	60.25	851.69	911.61	4,937.01	5,434.19
Unallocated Assets	-	-	-	-	-	-	47.81	152.12
Total Assets	-	-	-	-	-	-	4,984.82	5,586.31
Segment Liabilities	1,285.70	1,815.18	14.56	29.90	236.16	341.19	1,536.42	2,186.27
Unallocated Liabilities	-	-	-	-	-	-	293.34	322.86
Total Liabilities	-	-	-	-	-	-	1,829.76	2,509.13
Capital Expenditure	1.82	18.87	-	0.21	-	-	1.82	19.08
Depreciation	13.32	15.13	2.11	1.29	66.43	66.43	81.86	82.85
Non - Cash Expenditure other than depreciation	-	-	-	-	-	-	-	-



NPR FINANCE LIMITED

2.30 Related Party Disclosures

Associates

- | | |
|---|--|
| 1. Ganesh Narayan Brijlal Private Limited | 2. Rani Leasings & Finance Private Limited |
| 3. Krishi Realty Private Limited | |

Relatives of Key Management Personnel

- | | |
|---|-------------------------------|
| 1. Brijlal Nandlal Todi (HUF) | 2. Chetan Todi Family Trust |
| 3. CKT Family Trust | 4. Estate of Laxmi Devi Todi |
| 5. Krishna Gopal Kosh | 6. Nand Lal Todi |
| 7. Nandlal Pawan Kumar HUF | 8. Nandlal Rajkumar Todi HUF |
| 9. Nandlal Shanti Devi | 10. Nandlal Todi Family Trust |
| 11. Ram Sita Nidhi | 12. Renu Todi |
| 13. Renu Todi Family Trust | 14. Rishi Varun Family Trust |
| 15. Rishi Varun Karan Todi Family Trust | 16. Shanti Devi Todi |
| 17. Shree Bhagwan Balgopal Kosh | 18. Shree Durga Kosh |
| 19. Shree Bihariji Kosh | 20. Sri Laxmi Nidhi |
| 21. Sri Ganesh Kosh | 22. Varun Todi Family Trust |

Key Management Personnel

Shri Pawan Kumar Todi, Managing Director

₹ In lacs

Nature of Transaction	Associates	Key Management Personal	Relatives of Key Management Personal	Total 2011-2012	Total 2010-2011
Interest Paid	24.28	4.16	13.71	42.15	54.79
Remuneration Paid	--	11.37	--	11.37	7.84
Deposits	--	39.42	102.71	142.13	537.90
Stock of Equity Shares	70.00	--	--	70.00	70.00

2.31 EARNING PER SHARE

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

Particulars	31.03.2012	31.03.2011
Number of shares outstanding at the beginning of the year (excluding share forfeited)	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
Net profit after tax available for equity shares (₹)	79,09,421	24,26,041
Basic and diluted earning per share (₹)	1.32	0.41

2.32 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 amounts 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

2.33 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.

2.34 In view of the nature of business of the Company, the other provisions contained in Part II of Schedule VI of the Companies Act, 1956 are not applicable.

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:

₹ in lacs

Particulars	As at March 31	
	2012	2011
Obligations at year beginning	24.46	17.17
Transfer of obligation	-	-
Service cost	1.73	1.97
Interest cost	2.06	1.66
Actuarial (gain)/ loss	0.03	4.04
Benefits paid	(1.12)	(0.38)
Amendment in benefit plans	-	-
Obligations at year/period end	27.16	24.46



NPR FINANCE LIMITED

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	1.12	0.38
Benefits paid	(1.12)	(0.38)
Plan assets at year/period end, at fair value	-	-

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/period	-	-
Present value of defined benefit obligation	27.16	24.46
Liability recognized in the balance sheet	27.16	24.46

Assumptions

Interest rate	8.00%	8.00%
Estimated rate of return on plan assets	0.00%	0.00%
Weighted expected rate of salary increase	5.00%	5.00%
Expected Average remaining working lives of employees (years)	18.43	18.24

Withdrawal Rates

Varying between 2% p.a and 1% p.a depending on duration and age of the employees.

