



33rd
ANNUAL REPORT
2015-2016

J. J. FINANCE CORPORATION LTD.



J. J. FINANCE CORPORATION LIMITED

33rd Annual Report 2015-16

BOARD OF DIRECTORS :

Mr. Anil Jhunjhunwala, *Director*

Mr. Shyam Bagaria, *Director*

Mr. Rajesh Poddar, *Director*

Mr. Brajesh Kumar Dhandhanian, *Independent Director*

Mrs. Hilla Eruch Bhathena, *Independent Woman Director*

MANAGEMENT EXECUTIVES :

Mr. Rabi Kumar Almal, *Chief Executive Officer*

Mr. Hriday Mondal, *Chief Financial Officer*

COMPANY SECRETARY :

Ms. Ankita Nigam

REGISTERED OFFICE :

3C, Park Plaza, 71, Park Street

3rd Floor, South Block

Kolkata - 700 016

STATUTORY AUDITOR :

M/S. Chaturvedi & Partners

Chartered Accountants

1/1, Meredith Street, Kolkata - 700 072

INTERNAL AUDITOR :

M/S. Guha & Matilal

Chartered Accountants

20, Strand Road, Kolkata - 700 001

SECRETARIAL AUDITOR :

M/S. Corporate Advisors Law Professionals LLP

2, Synagogue Street, Kolkata - 700 001

LEGAL ADVISORS :

R. L. Gaggar & Co.

BANKER :

Indian Overseas Bank

SHARE TRANSFER AGENT :

M/S. Niche Technologies Pvt. Ltd.

D-511, Bagree Market, 71, B.R.B. Basu Road

Kolkata - 700 001

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Annual General Meeting

Date : 14th September, 2016 at 03 : 30 P.M.

Venue : At Registered Office



DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting the Thirty Third (33rd) Annual Report and the Audited Financial Statements on the business and operations of your Company for the year ended 31st March, 2016.

FINANCIAL RESULTS

Particulars	₹ in thousand's	
	For the year ended 31st March	
	2016	2015
Profit before Depreciation	2214	2691
Less: Depreciation	102	143
Profit before Tax :	2112	2548
Current Tax	360	410
Deferred Tax	(22)	(26)
Income Tax for earlier year	4	(31)
Profit after Tax	1770	2195
Add : Balance brought forward from last year	13914	12187
Less : Transferred to Reserve U/s 45-IC of RBI Act, 1934	360	450
Provision towards Standard Assets	10	18
Balance carried forward	15314	13914

SUMMARY OF OPERATIONS

During the year, the net revenue from operations of your Company decreased by 7.67 %, from ₹ 45.07 Lakhs to ₹ 41.61 Lakhs. For FY 2015 - 16, your Company's profit after tax stood at ₹ 17.70 Lakhs vis-à-vis ₹ 21.95 Lakhs in the previous year, registering a decline of 19.36 %.

SHARE CAPITAL

During the year, the Company did not allot any shares nor did grant any stock options or sweat equity. As on March 31, 2016, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

As on 31st March, 2016, the issued, subscribed and paid up share capital of your Company stood at ₹ 2.82 crore, comprising 28.2 lakh Equity shares of ₹ 10/- each.

SUBSIDIARY, ASSOCIATES AND JOINT VENTURES

Your Company does not have any Subsidiary, Associate Companies or Joint Ventures. Accordingly, the disclosure of the financial statement of subsidiaries/associate companies/joint ventures as required pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 in Form AOC-1 is not applicable. However, in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated



a Policy on determination of Material Subsidiaries. The policy has been uploaded on the website of the Company at <http://www.jjfc.co.in>.

NEW LISTING AGREEMENT

In view of statutory enactment of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company entered into New Listing Agreement with the Bombay Stock Exchange Limited and the Calcutta Stock Exchange Limited on the 02nd day of December, 2015.

DIVIDEND AND RESERVES

In order to consolidate the position of the company, Directors do not recommend any Dividend for the year ended 31st March, 2016. During the year, your Company transferred a sum of ₹ 3.6 lakh to Special Reserve as per Section 45-IC of RBI Act, 1934.

PUBLIC DEPOSITS

The Company did not hold any public deposits at the beginning of the year nor has it accepted any public deposits during the year under review.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

Your Company had no significant and material changes affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

EXTRACT OF ANNUAL RETURN

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return is enclosed as **Annexure 1**.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis forms an integral part of this Report and gives details of the overall industry structure, developments, performance and state of affairs of the Company's business. The same is enclosed as **Annexure 2**.

BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company. The notice of each Board Meeting along with the agenda is given in writing to each Director separately and in exceptional cases tabled at the meeting. This ensures timely and informed decisions by the Board.

In the financial year 2015-16, the Board met nine times. The meetings were held on 22nd April, 2015, 28th May, 2015, 9th July, 2015, 03rd August, 2015, 29th August, 2015, 26th September, 2015, 09th November, 2015, 6th January, 2016 and 11th February, 2016. The interval between two meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



COMMITTEES OF BOARD

The details of current composition of the Committees of the Board of Directors are as under :

a. Audit Committee

Sl. No.	Name	Category of Directors/Members	Chairman/ Members
1	Mrs. Hilla Eruch Bhathena	Independent Director	Chairperson
2	Mr. Anil Jhunjunwala	Non- Executive Director	Member
3	Mr. Brajesh Kumar Dhandhanian	Independent Director	Member

*Mrs. Hilla Eruch Bhathena was inducted in the committee by the Board of Directors w.e.f. 22nd April, 2015 and Mr. Vijay Burman ceased to be a member of the committee after his resignation from the Board on 26th September, 2015.

During the year, the Committee had met on 28th May, 2015, 09th July, 2015, 03rd August, 2015, 09th November, 2015 and 11th February, 2016.

● Vigil Mechanism

Pursuant to the requirement of the Act, the Company has in place a vigil mechanism policy to report genuine concerns or grievances. The Vigil Mechanism Policy has been posted on the website of the Company at <http://www.jjfc.co.in>.

b. Nomination & Remuneration Committee

Sl. No.	Name	Category of Directors/Members	Chairman/ Members
1	Mrs. Hilla Eruch Bhathena	Independent Director	Chairperson
2	Mr. Rajesh Poddar	Non- Executive Director	Member
3	Mr. Brajesh Kumar Dhandhanian	Independent Director	Member

*Mrs. Hilla Eruch Bhathena was inducted in the committee by the Board of Directors w.e.f. 22nd April, 2015 and Mr. Vijay Burman ceased to be a member of the committee after his resignation from the Board on 26th September, 2015.

During the year, the Committee had met on 06th November, 2015 and 28th March, 2016.

c. Stakeholders Relationship Committee

Sl. No.	Name	Category of Directors/Members	Chairman/ Members
1	Mr. Anil Jhunjunwala	Non-Executive Director	Chairman
2.	Ms. Ankita Nigam	Company Secretary	Member

During the year, the Committee had met on 02nd April, 2015, 04th June, 2015, 17th July, 2015, 31st August, 2015, 04th November, 2015 and 19th January, 2016.

MEETING OF INDEPENDENT DIRECTORS

As required under Regulation 25(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule IV of the Act, the Independent Directors of the listed entity shall hold at least one meeting in a year, without the presence of non-independent directors to discuss the matters specified therein.



Sl. No.	Name	Category of Directors/Members	Chairman/ Members
1	Mr. Brajesh Kumar Dhandhanian	1	1
2	Mrs. Hilla Eruch Bhatena	1	1

During the year, a meeting of the Independent Directors was held on 26th November, 2015. All Independent Directors were present in the meeting.

