



# Himadri Credit & Finance Limited

21<sup>st</sup> Annual Report  
2014-15

# Corporate Information

## CORPORATE IDENTIFICATION NUMBER (CIN)

L65921WB1994PLC062875

## DIRECTORS

Mr. Anurag Choudhary (DIN: 00173934)  
Mr. Tushar Choudhary (DIN: 00174003)  
Mr. Vikash Kumar Patodia (DIN: 00270642)  
Mr. Vipin Gupta (DIN: 02668336)

## AUDITORS

M/s Agarwal Prasad & Co,  
Chartered Accountants  
P-45, Khairu Place,  
Kolkata- 700 072  
Ph No: (033) 2215-7437/ 2137-7358

## BANKERS

Central Bank of India  
ICICI Bank

## REGISTERED OFFICE

23A, Netaji Subhas Road, 8th Floor,  
Kolkata- 700 001  
Ph No: (033) 2230-4363/ 9953  
Website: [www.himadricredit.in](http://www.himadricredit.in)  
E-mail: [hcfl@himadri.com](mailto:hcfl@himadri.com)

## REGISTRAR & SHARE TRANSFER AGENT

M/s S. K. Infosolutions Pvt Limited  
34/1A, Sudhir Chatterjee Street,  
Kolkata- 700 006  
Tele-fax No: (033) 2219-4815/ 6797  
E-Mail: [skcdilip@gmail.com](mailto:skcdilip@gmail.com) / [contact@skcinfo.com](mailto:contact@skcinfo.com)

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## HIMADRI CREDIT & FINANCE LIMITED

CIN: L65921WB1994PLC062875

23A, Netaji Subhas Road, 8th Floor, Kolkata- 700 001

E-mail: [hcf@himadri.com](mailto:hcf@himadri.com) website: [www.himadricredit.in](http://www.himadricredit.in)

Ph No: (033) 2230-4363/ 9953

### NOTICE

Notice is hereby given that the 21<sup>st</sup> Annual General Meeting of the members of Himadri Credit & Finance Limited will be held at its Corporate Office 8, India Exchange Place, 2nd Floor, Kolkata - 700 001 on **Friday, 30 September 2016 at 09:30 a.m.** to transact the following business:

#### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31 March, 2016 together with the report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Tushar Choudhary (DIN: 00174003), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s) the following as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions Section 139, 141 and 142 and any other applicable provisions if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modifications(s) or re-enactment thereof, for the time being in force) **M/s S. Jaykishan, Chartered Accountants** (Firm Registration No.: 309005E), be and are hereby appointed as Statutory Auditors of the Company (in place of retiring auditors who have expressed their unwillingness for re-appointment) for a period of five years and to hold the office from the conclusion of this 21<sup>st</sup> Annual General Meeting till the conclusion of the 26<sup>th</sup> Annual General Meeting (subject to ratification of the appointment by members

at every Annual General Meeting) of the Company and that the Board of Directors of the Company be and is hereby authorised to fix such remuneration as may be recommended by the Audit Committee in the consultation with the Auditor, in addition thereto, the service tax as may be applicable and reimbursement of out of pocket expenses as may be incurred in connection with the audit of accounts of the Company.”

#### SPECIAL BUSINESS

4. **To consider and if deemed fit, to pass with or without modification(s), the following as an Ordinary Resolution for appointment of Women Director:-**

“**RESOLVED THAT** pursuant to the provisions of Sections 149(1), 152 and 160 and all other applicable provisions of the Companies Act, 2013 read with the Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 including any statutory modification(s), re-enactment(s) thereof, for the time being in force, Ms. Aditi Ganguly (DIN: 07553943), in respect of whom, a notice has been received from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company, whose period of office is liable to determination by retirement of directors by rotation.”

By Order of the Board

Sd/-

**Monika Saraswat**  
Company Secretary  
ACS: 29322

Place: Kolkata  
Date: 13 August 2016

NOTES:

1. *In terms of section 105 of the Companies Act, 2013, a member entitled to attend and vote at the meeting is entitled to appoint another person as his/her proxy to attend and vote on a poll instead of himself/herself and such proxy need not be a member of the Company.*
2. As per the provisions of Section 105 read with Rule 19(2) of the Companies (Management and Administration) Rules, 2014, a person shall not act as a proxy for more than 50 (fifty) members and holding in the aggregate not more than 10 % of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. The instrument appointing the proxy, in order to be effective, should be deposited, duly completed and signed, at the Registered Office of the Company not less than forty-eight hours before the commencement of the AGM. A proxy form is enclosed herewith.
4. The proxy holder shall provide his identity at the time of attending the Annual General Meeting.
5. When a member appoints a proxy and both the member and proxy attend the meeting, the proxy stands automatically revoked.
6. Requisition for inspection of proxies by members entitled to vote on any resolution shall be made in writing atleast three days before the commencement of the meeting.
7. A member would be entitled to inspect the proxies lodged with the Company, twenty four hours before the time fixed for the commencement of the meeting.
8. Corporate members are required to send to the Company a certified copy of their Board resolution, pursuant to section 113 of the Companies Act 2013, authorizing their representative to attend and vote at the AGM.
9. The business set out in the Notice will also be transacted through electronic voting system and the Company is providing such facility to the members.
10. Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at this Annual General Meeting, is annexed.
11. M/s S. Jaykishan, Chartered Accountants (Firm Registration No.: 309005E) has been proposed to be appointed as statutory auditors of the Company, and the Company has received the special notice pursuant to section 140(4)(i) of the Companies Act, 2013, from one of the member proposing their appointment. The retiring Auditors M/s Agarwal Prasad & Co. Chartered Accountants (Firm Registration No. 311068E), has expressed their unwillingness to be re-appointed. The Company has received necessary declaration and consent from the proposed Auditors to act as Statutory Auditors of the Company.
12. The quorum for the Annual General Meeting, as provided in Section 103 of the Companies Act, 2013, is five members (including a duly authorized representative of the Central Government) personally present in the meeting at the commencement of business.
13. The Register of Members and Share Transfer Book of the Company will remain closed from **23 September 2016 to 30 September 2016** (both days inclusive).
14. The Notice is being sent to all the members of the Company, whose names appear in the Register of Members as on 22 August 2016.
15. Shareholders desiring any information as regards the Annual Accounts are requested to write to the Company in advance so as to enable the management to keep the information readily available at the meeting.
16. Members are requested to intimate to the Company's Registrar and Share Transfer Agent, **M/s S. K. Infosolutions Pvt. Ltd., 34/1A, Sudhir Chatterjee Street, Kolkata - 700 006** about consolidation of folios, if shareholdings are in multiple folios and bring copies of the Annual Report and the attendance slips with them while attending the Annual General Meeting.
17. Members holding shares in physical form are informed that it is advantageous to keep the shareholding in joint names, as upon death of a member, the survivor or survivors, where the member was a joint holder, and his legal representatives where he / she was a sole holder, shall be the only persons recognized by the Company as having any title to his/ her interest in the shares.
18. Members holding shares in physical form may avail the facility of nomination in terms of Section 72 of the Companies Act, 2013, by submitting the Form No. SH-13 as per rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014. Blank nomination form will be made available on request to the Registrar & Share Transfer Agent.
19. Members are informed that the Securities and Exchange Board of India (SEBI) vide its' Circular No. MRD / DoP/ Cir-05/2009 dated 20 May, 2009 has made it mandatory to furnish a copy of PAN Card of the transferee for effecting the transfer of shares in physical forms of a listed Company. Therefore, members are advised to submit a copy of PAN Card along with Share Transfer Form, if any, to the Company to expedite transfer process.

20. Members are requested to furnish the following details for updating the Registers as required in terms of Section 88 of the Companies Act, 2013:

(i) E-mail ID, (ii) PAN No., (iii) AADHAR Card No., (iv) Father/Husband Name, (v) Occupation, (vi) Mobile No., (vii) Bank Account No., Name of the Bank, MICR No. (along with a cancelled cheque), (viii) Updated Signature (duly attested by National bank or First Class Magistrate), (ix) CIN (in case of Company), (x) Date of Birth and name of the Guardian (in case of Minor).

21. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI Listing Regulations, the Company has provided a facility to all its' members to exercise their votes electronically through e-voting facility arranged from National Securities Depositories Limited (NSDL). The facility for voting, through ballot paper, will also be made available at the AGM for members attending the AGM and who have not earlier cast their votes by remote E-voting. Members who have cast their votes by remote e-voting prior to AGM may attend the meeting but shall not be entitled to cast their votes again.

22. As per the provisions of Section 20 of the Companies Act, 2013 and in compliance with the guidelines of Green Initiative, an electronic copy of the Annual Report and Notice for calling AGM of the Company, inter alia, indicating the process and manner of voting through electronic means along with Attendance Slip and Proxy Form is being sent to all the Members whose email ids are registered with the Company's Registrar and Share Transfer Agent/Depository Participants(s) for communication purposes, unless any member has requested for a physical copy of the same. The physical copies of Annual Reports with Notice of the AGM of the Company, inter alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to those members whose e-mail id's are not registered with the Company.

23. The e-voting period shall begin at **09:00 a.m. on 26 September 2016 and ends at 5 p.m. on 29 September 2016**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. **23 September 2016**, may cast their vote electronically. A person who is not a member as on the cut-off date should treat this Notice for information purpose only. The remote e-voting module shall be disabled by NSDL for voting thereafter and the facility shall forthwith be blocked. Shareholders who have already voted prior to the AGM date would not be entitled to vote at the AGM venue.

## 24. Instructions for E-Voting

### [A] In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:

- (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsd.com/>
- (iii) Click on Shareholder - Login
- (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- (vii) Select "EVEN" of "Himadri Credit & Finance Limited".
- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [skghosh1938@yahoo.co.in](mailto:skghosh1938@yahoo.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### [B] In case a Member receives physical copy of the Notice of 21<sup>st</sup> AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:

Initial password with EVEN and User ID is provided herein above the Attendance Slip. Please follow all steps from Sl. No. (i) to Sl. No. (xii) above, to cast vote.

- a. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
  - b. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
  - c. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
  - d. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of **23 September 2016**.
  - e. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23 September 2016 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [skcdilip@gmail.com](mailto:skcdilip@gmail.com)
  - f. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
  - g. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
  - h. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
  - i. **Mr. Samir Kumar Ghosh**, Practicing Company Secretary, (C.P. No: 2018) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the e-voting process for the AGM as well as voting through Ballot Paper at the venue of AGM in a fair and transparent manner.
25. The Scrutinizer shall within a period not exceeding two (2) working days from the conclusion of the voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report on the votes cast in favour or against, if any, of the resolutions and submit the same forthwith to the Managing Director of the Company or to any person authorized for this purpose.
  26. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 and Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 read with Rules made thereunder will be available for inspection by the members at the AGM.
  27. Ms. Monika Saraswat, Company Secretary and Compliance Officer of the Company shall be responsible for addressing all the grievances in relation to this AGM including e-voting. Her details are as follows;  
  
Name: Ms. Monika Saraswat  
Designation: Company Secretary and Compliance Officer  
Corporate office: 8, India Exchange Place,  
2nd Floor, Kolkata-700001  
Email id: [monika@himadri.com](mailto:monika@himadri.com);  
Phone No.: 033-2230 9953
  28. The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.himadricredit.in](http://www.himadricredit.in) and on the website of NSDL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges where the shares of the Company are listed.