Net gratuity cost for the year ended March 31, 2012 and March 31, 2011 comprises of the following components:

Particulars	₹ in lacs	
	Year ended March 31	
	2012	2011
Gratuity cost for the year		
Service cost	1.73	1.97
Interest cost	2.07	1.66
Expected return on plan assets	-	-
Actuarial (gain)/loss	0.03	4.04
Plan amendment amortization	-	-
Net gratuity cost	3.83	7.67
Actual return on plan assets	-	-



NPR FINANCE LIMITED

Note to the Financial Statements for the year ended 31.03.2012

(in ₹)

Particulars	As on 31/03/2012	As on 31/03/2011
2.1 SHARE CAPITAL		
Authorised		
70,00,000 Equity share of ₹10 each	70,000,000	70,000,000
(Previous Year 70,00,000 Equity Shares of ₹10 each)	70,000,000	70,000,000
Issued & Subscribed		
59,89,600 Equity share of ₹ 10 each	59,896,000	59,896,000
(Previous Year 59,89,600 Equity Shares of ₹ 10 each)	59,896,000	59,896,000
Paid up		
59,89,600 Equity share of ₹ 10 each		
(Previous Year 59,89,600 Equity Shares of ₹10 each)	59,896,000	59,896,000
Add : Equity Share Forfeited (paid up)	70,000	70,000
	59,966,000	59,966,000

- There has been no change/ movements in number of shares outstanding at the beginning and at the end of the reporting period.
- 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.
- The Company does not have any Holding Company/ ultimate Holding Company.
- Details of Shareholders holding more than 5% Shares in the Company.

Ordinary Shares of ₹10/- each fully paid

	As On 31.03.2012		As on 31.03.2011	
	No. of Shares	% of Shareholding	No. of Shares	% of Shareholding
Pawan Kumar Todi	794,210	13.26	794,210	13.26
E.I Investment Pvt. Ltd.	659,360	11.01	659,360	11.01
Nand Lal Todi	340,888	5.69	340,888	5.69
Silva Computech Pvt. Ltd.	335,800	5.61	335,800	5.61
Tamal Stationers Pvt. Ltd.	319,000	5.33	319,000	5.33
Startrade Goods Pvt. Ltd.	312,768	5.22	358,300	5.98

- 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/ Prefrence Shares issued by the company during the year.
- h) No calls are unpaid by any director or officer of the company during the year.

(in ₹)

Particulars		As at 31/03/2012	As at 31/03/2011
2.2. RESERVES AND SURPLUS			
Securities Premium Reserve			
As per last financial Statements	A	24,948,000	24,948,000
General Reserve			
As per last financial Statements	B	37,389,486	37,389,486
Statutory Reserve			
As per last financial Statements		55,318,725	54,832,725
(+) Addition during the year		1,582,000	486,000
	C	56,900,725	55,318,725
Surplus as per Profit & Loss Statement			
As per last financial Statements		130,096,559	128,745,537
(+) Profit for the year		7,909,421	2,426,041
	D	138,005,980	131,171,578
(-) Appropriations			
Income Tax Adjustment		122,711	589,019
Transfer to Statuory Reserve		1,582,000	486,000
	E	1,704,711	1,075,019
NET SURPLUS (D - E)	F	136,301,269	130,096,559
TOTAL (A + B + C+ F)		255,539,480	247,752,770



NPR FINANCE LIMITED

(in ₹)

Particulars	Non - Current		Current Maturities	
	As at 31/03/2012	As at 31/03/2011	As at 31/03/2012	As at 31/03/2011
2.3. LONG-TERM BORROWINGS				
Secured				
A. Loans from Banks				
Term Loans	214,540	2,255,491	277,080	381,735
B. Loans from Financial Institution/others				
Term Loans	13,229,454	23,992,191	10,759,229	10,736,759
TOTAL (A)	13,443,994	26,247,682	11,036,309	11,118,494
Unsecured				
Fixed Deposit	5,798,187	7,137,451	4,107,200	1,526,244
TOTAL (B)	5,798,187	7,137,451	4,107,200	1,526,244
TOTAL (A+B)	19,242,181	33,385,133	15,143,509	12,644,738
Amount disclosed under the head "other current liability" (Note 2.9)	-	-	15,143,509	12,644,738
<p>a) Loan from HDFC Bank Ltd. of ₹ 290,534 is secured against "Mahindra Xylo D2" and is repayable in monthly instalment till 7th June, 2013.</p> <p>b) Loan from HDFC Bank Ltd. of ₹ 201,086 is secured against "Tata Indica DLs" and is repayable in monthly instalment till 5th February, 2015</p> <p>c) Term loan from financial institution of ₹ 23,616,000 IREDA is secured against exclusive first charge by way of mortgage in on all the borrower's movable/ immovable properties both existing and future pertaining to the project at Dhule and Sangli in Maharashtra excluding specified movables to be charged to bankers for working capital borrowing and further the personal guarantee has been provided by Nand Lal Todi, Pawan Kumar Todi and Varun Todi</p> <p>d) Term loan from Tata Capital Ltd. of ₹ 372,683 is secured against "Honda City SMT" and is repayable in monthly installment till August, 2013</p>				