Types of Meetings	Date of Meeting	Names of Directors'/ Members Present
Board Meetings	22.04.2015	Mr. Anil Jhunjhunwala, Mr. Brajesh Kumar Dhandhanian, Mrs. Hilla Eruch Bhatena, Mr. Rajesh Kumar Poddar, Mr. Shyam Bagaria & Mr. Vijay Burman.
	28.05.2015	Mr. Anil Jhunjhunwala, Mrs. Hilla Eruch Bhatena, Mr. Rajesh Kumar Poddar, Mr. Shyam Bagaria & Mr. Vijay Burman.
	09.07.2015	Mr. Anil Jhunjhunwala, Mr. Brajesh Kumar Dhandhanian, Mrs. Hilla Eruch Bhatena, Mr. Rajesh Kumar Poddar, Mr. Shyam Bagaria & Mr. Vijay Burman.
	03.08.2015	Mr. Anil Jhunjhunwala, Mr. Brajesh Kumar Dhandhanian, Mrs. Hilla Eruch Bhatena, Mr. Rajesh Kumar Poddar, Mr. Shyam Bagaria & Mr. Vijay Burman.
	29.08.2015	Mr. Anil Jhunjhunwala, Mrs. Hilla Eruch Bhatena, Mr. Rajesh Kumar Poddar, Mr. Shyam Bagaria & Mr. Vijay Burman.
	26.09.2015	Mr. Anil Jhunjhunwala, Mr. Brajesh Kumar Dhandhanian, Mrs. Hilla Eruch Bhatena, Mr. Rajesh Kumar Poddar & Mr. Shyam Bagaria.
	09.11.2015	Mr. Anil Jhunjhunwala, Mr. Brajesh Kumar Dhandhanian, Mrs. Hilla Eruch Bhatena, Mr. Rajesh Kumar Poddar & Mr. Shyam Bagaria.
	06.01.2016	Mr. Anil Jhunjhunwala, Mr. Brajesh Kumar Dhandhanian, Mrs. Hilla Eruch Bhatena, Mr. Rajesh Kumar Poddar & Mr. Shyam Bagaria.
	11.02.2016	Mr. Anil Jhunjhunwala, Mr. Brajesh Kumar Dhandhanian, Mrs. Hilla Eruch Bhatena, Mr. Rajesh Kumar Poddar & Mr. Shyam Bagaria.
	Audit Committee Meetings	28.05.2015
09.07.2015		Mr. Anil Jhunjhunwala, Mrs. Hilla Eruch Bhatena & Mr. Brajesh Kumar Dhandhanian.
03.08.2015		Mr. Anil Jhunjhunwala, Mrs. Hilla Eruch Bhatena & Mr. Brajesh Kumar Dhandhanian.
09.11.2015		Mr. Anil Jhunjhunwala, Mrs. Hilla Eruch Bhatena & Mr. Brajesh Kumar Dhandhanian.
11.02.2016		Mr. Anil Jhunjhunwala, Mrs. Hilla Eruch Bhatena & Mr. Brajesh Kumar Dhandhanian.

**J.J. FINANCE CORPORATION LIMITED**

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Types of Meetings	Date of Meeting	Names of Directors'/ Members Present
Annual General Meeting	29.08.2015	Mr. Anil Jhunjunwala, Mrs. Hilla Eruch Bhatena, Mr. Rajesh Kumar Poddar, Mr. Shyam Bagaria & Mr. Vijay Burman.
Nomination & Remuneration Committee Meetings	06.11.2015	Mr. Brajesh Kumar Dhandhanian, Mrs. Hilla Eruch Bhatena & Mr. Rajesh Kumar Poddar.
	28.03.2016	Mr. Brajesh Kumar Dhandhanian, Mrs. Hilla Eruch Bhatena & Mr. Rajesh Kumar Poddar.
Stakeholder Relationship Committee Meetings	02.04.2015	Mr. Anil Jhunjunwala & Ms. Ankita Nigam
	04.06.2015	Mr. Anil Jhunjunwala & Ms. Ankita Nigam.
	17.07.2015	Mr. Anil Jhunjunwala & Ms. Ankita Nigam.
	31.08.2015	Mr. Anil Jhunjunwala & Ms. Ankita Nigam.
	04.11.2015	Mr. Anil Jhunjunwala & Ms. Ankita Nigam.
	19.01.2016	Mr. Anil Jhunjunwala & Ms. Ankita Nigam.
Meeting of Independent Directors	26.11.2015	Mr. Brajesh Kumar Dhandhanian & Mrs. Hilla Eruch Bhatena

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Shyam Bagaria, Director retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for reappointment.

During the year, no new Directors have been appointed in the Company. Mr. Vijay Burman, has resigned as Independent Director of the Company with effect from 26.09.2015.

There has been no change in the Key Managerial Personnel's of the Company during the year.