29. Details about Director recommended for appointment/ re-appointment as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:-

<b>Name of the Director</b>	<b>Mr. Tushar Choudhary</b>	<b>Ms. Aditi Ganguly</b>
<b>Qualifications</b>	B. Com (Hons.)	M.A. (Economics)
<b>Experience</b>	17 years of Experience in Business and Industry	21 years
<b>Date of Birth</b>	5 April 1976 (39 years)	1 January 1955 (61 years)
<b>Directorship in other Companies</b>	<ul style="list-style-type: none"> <li>• Salasar Management Ltd.</li> <li>• Gopal Management Ltd</li> <li>• Padmavati Estates Pvt. Ltd.</li> <li>• Sitaram Management Ltd</li> <li>• AAT Techno-Info Ltd</li> <li>• Himadri E-Carbon Ltd</li> <li>• Trimurti Merchandise Pvt. Ltd.</li> <li>• Next Generation Traders Pvt. Ltd.</li> <li>• Swarnalekha Developers Pvt. Ltd.</li> <li>• Lotus Villa Pvt. Ltd.</li> <li>• Sampoorna Merchandise Pvt. Ltd.</li> <li>• Himadri Real Estate Pvt. Ltd.</li> </ul>	NIL
<b>Chairman / Member of the committee of Board of other Companies</b>	NIL	NIL
<b>No. of shares held (₹ 10/- each)</b>	70,100	NIL
<b>Relationship with other Directors</b>	-	-

By Order of the Board

Sd/-

**Monika Saraswat**  
Company Secretary  
ACS: 29322

Place: Kolkata  
Date: 13 August 2016

## **Explanatory Statement**

**(Pursuant to Section 102 of the Companies Act, 2013)**

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### **Item No. 4**

The Board appointed Ms. Ganguly as an additional director with effect from 13 August 2016 in terms of Section 161 of the Companies Act, 2013 and she will be retiring at the ensuing annual general meeting and in respect of whom, the Company received a notice in writing from a member in terms of the Section 160 of the Companies Act, 2013, proposing her candidature for office of the director whose period of office is liable to determination by retirement of directors by rotation. The Company has received necessary consent from Ms. Ganguly to act as the director and she is not otherwise disqualified to be appointed as such.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Ms. Ganguly is concerned or interested, financial or otherwise, in the proposed resolution as set out at Item No. 4.

The notice received from the member proposing the candidature of Ms. Ganguly, is available for inspection during business hours in between 11.00 a.m. to 1.00 p.m. on all working days (except Saturday and Sunday) at the registered office of the Company up to the date of the annual general meeting.

The Board recommends that this resolution be passed in the interest of the Company.

**By Order of the Board**

**Sd/-**

**Monika Saraswat  
Company Secretary**

**ACS: 29322**

**Place: Kolkata**

**Date: 13 August 2016**



# BOARD'S REPORT

**Dear Shareholders,**

Your Directors have pleasure in presenting the 21<sup>st</sup> Annual Report of your Company together with the Audited Financial Statements, for the financial year ended 31 March 2016.

## State of Affairs of The Company

The Financial Results of the Company for the year under review and those of the previous year are given below:

Particulars	Amount ₹ in Lakhs	
	For the year ended 31.03.2016	For the year ended 31.03.2015
Gross Income	48.93	34.29
Less: Total Expenditure	46.32	28.70
Profit before tax	2.60	5.59
Less: Deferred tax	0.24	(0.76)
Profit after tax	2.36	6.34
Balance brought forwarded from previous year	309.89	304.82
Amount available for appropriation	312.25	311.16
Amount transferred to Reserve Fund	0.48	1.27
Balance carried to Balance Sheet	311.77	309.89

## DIVIDEND

The Board of Directors regret their inability to recommend any payment of dividend for the financial year 2015-16 due to inadequate profits.

## YEAR IN RETROSPECT

The Company earned a gross income of ₹ 48.93 lakhs for the year ended 31 March 2016 as against ₹ 34.29 lakhs for the year ended 31 March 2015 and profit after tax was ₹ 2.36 lakhs for the year ended 31 March 2016 as against ₹ 6.34 lakhs for the year ended 31 March 2015. Your directors are optimistic for achieving better results during the current financial year by optimum utilisation of the available resources.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

As per the provisions of the Section 152(6) of the Companies Act, 2013 and other applicable rules, if any, Mr. Tushar Choudhary (DIN: 00174003), the Director of the Company retires by rotation at the ensuing Annual General Meeting of the Company, and being eligible offers himself for re-appointment.

***The brief resume and other details relating to the Directors, who are to be appointed / re-appointed as stipulated under Regulation 36(3) of the SEBI Listing Regulations, are provided in the Notice of Annual General Meeting forming part of the Annual Report.***

Ms Aditi Ganguly (DIN: 07553943) was appointed as an Additional Director (category: Non-Executive Director) of the Company with effect from 13 August 2016 in terms of Section 161 of the Companies Act, 2013. Ms Ganguly will hold office upto the date of the ensuing Annual General Meeting of the Company, However, the Company has received notice from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Ms Ganguly to be appointed as Director of the Company, at the forthcoming Annual General Meeting, accordingly the resolution for appointment of Ms Ganguly has been included in the notice convening the meeting.

Ms. Monika Saraswat (ACS: 29322) was appointed as the Company Secretary of the Company, with effect from 26 August 2015 based on the recommendations made by the Nomination & Remuneration Committee of the Company.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions referred to in sub-section (5) of Section 134 read with sub-section (3)(c) of the Companies Act, 2013, the Board of Directors of the Company confirms that—

- in the preparation of the annual accounts of the Company for the financial year ended 31 March 2016, the applicable accounting standards had been followed along with proper explanation relating to material departures;

- (b) they had 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;
- (c) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) they had prepared the annual accounts on a going concern basis; and
- (e) they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**INDEPENDENT DIRECTOR’S DECLARATION**

As required in terms of Section 134(3)(d) of the Companies Act, 2013, the Board confirms that all the Independent Directors of the Company have given necessary declaration of their Independence as stipulated in Section 149(6) of the Companies Act, 2013.

**NOMINATION AND REMUNERATION POLICY**

The Nomination and Remuneration Committee of the Company, formulated in terms of the provisions of Section 178 of the Companies Act, 2013 comprises of Mr. Vikash Kumar Patodia, Mr. Anurag Choudhary and Mr. Vipin Gupta. The Nomination and Remuneration Committee met twice in the financial year on 4 September 2015 and 30 March 2016, respectively.

The Nomination and Remuneration Committee has framed a policy relating to the appointment, remuneration, independence and removal of Executive Directors, Independent Directors, Key Managerial Personnel and Other Senior Management Personnel of the Company, in accordance with the provisions of Section 178 of the Companies Act, 2013, the same is annexed herewith and marked as **Annexure I**.

**MEETINGS OF THE BOARD OF DIRECTORS**

The Board of Directors comprises of four (4) Non-Executive Directors out of which two (2) are Independent Directors and fulfils the criteria as laid down in Section 149(4) of the Companies Act, 2013.

During the financial year under review, the Board of Directors duly met eight (8) times respectively on 29 May 2015, 13 August 2015, 3 September 2015, 8 September 2015, 13 November 2015, 15 December 2015, 13 February 2016 and

29 February 2016 and the maximum time gap in between two meetings of the Board does not exceed 120 days as required by the provisions of Section 173(1) of the Companies Act, 2013. The details of attendance of Directors at the Board meeting is given hereunder:

Sl. No.	Names of members	Status	No. of meetings attended
1	Mr. Anurag Choudhary	Director, Non-Executive	8
2	Mr. Tushar Choudhary	Director, Non-Executive	8
3	Mr. Vikash Kumar Patodia	Director, Non-Executive Independent	6
4	Mr. Vipin Gupta	Director, Non-Executive Independent	4

**AUDIT COMMITTEE**

**Composition**

The Company has an Audit Committee, Committee of Directors pursuant to section 177 of Companies Act, 2013 consisting of Three (3) Directors as members and majority of its members are Independent. The Chairman of the Audit Committee is an Independent and Non-Executive Director with over a decade of rich experience in the field of finance and accounts.

The Committee met Four (4) times during the year on 29 May 2015, 13 August 2015, 13 November 2015 and 13 February 2016 to review the periodic as well as the financial statements prior to their placement before the Auditors and the Board for their consideration. The Committee reviewed the results of operations, statement of significant Related Party Transactions (as defined by the Audit Committee) submitted by management. The composition of Audit Committee and the details of meetings attended by each of the Directors are given below:

Sl. No.	Names of members	Status	No. of meetings attended
1	Mr. Vikash Kumar Patodia	Chairman, Non-Executive Independent	4
2	Mr. Anurag Choudhary	Member, Non-Executive	4
3	Mr. Vipin Gupta	Member, Non- Executive Independent	4

**Terms of Reference**

The terms of reference of this Committee broadly conforms to the norms laid down in Section 177 of the Companies Act, 2013 and includes among others the periodic review of the Quarterly and the Annual Accounts, assessing the adequacy of Internal Controls, interaction with the Statutory Auditors.

The Committee provides guidance to the management in preparing of annual as well as periodical financial statements before submitting to the Board. It liaisons with the Company's Statutory Auditors. The functions of this Committee include reviewing the adequacy of audit functions, its structures and discussions with Auditors on any significant findings and follow-up therewith. The Terms of Reference of Audit Committee, inter alia, includes the following:

- (i) the recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (ii) review and monitor the auditor's independence and performance, and effectiveness of audit process;
- (iii) examination of the financial statement and the auditors' report thereon;
- (iv) approval or any subsequent modification of transactions of the Company with related parties;
- (v) scrutiny of inter-corporate loans and investments;
- (vi) valuation of undertakings or assets of the Company, wherever it is necessary;
- (vii) evaluation of internal financial controls and risk management systems;
- (viii) monitoring the end use of funds raised through public offers and related matters.

#### **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company has duly established a vigil mechanism and formulated Vigil Mechanism / Whistle Blower Policy for its Directors and its employees as per the provision of section 177(9) of the Companies Act, 2013 read with the Rule, 7 of Companies (Meeting of the Board and its powers) Rules 2014. The Audit Committee of Directors of the Company have been authorised to oversee the compliance of the Vigil Mechanism / Whistle Blower Policy of the Company.

#### **PUBLIC DEPOSIT**

The Company during the year 2015-16 has not accepted any deposits from the public within the meaning of section 73 of the Companies Act 2013.

#### **AUDITORS AND AUDITOR'S REPORT**

##### **• STATUTORY AUDITOR**

M/s Agarwal Prasad & Co, Chartered Accountants (Firm Registration Number. 311068E), the retiring Auditors of the Company has expressed their unwillingness to be re-appointed as the Statutory Auditor of the Company at the ensuing Annual General Meeting of the Company and the Company has received special notice from one of the member pursuant to Section 115 / 140(4)(i) of the Companies Act, 2013 read with rule 23 of the Companies (Management & Administration) Rules, 2014 proposing to appoint

M/s S. Jaykishan, Chartered Accountants (Firm Registration No.: 309005E) as Statutory Auditors of the Company for a period of five years. The Company has received necessary consent and declaration from the proposed Auditors to the effect that their appointment, if made, would be in accordance with the conditions specified and satisfies the Criteria as prescribed in Section 141 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014. .

The Board has placed on record its deep sense of appreciation for the services rendered by M/s Agarwal Prasad & Co, Chartered Accountants during their tenure as the Auditor's of the Company.

The Auditors' Report and notes to financial statements are self-explanatory and therefore do not call for any further explanation.

##### **• SECRETARIAL AUDITOR**

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Board has appointed Mr. Samir Kumar Ghosh, Practicing Company Secretary, to conduct Secretarial Audit for FY 2015-16. He conducted the Secretarial Audit and the comments and observations made are given hereunder:

##### ***Observation of Secretarial Auditor***

***The Company could not appoint the Key Managerial Personnel, such as- Chief Financial Officer (CFO) as required under Section 203 and Woman Director under section 149 of the Companies Act, 2013.***

Secretarial Audit Report for the financial year ended 31 March 2016 is given in **Annexure II** attached hereto and forms part of this Report.

##### ***Explanation of The Board***

The management of the Company, due to the stringent financial position and poor financial performance, could not afford to appoint Woman Director and Key Managerial Personnel during the financial year 2015-16. However, the Company has appointed Ms Monika Saraswat (ACS: 29322), Company Secretary of the Company, and proposed to appoint one woman director on the Board at the ensuing Annual General Meeting of the Company and the Company is in the process of complying the other required provisions at the earliest.