(in ₹)

Particulars	As at 31/03/2012	As at 31/03/2011
2.4 DEFERRED TAX LIABILITY		
Arising on account of Depreciation	28,333,922	31,285,922
Deferred Tax Liabilities (Net)	28,333,922	31,285,922



NPR FINANCE LIMITED

(in ₹)

Particulars	As at 31/03/2012	As at 31/03/2011
2.5. OTHER LONG-TERM LIABILITIES		
Security deposit	1,241,350	1,273,550
	1,241,350	1,273,550

(in ₹)

Particulars	Long-term		Short-term	
	As at 31/03/2012	As at 31/03/2011	As at 31/03/2012	As at 31/03/2011
2.6 : PROVISIONS				
Provision for Employee Benefits				
For Bonus	-	-	181,806	211,931
For Gratuity (Refer Note No. 2.35)	2,075,624	1,883,023	640,385	562,462
For Leave Encashment	-	-	508,104	488,486
For Leave Travel Assistance	-	-	101,642	118,994
For Leave Medical Assistance	-	-	101,642	118,994
Other Provisions				
Income Tax , Fringe Benefit Tax & Wealth Tax (Net)	-	-	1,860,176	1,212,456
For Contingent Provision Against Standard Asset	1,000,000	1,000,000	-	-
	3,075,624	2,883,023	3,393,755	2,713,323

(in ₹)

Particulars	As at 31/03/2012	As at 31/03/2011
2.7: SHORT-TERM BORROWINGS		
Secured		
Working Capital Loan repayable on demand		
From Banks	34,851,120	38,795,697
TOTAL(A)	34,851,120	38,795,697
Deposits		
Fixed Deposit (unsecured)	41,676,172	49,591,676
Inter Corporate deposit (unsecured)	6,500,000	41,624,456
TOTAL (B)	48,176,172	91,216,132
TOTAL (A+B)	83,027,292	130,011,829

- a) 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 and collateral security is also been provided in the form of Flat of 89.sq.yard and also an office premises measuring 508.10 sq.ft situated at Abdul Aziz Road, Karolbagh, New Delhi



NPR FINANCE LIMITED

(in ₹)

Particulars	As at 31/03/2012	As at 31/03/2011
2.8 TRADE PAYABLES		
For Goods & Services	4,349,612	11,252,300
	4,349,612	11,252,300

(in ₹)

Particulars	As at 31/03/2012	As at 31/03/2011
2.9 OTHER CURRENT LIABILITIES		
Current Maturities on Long-term Debt (See Note 2.3)	15,143,509	12,644,738
Bonus Payable - employees	11,538	-
Interest Accrued but not Due	3,002,179	3,900,082
Unpaid/ Unclaimed Dividends	776,772	778,072
Other Payables		
Advance Insurance Premium	11,971,559	15,958,246
Advance Instalments	6,167,261	5,111,571
Allahabad Bank	573,094	22,647
State Bank of India	76,823	-
Unremitted TC Account	1,275,044	365,070
Out put service Tax & Education Cess	16,890	-
Staff Advance	12,471	-
EPF Payable	87,409	-
ESI Payable	10,533	-
Liabilities for expenses	576,669	845,553
Tax Deducted at Source	610,695	471,987
	40,312,446	40,097,966

For details of micro and small enterprise (Refer Note No. 2.32)

Schedules Annexed to and Forming Part of the Accounts continued.....