Directors/KMP'S as on 01.04.2015	Appointment during the year	Resignation/Retirement during the year	Directors/KMP'S as on 31.03.2016
Mr. Anil Jhunjunwala	-	-	Mr. Anil Jhunjunwala
Mr. Rajesh Kumar Poddar	-	-	Mr. Rajesh Poddar
Mr. Shyam Bagaria	-	-	Mr. Shyam Bagaria
Mr. Brajesh Kumar Dhandhanian	-	-	Mr. Brajesh Kumar Dhandhanian
Mr. Vijay Burman	-	26.09.2015	-
Mrs. Hilla Eruch Bhatena	-	-	Mrs. Hilla Eruch Bhatena
Mr. Rabi Kumar Almal (CEO)	-	-	Mr. Rabi Kumar Almal (CEO)
Ms. Ankita Nigam (CS)	-	-	Ms. Ankita Nigam (CS)
Mr. Hriday Mondal (CFO)	-	-	Mr. Hriday Mondal (CFO)

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that :

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors 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 and loss of the company for that period;
- (c) the directors 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) the directors had prepared the annual accounts on a going concern basis;
- (e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION BY INDEPENDENT DIRECTORS

Mr. Brajesh Kumar Dhandhanian and Mrs. Hilla Eruch Bhatena are Independent Directors on the Board of your Company. These Non-Executive Independent Directors fulfill the conditions of Independence specified in Section 149(6) of the Companies Act, 2013 and Rules made thereunder and meet with the requirement of Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as entered into with the Stock Exchanges. A format of letter of appointment to Independent Director as provided in Companies Act, 2013 and the Listing Regulations has been issued and disclosed on the website of the Company at <http://www.jjfc.co.in>

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board has carried out annual performance evaluation of its own performance, the Directors individually as well as the evaluation of all Committees of the Board for the Financial Year 2015-16. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its shareholders. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Non Independent Directors was carried out by the Independent Directors.

The directors expressed their satisfaction with the evaluation process

COMPANY'S POLICY ON APPOINTMENT AND REMUNERATION

In accordance with Section 178 of the Companies Act, 2015, and Schedule II of SEBI (Listing Obligations and Disclosure



Requirements) Regulations, 2015, the Board of Directors has in place a Policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and remuneration policy for KMP and others. The Policy of Nomination and Remuneration Committee has been framed to encourage diversity of thought, experience, knowledge, perspective, age and gender in the Board. The Remuneration Policy for Directors, Key Managerial Personnel and all other employees is aligned to the philosophy on the commitment of fostering a culture of leadership with trust. The Remuneration Policy aims to ensure that the level and composition of the remuneration of the Directors, Key Managerial Personnel and all other employees is reasonably sufficient to attract, retain and motivate them to successfully run the Company. The Details of Remuneration paid by the Company is given in MGT-9 of the Annual Report. The Nomination & Remuneration Policy of the Company has been disclosed on the website of the Company at <http://www.jjfc.co.in>.

INTERNAL FINANCIAL CONTROLS

Effective Internal Controls are necessary for building up an efficient organization. Our Company has adequate Internal Control systems in place to ensure accuracy, transparency and accountability in its operations. A dedicated concurrent audit team functioning within the Company confirms that the activities are in compliance with its policies and occurrences of deviations are reported to the Management. The concurrent audit report is reviewed by the internal auditors - M/s Guha & Matilal, a firm of practicing Chartered Accountants. Internal auditors review operations of the Company and ensure that the Company is functioning within the limits of all applicable statutes. Any Internal Control weaknesses, non compliance with statutes and suggestions on improvements in existing practices forms part of internal audit report. Audit Committee reviews the internal audit report and ensures that observations pointed out in the report are addressed in a timely and structured manner by the Management. The Internal Audit Report is reviewed by Statutory Auditors while performing audit functions to confirm that there are no transactions conflicting with interests of the Company. The Internal Financial Controls with reference to the Financial Statements are commensurate with the size and nature of business of the Company. Further, it is believed that the controls are largely operating effectively since there has not been any identification of any major material weakness in the company. The directors have in the Directors Responsibility Statement under paragraph (e) confirmed the same to this effect.

STATUTORY AUDITORS, THEIR REPORT AND NOTES TO FINANCIAL STATEMENTS

In the last AGM held on August 29, 2015, the appointment of M/s. Chaturvedi & Partners, Chartered Accountants as Statutory Auditors of the Company, has been ratified. Ratification of is again being sought from the members of the Company at the ensuing AGM. Further, the report of the Statutory Auditors along with notes to Schedules is enclosed to this report. The Auditors' Report is self-explanatory and therefore does not call for any further comments.

SECRETARIAL AUDITOR AND THEIR REPORT

In terms of Section 204 of the Act and Rules made there under, M/s. Corporate Advisors Law Professionals LLP, represented by Ms. Disha Dugar, Practicing Company Secretary, had been appointed Secretarial Auditor of the Company. The Secretarial Audit Report, enclosed as Annexure 3 is self-explanatory and does not call for any further comments.