##### **EXTRACT OF THE ANNUAL RETURN**

Pursuant to the provisions of Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an Extract of Annual Return as on the financial year ended on 31 March 2016, in Form No. MGT-9 is appended to the Board's Report marked as **Annexure III** forming part of the Annual Report.

## **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

The Company, being a non-banking finance Company registered with the Reserve Bank of India and engaged in the business of giving loans, is exempt from complying with the provisions of section 186 of the Companies Act, 2013. Accordingly, the disclosures of the loans given as required under the aforesaid section have not been given in this Report.

## **PARTICULARS OF MANAGERIAL REMUNERATION**

Disclosures pertaining to remuneration and other details as necessitated and to the extent applicable to the Company pursuant to the provisions of the Section 197(12) Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration Managerial Personnel) Rules, 2014 forms part of the Board's Report as **Annexure IV**.

## **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There were no material changes and commitments occurred after the close of the financial year till the date of this report, which affect the financial position of the Company.

## **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE**

There were no significant and material orders passed by any regulatory authority or courts or tribunals impacting the going concern status and Company's operation in future.

## **PARTICULARS OF CONTRACTS & ARRANGEMENTS WITH RELATED PARTIES**

The Company has not entered into any materially significant related party transaction with the Company's Promoters, Directors, Management or their relatives, which could have a potential conflict with the interests of the Company.

All the Related Party Transactions entered into by the Company during the financial year were in ordinary course of business and on arm's length basis. The Related Party Transactions were usually undertaken with prior consent of the Audit Committee on quarterly basis. There have been no materially significant related party transactions between the Company and the Directors, the management, or relatives except for those disclosed in the financial statements. Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188(1) along with the justification for entering into such contract or arrangement in Form AOC – 2 does not form part of the report.

## **SUBSIDIARY/JOINT VENTURE/ASSOCIATE COMPANY**

The Company does not have any subsidiary / joint venture / associate Company, therefore the requirement sub-rule (1) of Rule 8 of Companies (Accounts) Rules, 2014 with

regards to providing details on performance of the same is not applicable to the Company.

Further during FY 2016, no Company has become or ceased to be subsidiary, joint venture or associate of the Company.

## **RISK MANAGEMENT POLICY**

The Board of Directors, at its meeting held on 27 May 2014, has adopted risk management policy for the Company which provides for identification, assessment and control of risks which in the opinion of the Board may threaten the existence of the Company. The Management identifies and controls risks through a properly defined framework in terms of the aforesaid policy.

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

Since the Company has not been engaged in any manufacturing activity, the information as required in terms of clause (m) of sub-section (3) of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are not applicable. The foreign exchange earnings and outgo remained NIL during the year under review.

## **INTERNAL FINANCIAL CONTROLS AND RISK MANAGEMENT SYSTEM**

The Board has duly implemented the internal financial control and risk management system in the Company to ensure efficient implementation of the Company's strategy and effective operations, assure compliance with both internal instructions and laws and regulations, achieve appropriate financial reporting, and prevent fraud and other misconduct.

Mr. Anurag Choudhary, Director of the Company is authorised by the Board to oversee the internal financial controls and risk management system and take the necessary actions as may be required for giving effect and implementation of the said system and control.

## **CORPORATE SOCIAL RESPONSIBILITY**

The Company is not covered under the provisions of Section 135 of the Companies Act, 2013, therefore the requirement of clause (o) of sub-section (3) of Section 134 of the said act are not applicable to the Company.

## **PARTICULARS OF EMPLOYEES**

The details as required pursuant to provisions of sub-rule (2) and (3) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable, as none of the employees, either employed throughout the year or part of the financial year, was in receipt of the remuneration in excess of the limit prescribed under rules amended up to date.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

Pursuant to the Regulation 34 read with Schedule V Part B, the Management Discussion and Analysis Report forms part of this Annual Report and marked as **Annexure V**.

**LISTING ON STOCK EXCHANGE**

The Company's equity shares are listed at The Calcutta Stock Exchange Limited. During the financial year, 2015-16 Securities and Exchange Board of India (SEBI) has issued and notified SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with effect from 1 December 2015 and pursuant to Regulation 109(2), the Company is required to execute a new listing agreement with the Stock Exchange where the shares of the Company are listed, accordingly, the Company has executed the listing agreement with The Calcutta Stock Exchange on 1 December 2015. Furthermore, the Annual Listing Fees for the year 2016-17 has also been remitted.

**EVALUATION OF THE BOARD, COMMITTEE AND DIRECTORS**

The Board at its meeting held on February 13, 2015, evaluated its performance and that of Committees and individual directors in the manner as recommended by the Nomination and Remuneration Committee. Rating sheets

were circulated to the directors for the purpose of evaluation of performance of the Board, its Committees and individual directors. A summary of performance evaluation of the Board, its Committees and individual directors was prepared on the basis of rating sheets received from the individual directors and the same was placed before the Board. And on the basis of the performance evaluation, all the members of the Board are eligible to continue to act as Directors of the Company.

**ACKNOWLEDGEMENT**

Your Directors would like to place on record their appreciation for the co-operation received from the Shareholders, Bankers and Customers.

For and on behalf of the Board

Sd/-

Sd/-

Tushar Choudhary Anurag Choudhary

Director Director

Place: Kolkata

Date: 13 August 2016 (DIN: 00174003) (DIN: 00173934)

# Annexure I

## I. PREAMBLE

Pursuant to Section 178 of the Companies Act, 2013 the Board of Directors of every listed Company shall constitute the Nomination and Remuneration Committee. The Company already constituted the Committee comprising of three non-executive Directors as required by the provisions of Companies Act, 2013. The Committee has reviewed and formulated "Remuneration Policy" in compliance with the provisions of Section 178 of the Companies Act, 2013.

The Section 178 of the Companies Act, 2013, inter-alia provides that the Committee shall formulate the criteria for determining qualifications, positive attitudes and independence of a Director and recommend to the Board a policy relating to remuneration for Directors, key managerial personnel (KMP) and other employees;

The Remuneration Policy of Himadri Credit & Finance Limited (the "Company"), is designed to attract, motivate and retain quality people in a competitive market. The policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders.

The Remuneration Policy applies to Directors, Key Managerial Personnel and other employees of the Company as per the provisions of the Companies Act, 2013.

## II. INTERPRETATION

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013, Listing Agreement and/or any other SEBI Regulation(s) as amended from time to time.

## III. OBJECTIVE

- a) To recommend the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management;
- b) To ensure 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;
- c) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation and to ensure relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- d) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior

Management and to ensure that such remuneration 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.

## IV. DEFINITIONS:

**"Board"** means Board of Directors of the Company.

**"Company"** means "Himadri Credit & Finance Limited "

**"Employees' Stock Option"** means the option given to the directors, officers or employees of a Company or of its holding Company or subsidiary Company or companies, if any, which gives such directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares of the Company at a future date at a pre-determined price.

**"Independent Director"** means a director referred to in Section 149(6) of the Companies Act, 2013 and in clause 49 of the Listing Agreement;

**"Key Managerial Personnel"** (KMP) means;

- (i) Chief Executive Officer or the Managing Director or the Manager,
- (ii) Company Secretary,
- (iii) Whole-time Director,
- (iv) Chief Financial Officer, and
- (v) Such other officer as may be prescribed.

**"Nomination and Remuneration Committee"** shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement.

**"Policy or This Policy"** means, "Nomination and Remuneration Policy."

**"Remuneration"** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

**"Service rules"** means "Service Rules" as framed by the Management which are applicable to all employees, may be amended or modified from time to time by the management.

**"Senior Management"** means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

## V. APPOINTMENT AND REMOVAL:

### A. Appointment criteria and qualifications:

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
2. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
3. The Company shall not appoint or continue the employment of any person as Managing Director/ Whole-time Director/Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

### B. Term / Tenure:

1. **Managing Director/Executive Director/Whole-time Director/Manager:** The Company shall appoint or re-appoint any person as its Managerial Person for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
2. **Independent Director:** An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on 1 October, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for appointment for one more term of 5 years only.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed

companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed Company.

### C. Evaluation:

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management at regular interval (yearly).

### D. Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Managing Director / Executive Director / Whole Time director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations, and Service Rules of the Company as prevalent at that time.

### E. Retirement:

The Managing Director / Executive Director / Whole Time director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Managing Director / Executive Director / Whole Time director, KMP, Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company subject to such approvals as may be required in this regard.

## VI. PROVISIONS RELATING TO REMUNERATION:

### A. General:

1. The remuneration / compensation / commission etc. to Managing Director, Executive / Whole Time Directors, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
2. The remuneration and commission to be paid to Managing Director, Executive / Whole Time Directors shall be as per the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.
3. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managerial Person.
4. Where any insurance is taken by the Company on behalf of its Managing Director, Executive / Whole Time Directors, KMP and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

**B. Remuneration to Non-Executive / Independent Director:**

1. **Remuneration / Commission:** The Committee may recommend the payment of remuneration / commission in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.
2. **Sitting Fees:** The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
3. **Limit of Remuneration /Commission:** Remuneration /Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.
4. **Stock Options:** An Independent Director shall not be entitled to any stock option of the Company.

**C. Executive / Whole Time Directors**

**I. Appointment/ Re-appointment, Remuneration and Terms and Conditions:**

Appointment and Re-appointment, if any, of Executive Directors/ Whole time Directors including remuneration and other terms and conditions thereof shall be in accordance with the provisions of Section 196, 197 of the Companies Act, 2013 read with Schedule V appended thereto. The Committee will recommend the appointment or re-appointment, if any, of any of the Executive/ Whole time Directors to the Board and same will be approved by the shareholders at General meetings by passing the necessary resolution in terms of provisions of Companies act, 2013.

The components of remuneration package may include the following:

- Basic Pay
- Allowances
- LTA
- Any other perks and benefits.

**II. Minimum Remuneration**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Executive/ Whole Time Directors in accordance with the provisions of Schedule V of the Companies Act, 2013

and if it is not able to comply with such provisions, with the prior approval of the Central Government.

**III. Over all Maximum Managerial Remuneration**

The total managerial remuneration payable by the Company to its Directors, including Managing Director and whole time Directors and its Managers in respect of any financial year shall not exceed 11% of the net profit of the Company for that financial year calculated in the manner as laid down in Section 198 of Companies Act, 2013 except that the Remuneration of the Directors shall not be Deducted from the Gross profit.

In the event of Payment of Remuneration exceeding 11% of net profit, necessary formalities are to be complied with as per the said Act.

**IV. Provisions for excess remuneration**

If any Executive/ Whole Time Directors draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

**D. Key Managerial Personnel and Senior Management**

Remuneration of KMP and Senior Management Personnel is proposed by the Company's Nomination and Remuneration Committee and subsequently approved by the Board of Directors. The remuneration is evaluated annually against performance of the Company, individual performance/ contribution and decides Remuneration rationally. The remuneration of KMP and Senior Management Personnel may comprise of the following:

- A fixed base salary, set at a level aimed at attracting and retaining executives with professional and personal competences required to drive the Company's performance.
- Special pay
- Variable pay linked with Performance in respect of certain positions
- Allowances (HRA, Conveyance etc.)
- LTA
- Perquisite and benefits
- Coverage on Mediclaim
- Retirement benefits including Superannuation



The KMP (s) and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

#### **VII. ASSISTANCE FROM OUTSIDE AGENCY**

The committee may take the assistance of External expert/agency as and when required to ensure that recommendations are based on rationale as also parameter to judge the performance level through a process.

#### **VIII. AMENDMENT / REVISION**

Any policy including Remuneration Policy is dynamic concept. Hence it will be reviewed periodically & bring changes/ amendment as and when required based on business need, benchmark with comparable Industries and any other factors relevant in the context of formulation of Remuneration policy that has direct linkage between business growth & attract, retain & motivate people on sustainable basis.