2.10 FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK			
	AS ON 01/04/2011 ₹	ADDITION DURING THE PERIOD ₹	DEDUCTION DURING THE PERIOD ₹	IMPAIRMENT DURING THE PERIOD ₹	TOTAL AS ON 31/03/2012 ₹	AS ON 01/04/2012 ₹	FOR THE PERIOD ₹	ADJUST- MENT FOR IMPAIRMENT ₹	TOTAL AS ON 31/03/2012 ₹	IMPAIRMENT LOSS FOR THE PERIOD ₹	AS ON 31/03/2012 ₹	AS ON 31/03/2011 ₹
Owned Assets												
Land	943,578	-	-	-	943,578	-	-	-	-	-	943,578	943,578
Office Premises	7,879,526	-	-	-	7,879,526	1,008,541	128,434	-	1,136,975	-	6,742,551	6,870,985
Plant & Machinery	125,812,812	-	-	-	125,812,812	36,606,362	6,642,916	-	43,249,278	-	82,563,534	88,206,450
Furniture & Fittings	6,764,138	9,500	-	-	6,773,638	4,802,104	287,856	-	5,089,960	-	1,683,678	1,982,034
Office Equipment	5,115,456	107,620	-	346,002	4,877,074	2,699,184	189,747	256,023	2,632,908	89,979	2,244,166	2,416,272
Computer	5,885,534	64,800	-	163,235	5,787,099	5,083,885	253,547	155,068	5,182,364	8,162	604,735	801,649
Vehicles (Car)	6,161,911	-	766,376	-	5,395,535	2,479,404	567,679	559,559	2,487,524	-	2,908,011	3,682,507
Vehicles (Motorcycle)	231,582	-	-	-	231,582	160,208	17,998	-	178,206	-	53,376	71,374
Cycle	5,687	-	-	5,687	-	5,584	-	5,584	-	103	-	103
Total A	158,800,224	181,920	766,376	514,924	157,700,844	52,845,272	8,088,177	559,559	59,957,215	98,244	97,743,629	105,954,952
Previous Year	159,075,576	1,907,516	1,741,132	441,736	158,800,224	45,917,736	8,284,981	915,709	52,845,272	0	105,954,952	113,157,840



NPR FINANCE LIMITED

(in ₹)

Particulars	Long-term		Short-term	
	As at 31/03/2012	As at 31/03/2011	As at 31/03/2012	As at 31/03/2011
2.11 LOANS AND ADVANCES				
Others (Unsecured)				
Gross Instalment Receivable	126,849,584	151,281,588	279,275,162	281,639,760
(Less): Unearned Interest income	(18,239,061)	(27,533,686)	(60,525,995)	(66,585,109)
(A)	108,610,523	123,747,902	218,749,167	215,054,651
Loans and advances to Employees	-	-	296,502	314,494
Security Deposits	840,550	791,205	-	-
Advance for Properties	5,062,912	5,062,912	-	-
TOTAL (A + B + C + D)	114,513,985	129,602,019	219,045,669	215,369,145

(in ₹)

Particulars	As at 31/03/2012	As at 31/03/2011
2.12 OTHER NON-CURRENT ASSETS		
Others		
On Deposit Account	1,000,000	1,000,000
	1,000,000	1,000,000

(in ₹)

Particulars	As at 31/03/2012	As at 31/03/2011
2.13 INVENTORIES		
(As valued and certified by the management)		
Stock of Shares & Securities	14,028,028	14,319,908
Stock of Foreign Currency	337,622	2,389,474
Stock of vehicle repossessed	2,388,363	1,299,000
	16,754,013	18,008,382

- a) Stock of vehicle repossessed has been valued and certified by the management.
- b) Stock of Shares & Securities has been valued on the basis of Cost or Fair Value whichever is lower.
- c) Stock of foreign currency has been valued on the basis of the last day spot rate.

(in ₹)

Particulars	As at 31/03/2012	As at 31/03/2011
2.14 TRADE RECEIVABLES		
Outstanding for a period exceeding six months		
Secured considered good	-	41,094,121
Outstanding for a period less than six months		
Secured considered good	29,971,467	28,047,642
Unsecured considered good	2,235,630	1,888,319
	32,207,097	71,030,082

(in ₹)

Particulars	As at 31/03/2012	As at 31/03/2011
2.15 CASH AND CASH EQUIVALENTS		
Balances With Banks		
Cash in hand and as imprest	4,774,522	4,550,813
On Current Account	5,169,669	1,903,581
On Dividend Accounts (unclaimed dividend)	776,772	778,072
On Deposit Account	5,882,000	10,065,000
	16,602,963	17,297,466