INTERNAL AUDITOR AND THEIR REPORT

The Company had appointed internal auditors, M/s Guha & Matilal, a firm of practicing Chartered Accountants to carry out the internal audit functions. The Internal auditor submits half yearly reports to the audit committee. The Internal Auditors' Reports are self explanatory and therefore does not call for any further comments.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The provisions of Section 186 of the Act pertaining to investment and lending activities are not applicable to the Company



since the Company is a Non Banking Financial Company. Details of guarantees and/or security in connection with loans to other body corporates or persons are given in notes to the Financial Statements.

RELATED PARTY TRANSACTIONS

In line with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has in place a Policy on Related Party Transactions which is also available on Company's website at <http://www.jjfc.co.in>. The Policy intends to ensure that proper reporting; approval and disclosure processes are in place for all transactions between the Company and Related Parties. All Related Party Transactions are placed before the Audit Committee for review and approval. The Company obtains prior omnibus approvals, if required, for Related Party Transactions on a quarterly basis for transactions which are of repetitive nature and / or entered in the Ordinary Course of Business and are at Arm's Length basis. The provisions of Section 188(1) do not attract as all Related Party Transactions entered during the year were in Ordinary Course of the Business and on Arm's Length basis. No Material Related Party Transactions, i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements, were entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

PARTICULARS OF EMPLOYEES

Your Company treats its "Human Resources" as one of its most important assets. The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company will be provided upon request. In terms of section 136 of the Act, the Reports and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard. None of the employees were drawing in excess of the limits as specified by the Companies Act, 2013 and the rules made thereunder that needs disclosing in the Directors Report.

RISK MANAGEMENT POLICY

In terms of the requirement of the Act, the Company has developed and implemented the Risk Management Policy and the Audit Committee of the Board reviews the same periodically. The Risk Management policy inter alia provides for review of the risk assessment and minimization procedure, laying down procedure to inform the Board in the matter and for periodical review of the procedure to ensure that management controls the risks through properly defined framework.

CORPORATE GOVERNANCE

Since the paid up share capital of your Company and its net-worth was below the prescribed limits under Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; Corporate Governance is not applicable on the Company in the financial year 2015-2016.

CORPORATE SOCIAL RESPONSIBILITY

Since your Company does not fall under the threshold laid down in section 135 of the Companies Act, 2013, the provision of section 134(3)(o) of the Companies Act, 2013 is not applicable and no disclosure is required by the Board.

DISCLOSURE PURSUANT TO LISTING REGULATIONS

Necessary disclosures pursuant to listing regulations are made hereunder:-

The shares of the company are listed on the following Stock Exchanges in the period under review.



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Name and Address of the Stock Exchange	Security Listed
1. The Calcutta Stock Exchange Ltd. 7, Lyons Range, Kolkata - 700 001	Equity Shares
2. The Bombay Stock Exchange Ltd 25th Floor, P. J. Towers, Dalal Street, Fort, Mumbai - 400 001	Equity Shares
3. The Delhi Stock Exchange Ltd DSE House, 3/1, Asaf Ali Road, New Delhi - 110 002	Equity Shares

The Listing fees to The Calcutta Stock Exchange Ltd. and The Bombay Stock Exchange Ltd. for the Financial Year 2016 - 17 have been paid.

Securities and Exchange Board of India has derecognized Delhi Stock Exchange Ltd, hence no invoice was raised.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

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

The Company, being a Non-Banking Finance Company (NBFC), does not have any manufacturing activity neither does it have any foreign exchange earnings or any foreign exchange outgo. The Directors, therefore, have nothing to report on conservation of energy and technology absorption.

DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

During the Financial Year 2015-16, no complaints of sexual harassment were reported.

ACKNOWLEDGEMENT

Your Directors place on record their appreciation for employees at all levels, who have contributed to the growth and performance of your Company.

Your Directors also thank the clients, vendors, bankers, shareholders and advisers of the Company for their perennial support during the year.

We also express our gratitude towards the Central and State Governments, and other statutory authorities for their continued support.