#### **IX. DISCLOSURE OF INFORMATION**

Information as required in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5 of Company (Appointment & Remuneration) Rules, 2014 shall be disclosed in the Board in the manner as provided therein.

# Annexure II

## SECRETARIAL AUDIT REPORT

### For the Financial Year Ended 31<sup>st</sup> March, 2016

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members  
**Himadri Credit & Finance Ltd.**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s HIMADRI CREDIT & FINANCE LTD. (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period ended on 31<sup>st</sup> March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/S HIMADRI CREDIT & FINANCE LTD. ("The Company")** for the period ended on 31<sup>st</sup> March, 2016 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- ii) The Securities Contracts (Regulations) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Regulations, 2009;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulation, 2008;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- vi) All other statutes and laws as may be applicable specifically to the company, excepting that the Company is in the process of appointing a Woman Director in due compliance of the Companies Act, 2013 under section 149 and the Key Managerial Personnel such as Chief Financial Officer.

**I have also examined compliances with the applicable clauses of the following:**

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The SEBI (LODR) Regulations, 2015 entered into by the Company with the Calcutta Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements, etc. mentioned above.

**I further report that** the Company has, in my opinion, complied with the provisions of the Companies Act, 1956 and the Rules made under that Act and the provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to Composition of Board of Directors & Committees thereof, Issuance of notices for meetings of the board, committee & shareholders, recording of minutes of the meetings, filing of returns, etc and compliance of various other provisions of the Companies Act & SEBI Regulations as are applicable to the Company.

**I further report that**

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) None of the Directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

**I further report that:**

-The Company has obtained all necessary approvals under the various provisions of the Act; and

-There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, SEBI (LODR) Regulations and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.

-The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

**I further report that** the Company has complied with the provisions of the Depositories Act, 1996 and the Byelaws framed thereunder by the Depositories with regard to dematerialization / re-materialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.

The Company has complied with the provisions of the FEMA, 1999 and the Rules and Regulations made under that Act to the extent applicable.

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period the Company has not passed any special resolutions which are having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Sd/-

Samir Kumar Ghosh

ACS – 4740

C. P. No. 2018

Place: Kolkata

Date: 23<sup>rd</sup> May, 2016

# Annexure-A to Secretarial Audit Report

To,  
The Members  
HIMADRI CREDIT & FINANCE LTD.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Whenever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata  
Date: 23<sup>rd</sup> May, 2016

Sd/-  
Samir Kumar Ghosh  
ACS – 4740  
C. P. No. 2018

# Annexure III

**FORM NO. MGT - 9**  
**EXTRACT OF ANNUAL RETURN**  
**as on the financial year ended on 31 March, 2016**  
*[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]*

## I. REGISTRATION AND OTHER DETAILS

i) CIN	L65921WB1994PLC062875
ii) Registration Date	07/04/1994
iii) Name of the Company:	HIMADRI CREDIT & FINANCE LTD.
iv) Category / Sub-Category of the Company	Public Company / Limited by shares
v) Address of the Registered office and contact details	23A, Netaji Subhas Road, 8th Floor, Kolkata- 700 001 Ph No: (033) 2230-4363/ 9953, website: <a href="http://www.himadricredit.in">www.himadricredit.in</a>
vi) Whether listed Company	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	Contact Person: Mr. Dilip Bhattacharya M/s S. K. Infosolutions Pvt. Ltd., 34/1A, Sudhir Chatterjee Street, Kolkata – 700006, Ph: 03322196797/4815, Email: <a href="mailto:skcdilip@gmail.com">skcdilip@gmail.com</a>

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	NBFC	Not Applicable	100%

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

Sl. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
Not Applicable					

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

## (i) Category-wise Shareholding:

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-04-2015]				No. of Shares held at the end of the year [As on 31-03-2016]				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter(s)</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	1526000	-	1526000	50.86	1526000	-	1526000	50.86	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	334900	-	334900	11.16	334900	-	334900	11.16	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A) (1)</b>	<b>1860900</b>	<b>-</b>	<b>1860900</b>	<b>62.02</b>	<b>1860900</b>	<b>-</b>	<b>1860900</b>	<b>62.02</b>	<b>-</b>
<b>(2) Foreign</b>									
a) Individuals (NRIs / Resident)	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
e) Bodies Corp.	-	-	-	-	-	-	-	-	-
f) Banks / FI	-	-	-	-	-	-	-	-	-
g) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoter (A) = (A) (1) + (A) (2)</b>	<b>1860900</b>	<b>-</b>	<b>1860900</b>	<b>62.02</b>	<b>1860900</b>	<b>-</b>	<b>1860900</b>	<b>62.02</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(2) Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	12700	579000	591700	19.72	12700	590700	603400	20.11	0.39
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	79800	456100	535900	17.86	79500	456400	535900	17.86	0.00
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	11700	11700	0.39	-	-	-	-	(0.39)
c) Any other									
Trustees	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-04-2015]				No. of Shares held at the end of the year [As on 31-03-2016]				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2)</b>	<b>92500</b>	<b>1048600</b>	<b>1139300</b>	<b>37.98</b>	<b>92200</b>	<b>1047100</b>	<b>1139300</b>	<b>37.98</b>	<b>-</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>92500</b>	<b>1048600</b>	<b>1139300</b>	<b>37.98</b>	<b>92200</b>	<b>1047100</b>	<b>1139300</b>	<b>37.98</b>	<b>-</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>1953400</b>	<b>1048600</b>	<b>3000200</b>	<b>100.00</b>	<b>1953100</b>	<b>1047100</b>	<b>3000200</b>	<b>100.00</b>	<b>-</b>

## (ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Damodar Prasad Choudhary	25500	0.85	-	25500	0.85	-	-
2	Bankey Lal Choudhary	32600	1.09	-	32600	1.09	-	-
3	Vijay Kumar Choudhary	39800	1.33	-	39800	1.33	-	-
4	Shyam Sundar Choudhary	67500	2.25	-	67500	2.25	-	-
5	Anurag Choudhary	150100	5.00	-	150100	5.00	-	-
6	Tushar Choudhary	70100	2.34	-	70100	2.34	-	-
7	Amit Choudhary	70100	2.34	-	70100	2.34	-	-
8	Saroj Devi Choudhary	90100	3.00	-	90100	3.00	-	-
9	Bankey Lal Choudhary And Others (HUF)	155600	5.18	-	155600	5.18	-	-
10	Damodar Prasad Choudhary And Others (HUF)	100000	3.33	-	100000	3.33	-	-
11	Vijay Kumar Choudhary And Others (HUF)	160000	5.33	-	160000	5.33	-	-
12	Sushila Devi Choudhary	90000	3.00	-	90000	3.00	-	-
13	Rinku Choudhary	42100	1.40	-	42100	1.40	-	-
14	Sheela Devi Choudhary	90000	3.00	-	90000	3.00	-	-
15	Swaty Choudhary	50000	1.67	-	50000	1.67	-	-
16	Shikha Choudhary	57900	1.93	-	57900	1.93	-	-
17	Kanta Devi Choudhary	92600	3.09	-	92600	3.09	-	-
18	Shyam Sundar Anurag Kumar	142000	4.73	-	142000	4.73	-	-
19	Himadri Chemicals & Industries Limited	334900	11.16	-	334900	11.16	-	-
<b>Total</b>		<b>1,860,900</b>	<b>62.02</b>	<b>-</b>	<b>1,860,900</b>	<b>62.02</b>	<b>-</b>	<b>-</b>

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

There is no change in promoters' shareholding during the year, therefore details of change in promoters' shareholding is not required.

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

Sl. No.	Name of the Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	<b>Himadri Industries Limited</b>						
	At the beginning of the year	01/04/2015	-	318000	10.60	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-	-	-
	At the end of the year	31/03/2016	-	-	-	318000	10.60
2	<b>Himadri Dyes &amp; Intermediates Limited</b>						
	At the beginning of the year	01/04/2015	-	70500	2.35	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-	-	-
	At the end of the year	31/03/2016	-	-	-	70500	2.35
3	<b>C M Syntex Pvt Ltd</b>						
	At the beginning of the year	01/04/2015	-	25000	0.83	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-	-	-
	At the end of the year	31/03/2016	-	-	-	25000	0.83
4	<b>Dolly Interroxim (P) Ltd.</b>						
	At the beginning of the year	01/04/2015	-	20000	0.67	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-	-	-
	At the end of the year	31/03/2016	-	-	-	20000	0.67
5	<b>Varahi Commercial (P) Ltd.</b>						
	At the beginning of the year	01/04/2015	-	15000	0.50	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-	-	-
	At the end of the year	31/03/2016	-	-	-	15000	0.50
6	<b>Sant Kumar Kanoi</b>						
	At the beginning of the year	01/04/2015	-	11700	0.39	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-	-	-
	At the end of the year	31/03/2016	-	-	-	11700	0.39
7	<b>Babita Ribiwala</b>						
	At the beginning of the year	01/04/2015	-	5900	0.20	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-	-	-
	At the end of the year	31/03/2016	-	-	-	5900	0.20



Sl. No.	Name of the Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
8	<b>Kamal Kanti Jha</b>						
	At the beginning of the year	01/04/2015	-	5500	0.18	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-	-	-
	At the end of the year	31/03/2016	-	-	-	5500	0.18
9	<b>Sitaram Management Limited</b>						
	At the beginning of the year	01/04/2015	-	59500	1.98	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-	-	-
	At the end of the year	31/03/2016	-	-	-	59500	1.98
10	<b>Sampoorna Merchandise Pvt Ltd</b>						
	At the beginning of the year	01/04/2015	-	58500	1.95	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-	-	-
	At the end of the year	31/03/2016	-	-	-	58500	1.95

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

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Date of Change	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	<b>Directors</b>					
1	Anurag Choudhary	No Change	150100	150100	150100	150100
2	Tushar Choudhary	No Change	70100	70100	70100	70100
3	Vikash Kumar Patodia	No Change	-	-	-	-
4	Vipin Gupta	No Change	-	-	-	-
	<b>Key Managerial Personnel</b>					
1	Ms. Monika Saraswat	No Change	-	-	-	-

**V. INDEBTEDNESS****Indebtedness of the Company including interest outstanding/accrued but not due for payment**

Amount ₹ in Lakhs				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	1117.61	-	1117.61
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	0.91	-	0.91
<b>Total (i+ii+iii)</b>	-	<b>1118.52</b>	-	<b>1118.52</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	-	43.04	-	43.04
• Reduction	-	513.26	-	513.26
<b>Net Change</b>	-	<b>(470.22)</b>	-	<b>(470.22)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	636.96	-	636.96
ii) Interest due but not paid	-	11.34	-	11.34
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	<b>648.30</b>	-	<b>648.30</b>

**VI. REMUNERATION OF KEY MANAGERIAL PERSONNEL (KMP)****Remuneration to Key Managerial Personnel Other than MD/WT**

Amount ₹ in Lakhs		
Sl. No.	Particulars of Remuneration	Company Secretary
1	Gross salary	4.30
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission	-
	- as % of profit	-
	Others specify...	-
5	Others, please specify	-
<b>Total</b>		<b>4.30</b>

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

There were no penalties / punishment / compounding of offences under the Companies Act 2013 for the year ended 31 March 2016.