The total amount of deposit is ₹ 6,882,000 of which ₹ 1,000,000 is maturing after 12 months from the balance sheet date (refer note 2.12)



NPR FINANCE LIMITED

(in ₹)

Particulars	As at 31/03/2012	As at 31/03/2011
2.16 OTHER CURRENT ASSETS		
Others		
Advances - others	354,333	661,870
Advances for expenses	79,251	195,845
Commission Receivable	166	15,071
Advance paid to dealers	-	1,005,000
Interest accrued on F.D. with bank	67,189	74,478
Interest accrued on Govt. securities	113,367	113,610
Advance Traveller cheque settlement	-	135,688
Allahabad Bank	-	158,208
	614,306	2,359,770

(in ₹)

Particulars	As at 31/03/2012	As at 31/03/2011
2.17 REVENUE FROM OPERATIONS		
SEGMENT WISE REVENUE		
Hypothecation		
Income from Financing under hypothecation agreements	107,529,849	93,341,346
Recovery from Bad Debts	4,130,569	4,099,257
Foreign Currencies & Traveller's Cheques		
Sales of Foreign Currencies & Travellers' Cheques	470,006,639	582,811,380
Recovery from Bad Debts	35,000	-
Service Charges	255,358	474,109
Commission Income	66,401	120,752
Windpower		
Income from Generation of Wind Power	18,303,395	15,555,633
Commission Income	-	750,000
Income from Sale of Verified Carbon Credit Units	204,756	-
Other Operating Revenues		
Sales : Shares & Securities	100,000	3,528,450
Dividend income	2,025	2,260
Interest from bank	699,050	766,104
Interest from govt. securities & bonds	610,287	607,619
Commission Income : Others	187,507	221,153
Miscellaneous Income	14,983	460,466
TOTAL REVENUE	602,145,819	702,738,529

(in ₹)

Particulars	As at 31/03/2012	As at 31/03/2011
2.18 OTHER INCOME		
Interest Received on Security Deposit	3,660	-
Rental Income	680,979	515,762
Profit on Sale of Assets	183	-
TOTAL	684,822	515,762

(in ₹)

Particulars	As at 31/03/2012	As at 31/03/2011
2.19 Purchase of Stock-in-trade		
Purchase of Foreign Currencies & Traveller cheques	464,316,902	578,928,135
TOTAL	464,316,902	578,928,135

(in ₹)

Particulars	As at 31/03/2012	As at 31/03/2011
2.20 CHANGES IN INVENTORIES OF STOCK-IN-TRADE		
Inventories at the beginning of the year		
Stock of Forex	2,389,474	1,244,001
Stock of Shares & Securities	14,319,908	15,659,212
A	16,709,382	16,903,213
Inventories at the end of the year		
Stock of Forex	337,622	2,389,474
Stock of Shares & Securities	14,028,028	14,319,908
B	14,365,650	16,709,382
Increase/(Decrease) in Stocks	(2,343,732)	(193,831)
(B - A)		

(in ₹)

Particulars	As at 31/03/2012	As at 31/03/2011
2.21 EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages, Bonus, Gratuity & allowances	14,540,766	14,072,416
Contribution to Provident & Superannuation Fund	666,242	662,645
Staff Welfare Expenses	395,564	405,843
TOTAL	15,602,572	15,140,904

(in ₹)

Particulars	As at 31/03/2012	As at 31/03/2011
2.22 FINANCE COST		
Interest Expenses		
Interest Expense on Term Loans	12,832,853	14,161,412
Interest on ESI	467,714	-
Interest on Security Deposit Paid	27,000	45,666
Interest Expense on Overdrafts & other Borrowings	5,836,785	5,230,905
Brokerage on Deposits	412,235	413,071
TOTAL	19,576,587	19,851,054

(in ₹)

Particulars	As at 31/03/2012	As at 31/03/2011
2.23 DEPRICIATION AND AMORTIZATION EXPENSES / IMPAIRMENT LOSS		
Depriciation on tangible assets	8,088,177	8,284,981
Impairment loss	98,244	-
TOTAL	8,186,421	8,284,981



NPR FINANCE LIMITED

(in ₹)