For and on behalf of the Board

Place : Kolkata

Dated : 15th July, 2016

Anil Jhunjunwala

Director

DIN : 00128717

Shyam Bagaria

Director

DIN : 00121949



CHIEF EXECUTIVE OFFICER & CHIEF FINANCIAL OFFICER CERTIFICATION

We have reviewed the financial statements, read with the cash flow statement of J. J. Finance Corporation Limited for the year ended March 31, 2016 and that to the best of my knowledge and belief, we state that :

- A) (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- (2) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B) These are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's Code of Conduct.
- C) We accept responsibility for establishing and maintaining internal controls for financial reporting. I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and audit committee that there are no deficiencies in the design or operation of internal control.
- D) We have indicated to the auditors and audit committee :
- (1) There are no significant changes in internal control over financial reporting during the year;
- (2) There are no significant changes in accounting policies made during the year and
- (3) There are no instances of fraud involving the management or an employee.

For J. J. Finance Corporation Limited

Place : Kolkata

Dated : 15th July, 2016

Rabi Kumar Almal
Chief Executive Officer

Hriday Mondal
Chief Financial Officer



FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON 31ST 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 : L65921WB1982PLC035092
- (ii) Registration Date : 17th July, 1982
- (iii) Name of the Company : J J Finance Corporation Limited
- (iv) Category/Sub-Category of the Company : Company Limited by Shares
Indian Non Government Company
- (v) Address of the Registered Office and contact details : 3C, Park Plaza, 71 Park Street, 3rd Floor,
South Block, Kolkata - 700 016
Phone No. +91-33-2229-1083 / 84 / 6000
- (vi) Whether listed Company (Yes/No) : Yes
- (vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : M/s. Niche Technologies Pvt. Ltd.
D-511, Bagree Market,
71, B.R.B. Basu Road, Kolkata - 700 001
Phone No. +91-33-2235-7271/70

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	Financial Income	6499*	78.75
2	Electricity Generation	3510*	21.25

* The NIC code of the Product or Service has been mentioned as per the Ministry of Statistics and Product Implementation. Link:- http://mospi.nic.in/Mospi_New/upload/nic_2008_17apr09.pdf

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
Company does not have any Holding, Subsidiary or Associate Companies.					



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

i) Category-wise Share Holding

Sl. No.	Category of Shareholders	No. of Share held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	Promoters									
1)	Indian									
	a) Individual/HUF	526313	—	526313	18.664	581661	1800	583461	20.69	2.026
	b) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	c) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	d) Bodies Corp.	702329	—	702329	24.905	702329	—	702329	24.905	0.000
	e) Banks/Fl	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	f) Any Other.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Sub-total(A)(1):	1228642	—	1228642	43.569	1283990	1800	1285790	45.595	2.026
2)	Foreign									
	a) NRIs - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	b) Other- Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	d) Banks/Fl	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	e) Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Sub-total (A) (2):	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total shareholding of Promoter (A) = (A)(1)+(A)(2)	1228642	—	1228642	43.569	1283990	1800	1285790	45.595	2.026
B.	Public Shareholding									
1.	Institutions									
	a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	b) Banks/Fl	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	c) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	d) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	g) Flls	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Sub-total (B)(1):	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2.	Non-Institutions									
	a) Bodies Corp.									
	i. Indian	214862	341475	556337	19.728	203257	341475	544732	19.317	-0.411
	ii. Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil



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Sl, No.	Category of Shareholders	No. of Share held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
	b) Individuals									
	i. Individual shareholders holding nominal share capital upto Rs. 1 lakh	93296	436746	530042	18.796	89736	429446	519182	18.411	-0.385
	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	352062	150000	502062	17.804	317966	150000	467966	16.595	-1.209
	c) QFI - Individual	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	d) Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	i) NRI/OCBs	257	100	357	0.013	257	100	357	0.013	0.000
	ii) Clearing Memb./ Clearing Corps.	2560	0	2560	0.091	1973	0	1973	0.070	-0.021
	Sub-total (B)(2) :	663037	928321	1591358	56.431	613189	921021	1534210	54.405	-2.026
	Total Publicshareholding (B)=(B)(1)+ (B)(2)	663037	928321	1591358	56.431	613189	921021	1534210	54.405	-2.026
C.	Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Grand Total (A+B+C)	1891679	928321	2820000	100.000	1897179	922821	2820000	100.000	0.000