## Annexure IV

### Details pursuant to Rule 5(1) of the Companies (Appointment and Remuneration Managerial Personnel) Rules, 2014

Sr. No.	Requirements of Rule 5	Compliance
1	The ratio of remuneration of each Director to median remuneration of employees of the Company for the financial year 2015-16;	NIL*
2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer and Company Secretary in the financial year 2015-16;	NIL*
3	The percentage increase in the median remuneration of employees in the financial year 2015-16;	8%
4	The number of permanent employees on the rolls of the Company as of 31 March 2016;	7
5	The explanation on the relationship between average increase in remuneration and the Company performance;	During the previous FY 2014-15, the Company incurred profit of ₹ 5.58 lakhs whereas in the FY 2015-16 its profit reduced to ₹ 2.60 lakhs. The average increase in median remuneration was justifiable.
6	Comparison of the remuneration of the Key Managerial Personnel against performance of the Company;	During the previous FY 2014-15, the Company incurred profit of ₹ 5.58 lakhs whereas in the FY 2015-16 its profit reduced to ₹ 2.60 lakhs. Therefore, remuneration of Key Managerial Personnel was in line performance of the Company.
7	Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer;	(a) The Company Shares are listed at the Calcutta Stock Exchange Limited, since there was no trading in the Share of the Company in last couple of years. Therefore, the information relevant to market capitalisation is not available  (b) price earning ratio could not be arrived at in want of regular market quotation;  The Company came out with the public issue in the year 1994 at par at face value of ₹ 10/- each. However, comparison of the issue price with market Quotation is not possible because of infrequently trading and operation at stock exchange.
8	Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year 2015-16 and its comparison with the percentage increase in managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Average percentage increase made in the salaries of employees other than the managerial personnel in FY 2015-16 was 5% whereas no managerial remuneration is paid during the financial year.

Sr. No.	Requirements of Rule 5	Compliance
9	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company;	The remuneration paid to the Key Managerial Personnel is in line with the Company's performance and present market trend.
10	The key parameters for any variable component of remuneration availed by the directors;	There are no such key parameters availed by any Director of the Company.
11	The ratio of remuneration of the highest paid Directors to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year; and	No remuneration is paid to any of the Director hence ratio cannot be calculated
12	Affirmation that the remuneration is as per the Nomination and Remuneration Policy of the Company.	The above remuneration details are as per the Nomination and Remuneration Policy of the Company.

\* No remuneration is paid to any of the Directors and the Company Secretary was appointed during the year so there was no increase in remuneration of the Key Managerial Personnel during FY 2015-16.

# Annexure V

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### (a) Industry Structure and Developments

The NBFC sector in India has undergone a significant transformation over the past few years. It has been recognized as one of the important components of the financial system and has shown consistent year-on-year growth. NBFCs play a vital role in the core development of infrastructure, transport, employment generation, wealth creation opportunities, and financial support for economically weaker sections; they also make a huge contribution to state exchequer.

The growth in the Indian economy together with the growth in the Capital markets will have better future for your Company. Non-Banking Finance Companies play major role in financing, inspite of presence of large number of Foreign as well as Nationalized Banks in this field, the role of NBFCs is established. Due to growing economy of the country there is a further scope of development in NBFCs sector. The economic indicators for the future are also strong. Your Company hopes to explore the opportunities thrown up by the economy.

### (b) Opportunities And Threats

The Company believe that despite the current headwinds, the long-term India growth story is intact which will create a way for diversification in financial services in which your Company operates. We see immense opportunities coming our way in FY17 and beyond as under:

- India is already recording the fastest rate of growth within the large economies in the world and various projections for FY17 by the World Bank or IMF etc., indicate that India will continue to occupy the top position. With this, we see large opportunities for us to grow our various diversified businesses in financial sector.
- The recent Government initiatives in respect of Digital India will also open up access to a wider way leading to a change in the manner of financial services rendered by the Company.
- Headed by the policy of liberalisation and forward-looking regulatory changes, moving the growth chart of the markets upwards will make available wider opportunities for providers of financial services.

Blessed with the above mentioned opportunities, simultaneously we perceive following threats for growth of the Company:

- Slow recovery of macro economy, domestically as well as globally, can delay the return of growth.
- Inability of Government to push the major economic reforms and fiscal policy attributing the unnecessary delay in the growth of the Company.
- Accelerating the interest cost and inflation is big threat to the enhancement growth of the Company.

### (c) Outlook

In the backdrop as sluggish GDP growth rate, the long term growth of the financial sector in which the Company operates, is expected to grow in-line with the combination of blueprint with cornerstones as profitability, scalability, constant focus on risk and growth in adjacent markets, building leadership and maintaining culture.

The financial sector is expected to grow once the economic conditions start improving, early signs of which are already visible along with which the NBFCs are expected to continue to be an effective channel for credit dispensation.

### (d) Risks and Concerns

Risk is synonym with NBFCs which is inherent part of their business. Your Company is also subjected to various types of such risks. Your Company has identified these risks and guarded itself by adopting a range of strategies and measures to reduce the impact of such risks.

The Board of Directors of the Company oversees the risk management process which includes the risk assessment and procuring the measures to curb the risk. The Board of Directors are responsible for implementation of risk measures. They ensure that the risk involved in the business line of the Company are regularly assessed at a periodic interlude and proper vigilance is placed. Credit risk is considered to be major risk being faced by NBFCs. In your Company the credit risk is minimum, as major investments are made in Company's group companies. Your Company has evolved various policies and systems for credit risk to closely monitor the same. Your Company also follows provisioning norms of RBI.

### (e) Internal Control System & their Adequacy

As per the Companies Act, 2013, the Companies need to ensure that they have laid down internal financial controls and that such controls are adequate and were operating effectively. A robust system of internal control commensurate with the size of its business, forms an integral part of the

Company policies. The Company has an adequate system of internal control over financial reporting of all transactions, and these are closely monitored by the Directors.

The Audit Committee of the Board of Directors of the Company closely monitors the adequacy of the Internal Financial Control system in close co-ordination and support of the in-house Internal Audit Team who periodically submits its findings on the efficacy and adequacy of their internal control system, its compliance with the company's operating system and Accounting Standards and policies. Based on the report of the in-house Audit Team, their findings and submissions of the Audit Committee have elaborate discussions and do make recommendations to the senior management to undertake corrective measures wherever necessary to strengthen the control of the Company. The subject process of the Internal Financial Control is a continuous one and in due compliance with the provisions of the Companies Act, 2013. During the FY 2016 there had been no reportable weakness in the design or operation as observed.

**(f) Governance requirements**

The Compliance Officer ensures compliance with the SEBI Listing Regulations and provisions of the Companies Act, 2013. All NBFCs were required to comply with governance requirements, such as the Fair Practices Code (FPC).

A comprehensive review of the NBFC regulations was conducted by the RBI in 2014.

**(g) Material Development in Human Resources**

The Company policy on people is deep rooted in building and nurturing talent and leadership within the organisation. We believe that our people have always been the drivers of innovation, efficiency and productivity leading to our consistent track record of growth. Operating in the service industry, your Company's performance is heavily dependent on the knowledge and expertise of its personnel. The Company is having dedicated team of persons.

**CAUTIONARY STATEMENT**

The investors are hereby informed that statements in Board's Report and Management Discussion and Analysis describing the objectives, projections, estimates, and expectations of the Company which may be of forward looking statement, within the meaning of applicable securities laws and regulations. The actual results could differ materially from those expressed or implied. The factors that could affect the Company's performance are the economic and other factors that affect the demand – supply balance in the domestic market as well as in the international markets, changes in government regulations, tax laws and other statutes and host of other incidental implications.

## **Financial Statements**

# Independent Auditors' Report

To  
The Members of  
Himadri Credit & Finance Limited

## Report on the Financial Statements

We have audited the accompanying financial statements of Himadri Credit & Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

## Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial

statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

## Opinion

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

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.



- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representation received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- g. With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - refer note 22 to the financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **AGARWAL PRASAD & CO**  
Chartered Accountants,  
Firm's Registration Number: 311068E

P-45, Khairu Place, 3rd Floor  
Kolkata - 700 072  
Dated: 27th May, 2016

**Sd/-**  
**S.K.AGRAWAL**  
Partner  
Membership No.50163

## Annexure A to the Independent Auditors' Report of 31 March 2016 on the Financial Statements of Himadri Credit & Finance Limited

(Referred to in our report of even date)

- (i) (a) The Company has maintained proper records to show full particulars including quantitative details and locations of the fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its fixed assets. In accordance with this programme, a portion of fixed assets have been physically verified during the year and no material discrepancies were noticed on such verification.
- (c) The Company does not hold any immovable properties during the year, hence this clause is not applicable.
- (ii) Since the company does not have any inventory, the provisions of this clause is not applicable to the company.
- (iii) The Company has not granted any loan, secured or unsecured, to companies, firms or limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, clause iii (a), (b), (c) is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to loans and investments made during the year.
- (v) The Company has not accepted any deposits from the public in accordance with the provisions of Section 73 to 76 of the Act and rules framed thereunder. Accordingly, provisions of paragraph 3(v) of the Order are not applicable to the Company.
- (vi) The Company's nature of business does not require to maintain Cost records u/s 148(1) of the Companies Act, 2013.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales tax/ Value added tax (VAT), Wealth tax, Service tax, Customs duty, Excise duty, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.
- According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales tax / Value added tax (VAT), Wealth tax, Service tax, Customs duty, Excise duty, Cess and other material statutory dues were in arrears as at 31 March 2016, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of Income Tax, Sales / Value added tax (VAT), Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess which have not been deposited with the appropriate authorities on account of any dispute, except as mentioned below:

Name of the statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	6,87,450	2011-12 (AY 2012-13)	Commissioner of Income Tax (Appeals)

- (viii) The Company has not taken any loan or borrowings from any financial institution, banks or government. The Company has not issued any debentures. Accordingly, paragraph 3 (viii) of the Order is not applicable to the Company.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, provisions of paragraph 3 (ix) of the Order are not applicable to the Company.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The Company has not paid or provided for managerial remuneration during the year under report. Hence paragraph 3 (ix) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, provisions of paragraph 3(xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and Section 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Hence paragraph 3(xiv) of the Order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them in respect of which provisions of Section 192 of the Act are applicable. Accordingly, provisions of paragraph 3(xv) of the Order are not applicable to the Company.
- (xvi) The Company is required to, and has been registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **AGARWAL PRASAD & CO**  
Chartered Accountants,  
Firm's Registration Number: 311068E

**Sd/-**  
P-45, Khairu Place, 3rd Floor  
Kolkata - 700 072  
Dated: 27th May, 2016

**S.K.AGRAWAL**  
Partner  
Membership No.50163

## **Annexure B to the Independent Auditors' Report of 31 March 2016 on the Financial Statements of Himadri Credit & Finance Limited**

(Referred to in our report of even date)

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Himadri Credit & Finance Limited ("the Company") as of 31 March 2016, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statement.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016,

based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **AGARWAL PRASAD & CO**  
Chartered Accountants,  
Firm's Registration Number: 311068E

P-45, Khairu Place, 3rd Floor  
Kolkata - 700 072  
Dated: 27th May, 2016

**Sd/-**  
**S.K.AGRAWAL**  
Partner  
Membership No.50163

**Balance Sheet** as at 31 March 2016

	Note No.	As at 31 March 2016	Amount in ₹ As at 31 March 2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>1) Shareholders' funds</b>			
(a) Share capital	2	3,00,02,000	3,00,02,000
(b) Reserves and surplus	3	3,53,11,907	3,50,75,906
		<b>6,53,13,907</b>	6,50,77,906
<b>2) Non-current liabilities</b>			
(a) Other long-term liabilities	4	6,02,60,500	6,02,60,500
		<b>6,02,60,500</b>	6,02,60,500
<b>3) Current liabilities</b>			
(a) Short-term borrowings	5	34,35,000	5,15,00,000
(b) Trade payables	6		
Total outstanding dues of micro & small enterprises		-	-
Total outstanding dues of creditors other than micro & small enterprises		50,194	66,244
(c) Other current liabilities	7	11,80,289	1,36,749
(d) Short-term provisions	8	61,095	27,779
		<b>47,26,578</b>	5,17,30,772
	<b>TOTAL</b>	<b>13,03,00,985</b>	17,70,69,178
<b>II. ASSETS</b>			
<b>1) Non-current assets</b>			
(a) Fixed assets			
Tangible assets	9	20,148	20,148
(b) Non-current investments	10	12,55,56,544	12,06,96,544
(c) Deferred tax assets (net)	11	4,77,079	5,01,819
(d) Long-term loans and advances	12	7,00,101	6,61,556
		<b>12,67,53,872</b>	12,18,80,067
<b>2) Current assets</b>			
(a) Current investments	13	18,34,866	10,44,839
(b) Trade receivables	14	-	7,50,000
(c) Cash and cash equivalents	15	13,52,205	16,69,074
(d) Short-term loans and advances	16	3,60,042	5,17,25,198
		<b>35,47,113</b>	5,51,89,111
	<b>TOTAL</b>	<b>13,03,00,985</b>	17,70,69,178
<b>Significant Accounting Policies</b>	1		

**Notes to Financial Statements**

1 to 27

The notes referred to above form an integral part of the financial statements

In terms of our report attached

**For Agarwal Prasad & Co.**

Chartered Accountants

Firm's Registration Number: 311068E

**For and on behalf of the Board of Directors**

Sd/-

**S.K.Agrawal**

Partner

Membership No.50163

Place : Kolkata

Dated : 27th May, 2016.