Particulars	As at 31/03/2012	As at 31/03/2011
2.24 OTHER EXPENSES		
Rent	2,261,128	2,190,652
Rates & Taxes	610,355	620,554
Repair & Maintenance	3,442,155	3,394,588
Insurance	116,010	138,411
Advertisement, Publicity & sales Promotion	100,599	96,854
Travelling and Other Incidental Expenses	2,163,849	1,971,941
Vehicle Running & Maintenance	1,561,344	1,238,203
Printing & Stationary	1,004,225	951,515
Communication Expenses	1,381,281	1,425,358
Auditor's remuneration - As Auditors	65,077	82,725
- For Tax Audit	22,060	27,575
- For Certification/Limited Review	30,888	42,469
Legal, Professional & Consultancy Charges	2,295,052	2,733,301
Electricity	635,343	618,194
Vehicle Repossession & incidental Expenses	324,376	135,606
Directors' sitting Fees	75,000	66,000
Director's remuneration	1,174,448	784,336
Miscellaneous Expenses	3,938,606	3,725,264
Discounts & Claims to Customer and Other Selling Expenses	355,660	311,905
Commission on Sales	188,068	-
Commission/Brokerage	3,840,451	1,077,954
Loss/(Gain) on Sale/disposal of fixed Assets/Intangibles	-	240,426
	25,585,975	21,873,831

(in ₹)

Particulars	As at 31/03/2012	As at 31/03/2011
2.25 Tax Expense		
Curret Tax (Income)	5,805,000	4,031,000
Deferred Tax Charge (Credit)	(2,952,000)	(3,061,000)
	2,853,000	970,000



NPR FINANCE LIMITED

(6) Borrower group - wise classification of all leased assets, stock - on- hire and loans and advances

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries			
(b) Companies in the same group			
(c) Other than related parties	3,297.48	62.00	3,359.48
Total	3,297.48	62.00	3,359.48

(7) Investor group - wise classification of all investments (current and long term) in shares and securities (Both quoted and unquoted) :

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	-	70.00
(c) Other than related parties	71.34	70.28
Total	71.34	140.28

(8) Other Information

Particulars	Amount
(i) Gross Non - Performing Assets	
(a) Related parties	-
(b) Other than related parties	23.88
(ii) Net Non - Performing Assets	
(a) Related parties	-
(b) Other than related parties	23.88
(iii) Assets acquired in satisfaction of debt	-



NPR FINANCE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012 (AS REQUIRED BY CLAUSE 32 OF THE LISTING AGREEMENT)

(in ₹)

A CASH FLOW FROM OPERATING ACTIVITIES	2011-2012	2010-2011
Net Profit before tax and extraordinary items	10,762,421	3,396,041
Financial Expenses	19,576,587	19,851,054
Depreciation	8,186,421	8,284,981
(Profit)/Loss on Assets	(183)	240,426
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	38,525,246	31,772,502
(Increase)/Decrease in Advances	1,714,111	1,042,528
(Increase)/Decrease in Loans & Receivables	50,265,847	(22,344,546)
Increase/(Decrease) in Current Liabilities	(8,233,365)	7,434,644
(Increase)/Decrease in Stock in trade	1,254,368	725,830
CASH GENERATED FROM OPERATIONS	83,526,207	18,630,958
Financial Expenses	(20,335,782)	(18,149,788)
Direct Taxes Paid	(5,279,990)	(3,139,137)
NET CASH FROM OPERATING ACTIVITIES (A)	57,910,435	(2,657,967)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(181,920)	(1,907,516)
Sale of Fixed Assets	207,000	584,997
NET CASH FROM INVESTING ACTIVITIES (B)	25,080	(1,322,519)
C CASH FLOW FROM FINANCING ACTIVITIES		
Decrease in Secured Loan	(16,830,450)	(2,710,831)
Increase in Unsecured Loan	-	7,352,521
Decrease in Unsecured Loan	(41,798,268)	-
Decrease in Fixed Deposit	4,183,000	-
NET CASH FROM FINANCING ACTIVITIES (C)	(54,445,718)	4,641,690
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	3,489,797	661,204
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	6,454,394	5,793,190
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	9,944,191	6,454,394

As per our report of even date

PAWAN KUMAR TODI
Managing Director

Hudco Niwas
Room No. 4, 4th Floor
15N, Lindsay Street
Kolkata 700 087
Dated : 30th Day of May, 2012