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			%of 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	A. K. JHUNJHUNWALA H.U.F	45800	1.624	0.000	45800	1.624	0.000	0.000
2	ANIL JHUNJHUNWALA	97938	3.473	0.000	134794	4.780	0.000	1.307
3	ANITA KANOI	20100	0.713	0.000	20100	0.713	0.000	0.000
4	J. J. AUTOMOTIVE LTD.	27100	0.961	0.000	27100	0.961	0.000	0.000
5	J.J. PROJECTS PVT. LTD	549729	19.494	0.000	549729	19.494	0.000	0.000
6	K P JHUNJHUNWALA	139425	4.944	0.000	139425	4.944	0.000	0.000
7	K. P. JHUNJHUNWALA H.U.F	50100	1.777	0.000	50100	1.777	0.000	0.000
8	KANAKLATA JHUNJHUNWALA	142000	5.035	0.000	142000	5.035	0.000	0.000
9	KOHINOOR STOCK BROKING PVT LTD	125500	4.450	0.000	125500	4.450	0.000	0.000
10	VEDIKA JHUNJHUNWALA	4000	0.142	0.000	24292	0.861	0.000	0.719
11	VIDHIBERI	26950	0.956	0.000	26950	0.956	0.000	0.000
	TOTAL	1228642	43.569	0.000	1285790	45.595	0.000	2.026



iii. Change in Promoter's Shareholding

Sl. No.	Particulars	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	A. K. JHUNJHUNWALA H.U.F				
	a) At the Beginning of the Year	45800	1.624		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			45800	1.624
2	ANIL JHUNJHUNWALA				
	a) At the Beginning of the Year	97938	3.473		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	Date Reason				
	17/07/2015 Transfer	200	0.007	98138	3.480
	09/10/2015 Transfer	3968	0.141	102106	3.621
	16/10/2015 Transfer	9000	0.319	111106	3.940
	23/10/2015 Transfer	3297	0.117	114403	4.057
	30/10/2015 Transfer	4038	0.143	118441	4.200
	04/11/2015 Transfer	100	0.004	118541	4.204
	18/03/2016 Transfer	1891	0.067	120432	4.271
	25/03/2016 Transfer	14362	0.509	134794	4.780
	c) At the End of the Year			134794	4.780
3	ANITA KANOI				
	a) At the Beginning of the Year	20100	0.713		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			20100	0.713
4	J. J. AUTOMOTIVE LTD.				
	a) At the Beginning of the Year	27100	0.961		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			27100	0.961
5	J.J. PROJECTS PVT. LTD				
	a) At the Beginning of the Year	549729	19.494		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			549729	19.494
6	K P JHUNJHUNWALA				
	a) At the Beginning of the Year	139425	4.944		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			139425	4.944
7	K. P. JHUNJHUNWALA H.U.F				
	a) At the Beginning of the Year	50100	1.777		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			50100	1.777



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Sl. No.	Particulars	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	KANAKLATA JHUNJHUNWALA				
	a) At the Beginning of the Year	142000	5.035		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			142000	5.035
9	KOHINOOR STOCK BROKING PVT LTD				
	a) At the Beginning of the Year	125500	4.450		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			125500	4.450
10	VEDIKA JHUNJHUNWALA				
	a) At the Beginning of the Year	4000	0.142		
	Date Reason				
	30/10/2015 Transfer	1249	0.044	5249	0.186
	06/11/2015 Transfer	3850	0.137	9099	0.323
	13/11/2015 Transfer	1000	0.035	10099	0.358
	20/11/2015 Transfer	4000	0.142	14099	0.500
	27/11/2015 Transfer	3000	0.106	17099	0.606
	04/12/2015 Transfer	5200	0.184	22299	0.791
	11/12/2015 Transfer	1993	0.071	24292	0.861
	c) At the End of the Year			24292	0.861
11	VIDHIBERI				
	a) At the Beginning of the Year	26950	0.956		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			26950	0.956
	TOTAL	1228642	43.569	1285790	45.595

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holder of GDRs and ADRs) :

Sl. No.	For Each of the Top 10 Shareholders	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	ASHARAM SARDA				
	a) At the Beginning of the Year	245000	8.688		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			245000	8.688
2	ASHISH VINIMAY PVT. LTD.				
	a) At the Beginning of the Year	60000	2.128		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			60000	2.128
3	BAJAJ TRADE DEVELOPMENTS LTD				
	a) At the Beginning of the Year	50000	1.773		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			50000	1.773