Sd/-

**Tushar Choudhary**

Director

(DIN: 00174003)

Sd/-

**Anurag Choudhary**

Director

(DIN: 00173934)

Sd/-

**Monika Saraswat**

Company Secretary

**Statement of Profit and Loss** for the year ended 31 March 2016

Amount in ₹

	Note No.	For the year ended 31 March 2016	For the year ended 31 March 2015
<b>I. Revenue from operations</b>	17	<b>25,62,722</b>	17,07,997
<b>II. Other Income</b>	18	<b>23,29,773</b>	17,21,263
<b>III. Total revenue (I + II)</b>		<b>48,92,495</b>	34,29,260
<b>IV. Expenses</b>			
Employees Benefit Expenses	19	<b>21,00,020</b>	21,12,926
Finance costs	20	<b>22,54,398</b>	4,16,974
Other expenses	21	<b>2,77,336</b>	3,40,546
<b>Total expenses</b>		<b>46,31,754</b>	28,70,446
<b>V. Profit before tax</b>		<b>2,60,741</b>	5,58,814
<b>VI. Tax expense</b>			
Current tax		<b>38,545</b>	-
Less : MAT credit Entitlement		<b>(38,545)</b>	-
		-	-
Deferred tax charge / (credit)		<b>24,740</b>	(75,518)
<b>VII. Profit for the year</b>		<b>2,36,001</b>	6,34,332
Earnings per equity share [nominal value of ₹.10/- each (previous year ₹.10/- each)]:			
Basic & Diluted	25	<b>0.08</b>	0.21
<b>Significant Accounting Policies</b>	1		

**Notes to Financial Statements**

1 to 27

The notes referred to above form an integral part of the financial statements

In terms of our report attached

**For Agarwal Prasad & Co.**

Chartered Accountants

Firm's Registration Number: 311068E

**For and on behalf of the Board of Directors****Sd/-****S.K.Agrawal**

Partner

Membership No.50163

Place : Kolkata

Dated : 27th May, 2016.

**Sd/-****Tushar Choudhary**

Director

(DIN: 00174003)

**Sd/-****Anurag Choudhary**

Director

(DIN: 00173934)

**Sd/-****Monika Saraswat**

Company Secretary

**Cash Flow Statement** for the year ended 31 March 2016

	Amount in ₹	
	For the year ended 31 March 2016	For the year ended 31 March 2015
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax & Extra-Ordinary Items	2,60,741	5,58,814
Adjustments for :		
Other Income	(23,29,773)	(17,21,263)
Operating cash flows before Working Capital Changes	(20,69,032)	(11,62,449)
Adjustments for :		
Loan & Advances to employees, security deposit and tax refundable	(2,14,845)	29,273
Trade receivables	7,50,000	(7,50,000)
Trade Payables, other liabilities and provisions	10,22,261	31,361
<b>Cash Generated from Operations</b>	(5,11,616)	(18,51,815)
Direct Taxes (paid)/ refunded	-	-
<b>Net cash provided/ (used) in operating activities</b>	(5,11,616)	(18,51,815)
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
(Increase) / Decrease in Short Term Loans and Advances	5,15,80,001	(3,13,92,604)
Purchase of investments	(1,26,35,000)	(16,90,000)
Proceeds from sale of investment	93,14,746	30,75,000
<b>Net cash provided/ (used) in investing activities</b>	4,82,59,747	(3,00,07,604)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase / (Decrease) in Other Long Term Liabilities	-	(1,39,500)
Increase / (Decrease) in Short Term Borrowings	(4,80,65,000)	3,15,00,000
<b>Net cash provided/ (used) in financing activities</b>	(4,80,65,000)	3,13,60,500
Net Increase/ (decrease) in Cash/Cash Equivalents (A+B+C)	(3,16,869)	(4,98,919)
Cash/Cash Equivalents at the beginning of the year	16,69,074	21,67,993
Cash/Cash Equivalents at the end of the year	13,52,205	16,69,074

**Notes :**

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 on 'Cash Flow Statement' notified by the Companies (Accounting Standards) Rules, 2006.
- Figures in brackets indicate cash outflows.

In terms of our report attached

**For Agarwal Prasad & Co.**

Chartered Accountants

Firm's Registration Number: 311068E

**For and on behalf of the Board of Directors**

Sd/-

**S.K.Agrawal**

Partner

Membership No.50163

Place : Kolkata

Dated : 27th May, 2016.

Sd/-

**Tushar Choudhary**

Director

(DIN: 00174003)

Sd/-

**Anurag Choudhary**

Director

(DIN: 00173934)

Sd/-

**Monika Saraswat**

Company Secretary



## Notes to financial statements for the year ended 31 March 2016

### 1 Significant Accounting Policies

#### a Basis of preparation of financial statements

The financial statements are prepared in accordance with Generally Accepted Accounting Principles (Indian GAAP) under the historical cost convention on accrual basis and on principles of going concern. The accounting policies are consistently applied by the Company.

The financial statements are prepared to comply in all material respects with the accounting standards notified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014

#### b Current – Non-current classification

All assets and liabilities are classified into current and non-current.

##### b.1. Assets

An asset is classified as current when it satisfies any of the following criteria:

- i) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- ii) it is held primarily for the purpose of being traded;
- iii) it is expected to be realised within 12 months after the reporting date; or
- iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

##### b.2. Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within 12 months after the reporting date; or
- d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

#### Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

#### c Use of estimates

The preparation of the financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognised in the period in which the results are known / materialise

#### d Fixed Assets & Depreciation

Fixed Assets are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises of their original cost of acquisition including preoperative expenses and related expenses of acquisition and installation.

Depreciation is provided on Straight Line Method over the useful lives of assets, at the rates and in the manner specified in Part C of Schedule II of the Companies Act, 2013. The rates of depreciation as prescribed in Part C of Schedule II of the Companies Act, 2013 are considered as the minimum rates.

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use, which is determined by the present value of the estimated future cash flows.

#### e Investments

Long-term investments are carried at cost and provisions are made to recognize any decline, other than temporary, in carrying value of each investment. Current investments are carried at lower of cost and fair value.

#### f Revenue Recognition and Expenses

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable

All the expenses are accounted for on accrual basis.

#### g Retirement Benefits

The undiscounted amount of short term employees benefits such as salaries, bonus and ex-gratia expected to be paid in exchange for the services rendered by the

## Notes to financial statements for the year ended 31 March 2016 (Contd..)

employees are recognised as an expense during the period when the employees render the services. Leave Encashment is accounted for based on estimates.

### h Financial Derivatives and Commodity Hedging Transactions

There are no outstanding forward contracts as at the balance sheet date and therefore no provision for losses on derivatives is required to be made by the Company.

### i Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised for the period until the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use.

Other Borrowing costs are recognised as expense in the period in which they are incurred.

### j Taxes on Income

Current tax is measured at the amount expected to be paid to the tax authorities, computed in accordance with the applicable tax rates and tax laws. In case of tax payable as per provisions of MAT under section 115JB of the Income Tax Act, 1961, deferred MAT Credit entitlement is separately recognized as an asset in the Balance Sheet. Deferred MAT credit entitlement is recognized and carried forward only if there is a reasonable certainty of it being set off against regular tax payable within the stipulated statutory period.

Deferred tax liabilities and assets are recognized at substantively enacted rates on timing difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax asset is recognized only to the extent there is reasonable certainty with respect to reversal of the same in future years as a matter of prudence.

### k Earnings per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### l Provision, Contingent Liabilities and Contingent Assets

Provision involving substantial degree of estimation in measurements is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

Contingent Liabilities are shown by way of notes to the Accounts in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered not probable.

A Contingent Asset is not recognized in the Accounts.

## Notes to financial statements for the year ended 31 March 2016 (Contd..)

### 2 Share Capital

Amount in ₹

Particulars	31 March 2016		31 March 2015	
	No. of Shares	Amount ₹	No. of Shares	Amount ₹
<b>Authorised:</b>				
40,00,000 Equity Shares of ₹10/- each (Previous year 40,00,000 Equity Shares)		40,000,000		40,000,000
<b>Issued Subscribed and fully paid up:</b>				
30,00,200 Equity shares of ₹10/- each fully paid up (Previous year 30,00,200 Equity Shares)		30,002,000		30,002,000
		<b>30,002,000</b>		<b>30,002,000</b>

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period :

Amount in ₹

Particulars	31 March 2016		31 March 2015	
	No. of Shares	Amount ₹	No. of Shares	Amount ₹
Number of equity shares at the beginning	30,00,200	3,00,02,000	30,00,200	3,00,02,000
Number of equity shares at the end	30,00,200	3,00,02,000	30,00,200	3,00,02,000

The company has only one class of shares referred to as equity shares having a par value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amount exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of shareholder holding more than 5% of total number of shares issued by the company :

Name of Shareholder	31 March 2016		31 March 2015	
	No. of shares held	% of holding in that class of Shares	No. of shares held	% of holding in that class of Shares
Himadri Industries Ltd.	3,18,000	10.60	3,18,000	10.60
Himadri Chemicals & Industries Ltd.	3,34,900	11.16	3,34,900	11.16

### 3 Reserves And Surplus

Amount in ₹

Particulars	31 March 2016		31 March 2015	
	No. of Shares	Amount ₹	No. of Shares	Amount ₹
(a) Reserve Fund (U/s 45-IC of the RBI Act) -				
Opening balance		40,87,000		39,60,000
Add: Transferred from surplus		48,000		1,27,000
Closing balance		41,35,000		40,87,000
(b) Surplus				
Opening balance		3,09,88,906		3,04,81,574
Add: Net Profit after tax transferred from Statement of Profit and Loss		2,36,001		6,34,332
		3,12,24,907		3,11,15,906
Less : Appropriations :				
Transferred to Reserve Fund		48,000		1,27,000
Closing balance		3,11,76,907		3,09,88,906
<b>Total</b>		<b>3,53,11,907</b>		<b>3,50,75,906</b>

**Notes to financial statements** for the year ended 31 March 2016 (Contd..)

Particulars	Amount in ₹	
	31 March 2016	31 March 2015
<b>4 Other long-term liabilities</b>		
Unsecured Advances from related parties	6,02,60,500	6,02,60,500
	<b>6,02,60,500</b>	<b>6,02,60,500</b>
<b>5 Short Term Borrowings</b>		
Unsecured Loans repayable on demand from other than bank from other than related parties from related party - Private companies in which director of the company or his relative are interested as director or member	20,50,000	1,25,00,000
	13,85,000	39,00,000
	<b>34,35,000</b>	<b>5,15,00,000</b>
<b>6 Trade Payables</b>		
Trade Payables		
Total outstanding dues of micro & small enterprises (Refer Note 23)	-	-
Total outstanding dues of creditors other than micro & small enterprises	50,194	66,244
	<b>50,194</b>	<b>66,244</b>
<b>7 Other current liabilities</b>		
Interest accrued but not due on borrowings	-	91,332
Interest accrued and due on borrowings	11,34,121	-
Statutory Dues	46,168	45,417
	<b>11,80,289</b>	<b>1,36,749</b>
<b>8 Short-term provisions</b>		
Provision for employee benefits		
Provision for Leave Encashment	22,550	27,779
Provision for Income Tax	38,545	-
	<b>61,095</b>	<b>27,779</b>