For L.N. Todi & Co.
Chartered accountants
Registration No : 304022E

NAND LAL TODI
Director

LALIT KUMAR TODI
Partner
Membership no. 054847

SARIKA MEHRA
Executive Vice President
& Company Secretary



NPR FINANCE LIMITED

Dear Shareholder,

Ref.:- Green Initiative by Ministry of Corporate Affairs

As you are aware, the Ministry of Corporate Affairs (MCA), vide its Circular Nos. 17/2011 & 18/2011 dated 21.04.2011 & 29.04.2011 respectively has taken a "Green Initiative" by allowing paperless compliances by Companies for service of documents to its Members through electronic mode in compliance with Section 53 of the Companies Act, 1956.

With a view to encourage the Green initiative, we propose to send all documents and communications as required to be sent to our Members, inclusive of Notices, Annual Reports with Balance Sheet, Profit & Loss Accounts and the necessary attachments herewith etc. in electronic form to your e-mail addresses as required by you.

In view of this, we request you to kindly register your e-mail address with us by returning the reply portion duly completed and signed to enable us to send all future communication including Notices, Annual Reports with Balance Sheet, Profit & Loss Accounts and the necessary attachments herewith etc. to you in electronic form.

Register your e-mail address with the Company or its Registrar & Share Transfer Agents i.e. M/s. Niche Technologies Private Limited (Registrar & Transfer Agents), D-511, Bagree Market, 5th Floor, 71, B. R. B. Road, Kolkata-700 001, by either of the following means:

- Returning the attached Registration Form duly filled and signed to the Company or Registrar & Share Transfer Agents by hand/post/courier OR
- Returning the scanned copy of the said form duly filled and signed through e-mail to investors@nprfinance.com

We look forward for your support and co-operation in this regard.

Thanking you,

Yours truly,

For NPR Finance Limited

Sd/-

**Sarika Mehra
Executive Vice President
& Company Secretary**



NPR FINANCE LIMITED

M/s. Niche Technologies Private Limited
Unit : NPR Finance Limited,
D-511, Bagree Market, 5th Floor,
71, B. R. B. B. Road, Kolkata-700 001

In View of the Green initiative, taken by the Ministry of Corporate Affairs (MCA) Circular Nos. 17/2011 dated 21.04.11 and 18/2011 dated 29.04.2011:

I.....son/daughter/wife of
Sri.....holding.....equity shares of NPR Finance Limited.,
under Folio No.DP IdClient Id.....do hereby
register my e-mail address and convey that I wish to receive all future documents and communication as required to be sent to me
at my following e-mail address.

E-mail address

Thanking you,
Yours faithfully,

Signature (1st/Sole holder)

Signature (2nd holder)

Signature (3rd holder)

Name

Name

Name



NPR FINANCE LIMITED

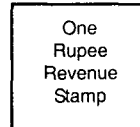
NPR FINANCE LIMITED

19, R. N. Mukherjee Road, 1st Floor,
Main Building, Koikata - 700 001

PROXY

Folio No. / Client ID & DP ID No. No. of Shares held.....
 I/We.....of
being a member/members of the
 above named Company hereby appoint of
or failing him
 of
 as my / our proxy to vote for me/us on
 my / our behalf at the 23rd Annual General Meeting of the Company to be held on Friday, the 14th September, 2012 at 11.00 a.m.
 and at any adjournment thereof.

Signed this.....day of.....2012



.....
Member's Signature

Note : The Proxy and the Power of Attorney (if any) under which it is signed or a notarially certified copy of the Power of Attorney must be deposited at the Registered Office of the Company at 19, R. N. Mukherjee Road. Main Building 1st Floor, Koikata 700 001, not less than 48 hours before the time for holding the Annual General Meeting.

ATTENDANCE SLIP

(To be handed over, duly filled in, at the entrance of the Meeting Hall)

Name of the attending Member/s Proxy* (in block letters).....

Member's Folio No. / Client ID & DP ID No. No of Shares held.....

I hereby record my presence at the 23rd Annual General Meeting.

Place : Kolkata

* Strike off whichever is not applicable

** To be signed at the time of handing over this slip

.....
Member's/Proxy's Signature**



If undelivered please return to :
NPR Finance Limited
19, R. N. Mukherjee Road
1st Floor, Main Building
Kolkata - 700 001