**9 Tangible assets**

Particulars	Amount in ₹		
	Vehicles	Office Equipments	Total
<b>Gross Block</b>			
Balance as at 31 March 2014	1,84,971	2,18,000	4,02,971
Additions during the year	-	-	-
Disposals	-	-	-
<b>Balance as at 31 March 2015</b>	<b>1,84,971</b>	<b>2,18,000</b>	<b>4,02,971</b>
Additions during the year	-	-	-
Disposals	-	-	-
<b>Balance as at 31 March 2016</b>	<b>1,84,971</b>	<b>2,18,000</b>	<b>4,02,971</b>
<b>Depreciation</b>			
Balance as at 31 March 2014	1,75,723	2,07,100	3,82,823
Depreciation for the year	-	-	-
Accumulated depreciation on disposals	-	-	-
<b>Balance as at 31 March 2015</b>	<b>1,75,723</b>	<b>2,07,100</b>	<b>3,82,823</b>
Depreciation for the year	-	-	-
Accumulated depreciation on disposals	-	-	-
<b>Balance as at 31 March 2016</b>	<b>1,75,723</b>	<b>2,07,100</b>	<b>3,82,823</b>
<b>Net Block</b>			
As at 31 March 2015	9,248	10,900	20,148
<b>As at 31 March 2016</b>	<b>9,248</b>	<b>10,900</b>	<b>20,148</b>

## Notes to financial statements for the year ended 31 March 2016 (Contd..)

### 10 Non-Current Investments

Investment in Equity Instruments of Other entities, Non trade

Amount in ₹

Particulars	Face Value per Share (₹)	31 March 2016		31 March 2015	
		Number of Shares	Value ₹	Number of Shares	Value ₹
<b>Quoted - At cost - Fully paid up</b>					
Himadri Chemicals & Industries Ltd.	1	94,92,000	8,10,37,156	94,92,000	8,10,37,156
Ashoka Fashion Ltd.	10	10,000	1,05,000	10,000	1,05,000
Transchem Ltd.	10	10,000	6,42,500	10,000	6,42,500
Associated Alcohols & Breweries Ltd.	10	4,100	1,23,000	4,100	1,23,000
Ganpatik Yakshraj Ltd.	10	2,500	25,000	2,500	25,000
Biocon Limited	5	3,400	5,35,500	3,400	5,35,500
Wipro Ltd.	2	2,242	2,40,888	2,242	2,40,888
			8,27,09,044		8,27,09,044
<b>Unquoted - At cost - Fully paid up</b>					
Himadri Industries Ltd.	10	5,29,000	76,15,000	5,29,000	76,15,000
Himadri Dyes & Intermediates Ltd.	10	3,00,000	30,00,000	3,00,000	30,00,000
Himadri Coke & Petro Ltd.	10	3,20,250	1,69,95,000	3,20,250	1,69,95,000
Mega Market Share Resources Ltd.	10	18,900	14,17,500	18,900	14,17,500
Sri Agro Himghar Ltd.	100	55,450	55,45,000	55,450	55,45,000
Sitaram Management Ltd.	10	36,500	3,65,000	36,500	3,65,000
Raghu Management Ltd.	10	80,000	8,00,000	80,000	8,00,000
Raghupati Consultants Ltd.	10	56,000	5,60,000	80,000	8,00,000
Rameshwar Consultants Ltd.	10	80,000	8,00,000	80,000	8,00,000
Padmavati Estates Pvt.Ltd.	10	6,500	6,50,000	6,500	6,50,000
Sampoorna Merchandise Pvt. Ltd.	10	65,000	45,50,000	-	-
Tuaman Engineering Ltd.	10	55,000	5,50,000	-	-
			4,28,47,500		3,79,87,500
<b>Total</b>			12,55,56,544		12,06,96,544
Aggregate Cost of Quoted Investments			8,27,09,044		8,27,09,044
Aggregate Market Value of Quoted Investments			15,26,12,031		14,59,86,628
Aggregate Cost of Unquoted Investments			4,28,47,500		3,79,87,500

Amount in ₹

Particulars	31 March 2016	31 March 2015
<b>11 Deferred tax assets (net)</b>		
Deferred tax assets		
On unabsorbed loss	4,79,509	5,04,104
Deferred tax liabilities		
Difference in depreciation on fixed assets	2,430	2,285
	4,77,079	5,01,819
<b>12 Long-term loans and advances</b>		
(Unsecured, considered good)		
to other than related parties -		
Security Deposits	35,090	35,090
Others		
Deferred MAT credit entitlement	6,65,011	6,26,466
	7,00,101	6,61,556

**Notes to financial statements** for the year ended 31 March 2016 (Contd..)

	31 March 2016		31 March 2015	
	No. of Unit	Amount in ₹	No. of Unit	Amount in ₹
<b>13 Current Investments</b>				
<b>In Mutual Fund -Quoted - (valued at lower of cost and fair value)</b>				
DHFL Pramerica Ultra Short Term Fund-Direct Plan-Growth (Earlier DWS Ultra Short Term Fund-Direct Plan-Growth)	2,515.165	44,684	64,939.982	10,44,839
DHFL Pramerica Banking & PSU Debt Fund -Direct Plan-Growth	1,38,194.251	17,90,182	-	-
		18,34,866		10,44,839
Aggregate Book Value		18,34,866		10,44,839
Aggregate Market Value		18,73,464		10,94,524

Particulars	Amount in ₹	
	31 March 2016	31 March 2015
<b>14 Trade Receivables</b>		
(Unsecured, considered good)		
Receivables outstanding for a period exceeding six months from the date they became due for payment	-	-
Other receivables	-	7,50,000
	-	7,50,000
<b>15 Cash and cash equivalents</b>		
Cash in hand	11,96,690	12,44,824
Balance with Banks in Current Account	1,55,515	4,24,250
	13,52,205	16,69,074
<b>16 Short-term loans and advances</b>		
Unsecured Loans & Advances Given (considered good) to related party - Private companies in which director of the company or his relative are interested as director or member	-	5,15,80,001
Other Advances to other than related parties - Income Tax Payments / Refundable	3,47,042	97,065
Advance to employees	13,000	48,132
	3,60,042	5,17,25,198
<b>17 Revenue from Operations</b>		
Interest Received	24,99,768	7,19,877
Dividend from long term investment in equity shares	62,954	9,88,120
	25,62,722	17,07,997
<b>18 Other Income</b>		
Capital Gain (net of expenses)	23,29,773	17,21,263
	23,29,773	17,21,263

## Notes to financial statements for the year ended 31 March 2016 (Contd..)

Particulars	Amount in ₹	
	31 March 2016	31 March 2015
<b>19 Employees Benefit Expenses</b>		
Salaries and Bonus	20,83,645	20,94,231
Staff Welfare Expenses	16,375	18,695
	<b>21,00,020</b>	<b>21,12,926</b>
<b>20 Finance costs</b>		
Interest Expenses	22,54,398	4,16,974
	<b>22,54,398</b>	<b>4,16,974</b>
<b>21 Other expenses</b>		
Rates & Taxes	3,500	6,500
Advertisement	77,572	1,21,051
Auditors' Remuneration		
Statutory Audit Fees	6,000	6,000
Other Services	3,000	3,000
Miscellaneous Expenses	1,87,264	2,03,995
	<b>2,77,336</b>	<b>3,40,546</b>
<b>22 Contingent liabilities and commitments</b> (to the extent not provided for)		
a) Contingent Liabilities :		
Income Tax dispute/under appeal	7,77,898	7,77,898
b) Commitments : Nil		

**23** There are no Micro, Small and Medium Enterprises to whom the Company owes dues, which are outstanding for more than 45 days as at 31 March 2016. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company. have been identified on the basis of information available with the Company.

**24** Additional Information pursuant to the provisions of Schedule III to the Companies Act 2013 are as under:

- (i) There is no inventory during the year in the company.
- (ii) Other Information
  - (a) C.I.F. Value of Imports - NIL (Previous Year - NIL)
  - (b) Expenditure in Foreign Currency - NIL (Previous Year - NIL)
  - (c) Earnings in Foreign Exchange - NIL (Previous Year - NIL)

### **25 Earnings Per Share (EPS):**

Net Profit after tax for the year has been used as the numerator and number of shares has been used as denominator for calculating the basic and diluted earnings per share.

Particulars	Amount in ₹	
	31 March 2016	31 March 2015
a) Profit After Tax (₹)	2,36,001	6,34,332
b) Weighted average number of Equity Shares of ₹10 each outstanding during the year	30,00,200	30,00,200
c) Earnings Per Share – Basic & Diluted (₹)	0.08	0.21

**Notes to financial statements** for the year ended 31 March 2016 (Contd..)**26 Related Party Transaction:**

Enterprises owned or significantly	Himadri Chemicals & Industries Ltd.
Influenced by the Key Managerial	Himadri Dyes & Intermediates Ltd
Personnel or their relatives	Himadri Coke & Petro Ltd
	Himadri Industries Ltd.
	Sri Agro Himghar Ltd

Transactions carried out with related parties referred to in above, in ordinary course of business, are as under:

Nature of transactions	Amount in ₹	
	31 March 2016	31 March 2015
<b>Repayment of Advances (Long Term -Unsecured)</b>		
Himadri Dyes & Intermediates Ltd	-	1,39,500
Dividend Received-Himadri Chemicals & Industries Ltd.	-	9,48,700
<b>Balances at year end :-</b>		
<b>Other long-term liabilities - Advances</b>		
Himadri Dyes & Intermediates Ltd	<b>6,02,60,500</b>	6,02,60,500
<b>Investment held-</b>		
Himadri Chemicals & Industries Ltd.	<b>8,10,37,156</b>	8,10,37,156
Himadri Industries Ltd.	<b>76,15,000</b>	76,15,000
Himadri Dyes & Intermediates Ltd	<b>30,00,000</b>	30,00,000
Himadri Coke & Petro Ltd	<b>1,69,95,000</b>	1,69,95,000
Sri Agro Himghar Ltd	<b>55,45,000</b>	55,45,000

**27** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure

In terms of our report attached

**For Agarwal Prasad & Co.**

Chartered Accountants

Firm's Registration Number: 311068E

**For and on behalf of the Board of Directors**

**Sd/-**

**S.K.Agrawal**

Partner

Membership No.50163

Place : Kolkata

Dated : 27th May, 2016.

**Sd/-**

**Tushar Choudhary**

Director

(DIN: 00174003)

**Sd/-**

**Anurag Choudhary**

Director

(DIN: 00173934)

**Sd/-**

**Monika Saraswat**

Company Secretary



Schedule to Balance Sheet of Non Banking Financial Company  
(as required by Paragraph 13 of Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions,2007)

Particulars		Amount in ₹ lakhs	
<b><u>Liabilities side:</u></b>			
(1)	<b>Loans and Advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:</b>	<b><u>Amount Outstanding</u></b>	<b><u>Amount Overdues</u></b>
	a) Debentures : Secured	Nil	
	: Unsecured	Nil	
	(Other than falling within the meaning of public deposits)		
	b) Deferred Credits	Nil	Nil
	c) Term Loan	Nil	
	d) Inter-corporate loans and borrowing	<b>45.69</b>	
	e) Commercial Paper	Nil	
	f) Other Loans (Cash Credit)	Nil	
	*Please see Note 1 below		
<b><u>Assets side:</u></b>			
(2)	<b>Break-up of Loans and Advances including bills receivables [Other than those included in (4) below]:</b>	<b>Amount Outstanding</b>	
	a) Secured	Nil	
	b) Unsecured	<b>0.48</b>	
(3)	<b>Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities</b>		
	(i) Lease assets including lease rentals under sundry debtors:		
	a) Financial Lease	Nil	
	b) Operating Lease	Nil	
	(ii) Stock on hire including hire charges under sundry debtors:		
	a) Assets on hire	Nil	
	b) Repossessed Assets	Nil	
	(iii) Other Loans counting towards AFC activities		
	a) Loans where assets have been repossessed	Nil	
	b) Loans other than (a) above	Nil	
(4)	<b><u>Break-up of Investments:</u></b>		
	<b><u>Current Investments:</u></b>		
	<b>1 Quoted:</b>		
	(i) Shares:		
	a) Equity	Nil	
	b) Preference	Nil	
	(ii) Debentures and Bonds	Nil	
	(iii) Units of Mutual Funds	Nil	
	(iv) Government Securities	Nil	
	(v) Others (Please Specify)	Nil	
	<b>2 Unquoted:</b>		
	(i) Shares:		
	a) Equity	Nil	
	b) Preference	Nil	
	(ii) Debentures and Bonds	Nil	
	(iii) Units of Mutual Funds	<b>18.35</b>	
	(iv) Government Securities	Nil	
	(v) Others (Please Specify)	Nil	

Particulars	Amount in ₹ lakhs
<b>Assets side:</b>	<b>Amount Outstanding</b>
<u>Long Term Investments:</u>	
<u>1 Quoted:</u>	
(i) Shares:	
a) Equity	<b>827.09</b>
b) Preference	Nil
(ii) Debentures and Bonds	Nil
(iii) Units of Mutual Funds	Nil
(iv) Government Securities	Nil
(v) Others (Please Specify)	Nil
<u>2 Unquoted:</u>	
(i) Shares:	
a) Equity	<b>428.48</b>
b) Preference	Nil
(ii) Debentures and Bonds	Nil
(iii) Units of Mutual Funds	Nil
(iv) Government Securities	Nil
(v) Others (Please Specify)	Nil

**(5) Borrower group-wise classification of assets financed as in (2) and (3) above:**

Please see Note 2 below

Category	Amount net of provisions		
	Secured	Unsecured	Total
1 Related Parties**			
a) Subsidiaries	Nil	Nil	Nil
b) Companies in the same group	Nil	Nil	Nil
c) Other related parties	Nil	Nil	Nil
2 Other than related parties	Nil	0.48	0.48
<b>Total</b>	<b>Nil</b>	<b>0.48</b>	<b>0.48</b>

**(6) 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 Provision)
1 Related Parties **		
a) Subsidiaries	Nil	Nil
b) Companies in the same group	3,153.47	1,141.92
c) Other Related Parties	Nil	Nil
2 Other than related parties	382.92	113.65
<b>Total</b>	<b>3,536.39</b>	<b>1,255.56</b>

\*\* As per Accounting Standard of ICAI (Please see Note 3)

## (7) Other Information

Particulars		Amount (₹)
(i)	Gross Non-Performing Assets	
	a) Related Parties	Nil
	b) Other than Related Parties	Nil
(ii)	Net Non-Performing Assets	
	a) Related Parties	Nil
	b) Other than Related Parties	Nil
(iii)	Assets acquired in satisfaction of debt	Nil

## Notes:

- As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.

In terms of our report attached

**For Agarwal Prasad & Co.**

Chartered Accountants

Firm's Registration Number: 311068E

**For and on behalf of the Board of Directors**

**Sd/-**

**S.K.Agrawal**

Partner

Membership No.50163

Place : Kolkata

Dated : 27th May, 2016.

**Sd/-**

**Tushar Choudhary**

Director

(DIN: 00174003)

**Sd/-**

**Anurag Choudhary**

Director

(DIN: 00173934)

**Sd/-**

**Monika Saraswat**

Company Secretary



## HIMADRI CREDIT & FINANCE LIMITED

CIN: L65921WB1994PLC062875

23A, Netaji Subhas Road, 8th Floor, Kolkata- 700 001

E-mail: [hcf@himadri.com](mailto:hcf@himadri.com) website: [www.himadricredit.in](http://www.himadricredit.in)

Ph No: (033) 2230-4363/ 9953

### Form No. MGT-11 Proxy form

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

Name and address of the member (s):			
E-mail Id:			
Folio No/ Client Id / DP ID:		No of Shares held	

I/We, being the member (s) of ..... shares of the above named Company, hereby appoint:

1. Name: .....

Address: .....

E-mail Id: .....Signature: ....., or failing him

2. Name: .....

Address: .....

E-mail Id: .....Signature: ....., or failing him

3. Name: .....

Address: .....

E-mail Id: .....Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21<sup>st</sup> Annual General Meeting of the Company, to be held on Friday, the 30 September 2016 at 9.30 a.m. at 8, India Exchange Place, 2nd Floor, Kolkata - 700001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description of Resolutions	For	Against
1	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31 March 2016 together with the report of the Board of Directors and Auditors thereon;		
2	To appoint a Director in place of Mr. Tushar Choudhary (DIN: 00174003), who retires by rotation and being eligible, offers himself for re-appointment;		
3	To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s) the following as an Ordinary Resolution:  <b>“RESOLVED THAT</b> pursuant to the provisions Section 139, 141 and 142 and any other applicable provisions if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modifications(s) or re-enactment thereof, for the time being in force) <b>M/s S. Jaykishan, Chartered Accountants</b> (Firm Registration No.: 309005E), be and are hereby appointed as Statutory Auditors of the Company (in place of retiring auditors who have expressed their unwillingness for re-appointment) for a period of five years and to hold the office from the conclusion of this 21 <sup>st</sup> Annual General Meeting till the conclusion of the 26 <sup>th</sup> Annual General Meeting (subject to ratification of the appointment by members at every Annual General Meeting) of the Company and that the Board of Directors of the Company be and is hereby authorised to fix such remuneration as may be recommended by the Audit Committee in the consultation with the Auditor, in addition thereto, the service tax as may be applicable and reimbursement of out of pocket expenses as may be incurred in connection with the audit of accounts of the Company.”		
<b>Special Business</b>			
4	To appoint Ms. Aditi Ganguly (DIN: 07553943) as Non Executive Director of the Company		

Signed this .....day of ..... 2016

\_\_\_\_\_  
Signature of shareholder

\_\_\_\_\_  
Signature of Proxy holder(s)

Affix  
Revenue  
Stamp of  
Re 1/-

**Notes:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A person can act as proxy on behalf of Member upto and not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company. Further, a member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.

## HIMADRI CREDIT & FINANCE LIMITED

CIN: L65921WB1994PLC062875

23A, Netaji Subhas Road, 8th Floor, Kolkata- 700 001

E-mail: [hcf@himadri.com](mailto:hcf@himadri.com) website: [www.himadricredit.in](http://www.himadricredit.in)

Ph No: (033) 2230-4363/ 9953

### ATTENDANCE SLIP

I certify that I am a member / proxy / authorized representative for the member of the Company. I hereby record my presence at the 21<sup>st</sup> Annual General Meeting of the Company being held on Friday, the 30 September 2016 at 09:30 a.m. at 8, India Exchange Place, 2<sup>nd</sup> Floor, Kolkata – 700001.

Name of the member/ proxy(In Block Letters)			
Folio No./ DP-ID/ CL- ID.		No of Shares held	

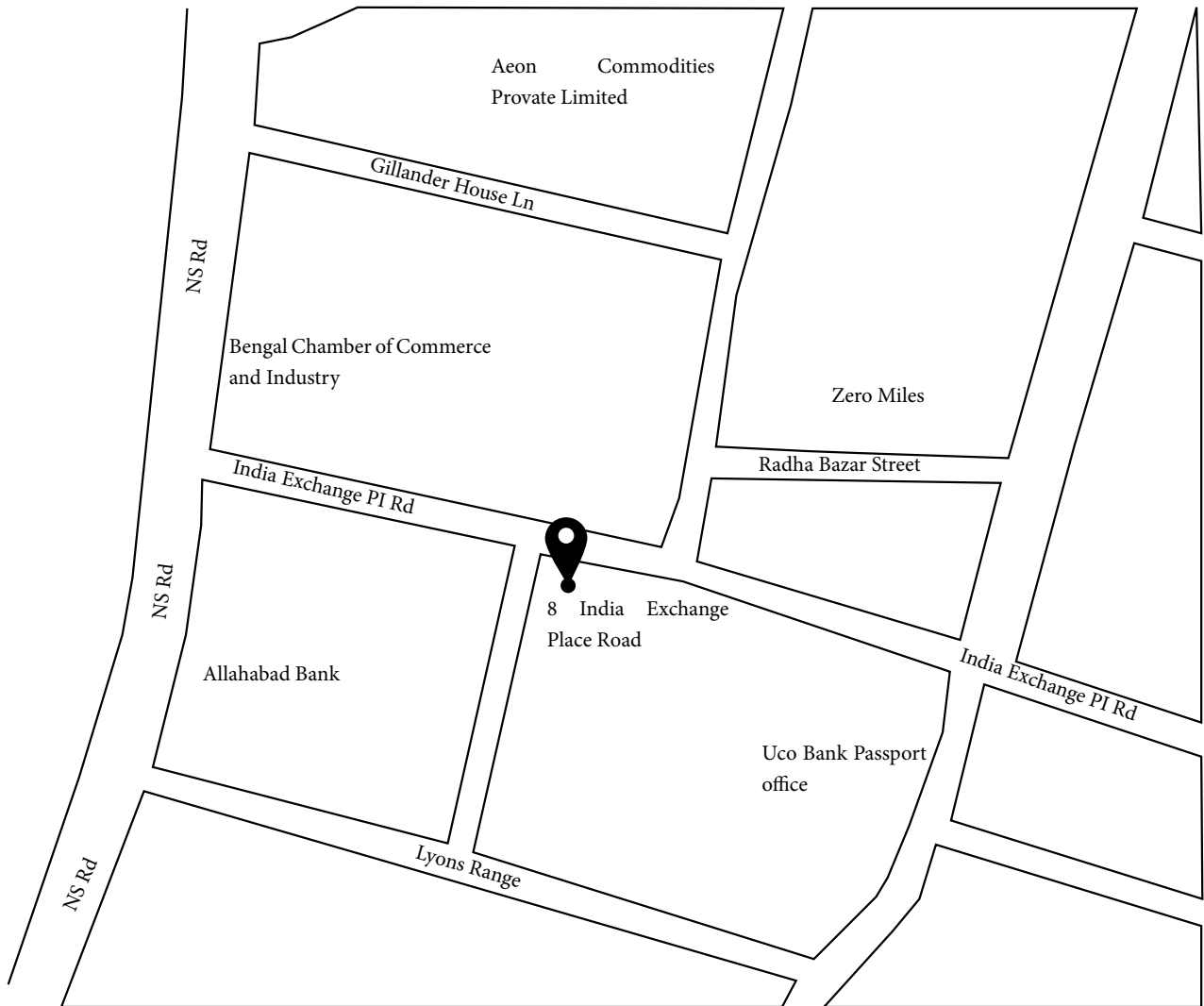
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Signature of the Shareholder/ Proxy/  
Authorized Representative Present

**Notes:**

1.Shareholders / Proxy holders wishing to attend the meeting must bring the Attendance Slip, duly filled in and signed and hand it over at the time of entrance into the meeting Hall and bring the copies of Annual Report at the meeting for reference.

# Route map of AGM Venue









*If undelivered please return to:*

**Himadri Credit & Finance Limited**

Registered Office:  
23A, Netaji Subhas Road,  
8<sup>th</sup> Floor, Kolkata - 700 001