Sl. No.	For Each of the Top 10 Shareholders	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
4	BULA MODAK				
	a) At the Beginning of the Year	70000	2.482		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			70000	2.482
5	C D COMPUTERS PVT. LTD.				
	a) At the Beginning of the Year	127525	4.522		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			127525	4.522
6	MANORMA ALMAL				
	a) At the Beginning of the Year	25352	0.899		
	b) Changes during the year				
	Date Reason				
	16/10/2015 Transfer	250	0.009	25593	0.908
	30/10/2015 Transfer	50	0.002	25643	0.909
	27/11/2015 Transfer	497	0.018	26140	0.927
	04/12/2015 Transfer	-24	0.001	26116	0.926
	c) At the End of the Year			26116	0.926
7	NITIN FINVEST PRIVATE LIMITED				
	a) At the Beginning of the Year	50000	1.773		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			50000	1.773
8	RABI KUMAR ALMAL				
	a) At the Beginning of the Year	23350	0.828		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			23350	0.828
9	RESOURCE VINCOM PRIVATE LIMITED				
	a) At the Beginning of the Year	134554	4.771		
	b) Changes during the year				
	Date Reason				
	16/10/2015 Transfer	830	0.029	135384	4.801
	c) At the End of the Year			135384	4.801
11	SANJAY KUMAR MODAK				
	a) At the Beginning of the Year	5000	0.177		
	b) Changes during the year				
	Date Reason				
	18/03/2016 Transfer	18500	0.656	23500	0.833
	c) At the End of the Year			23500	0.833
11	SHIV PUJAN SINGH				
	a) At the Beginning of the Year	80000	2.837		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			80000	2.837
	TOTAL	870772	30.878	890875	31.591



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v. Shareholding of Directors and Key Managerial Personnel

Sl. No.	For Each of the Top 10 Shareholders	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	ANIL JHUNJHUNWALA				
	a) At the Beginning of the Year	97938	3.473		
	b) Changes during the year				
	Date Reason				
	17/07/2015 Transfer	200	0.007	98138	3.480
	09/10/2015 Transfer	3968	0.141	102106	3.621
	16/10/2015 Transfer	9000	0.319	111106	3.940
	23/10/2015 Transfer	3297	0.117	114403	4.057
	30/10/2015 Transfer	4038	0.143	118441	4.200
	04/11/2015 Transfer	100	0.004	118541	4.204
	18/03/2016 Transfer	1891	0.067	120432	4.271
	25/03/2016 Transfer	14362	0.509	134794	4.780
	c) At the End of the Year			134794	4.780
2	SHYAM BAGARIA				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	20/11/2015 Transfer	1500	0.053	1500	0.053
	c) At the End of the Year			1500	0.053
3.	RABI KUMAR ALMAL				
	a) At the Beginning of the Year	23350	0.828		
	b) Changes during the year				
					[NO CHANGES DURING THE YEAR]
	c) At the End of the Year			23350	0.828
	TOTAL	121288	4.301	159644	5.661

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
i) Addition				
ii) Reduction				
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				

The Company has no Indebtedness during the year



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager :

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1	Gross Salary	<i>The Company has no Managing Director, Whole Time Director or Manager during the year.</i>	
	(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) Profit 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		
	Total (A)		
	Ceiling as per the Act		

B. Remuneration to other Directors :

Sl No.	Particulars of Remuneration	Names of Directors			Total Amount
1	Independent Directors	Mr. Brajesh Kumar Dhandhanania	Mr. Vijay Burman	Mrs. Hilla Eruch Bhathena	
	– Fee for attending board committee meetings	–	–	–	–
	– Commission	–	–	–	–
	– Others, please specify	–	–	–	–
	Total (1)	–	–	–	–
2	Other Non-Executive Directors	Mr. Anil Jhunjunwala	Mr. Shyam Bagaria	Mr. Rajesh Kumar Poddar	–
	– Fee for attending board committee meetings	–	–	–	–
	– Commission	–	–	–	–
	– Others, please specify	–	–	–	–
	Total (2)	–	–	–	–
	Total (B)=(1+2)	–	–	–	–
	Total Managerial Remuneration	–	–	–	–
	Overall Ceiling as per the Act				

Note : 1. No remuneration was paid to other Directors during the year as they all are in either Non-Executive Directors or Independent Directors.
2. Mr. Vijay Burman resigned with effect from 26.09.2015, no remuneration was paid to him during the year.



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C. Remuneration to Key Managerial Personnel, other than MD/Manager/WTD :

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		Mr. Rabi Kumar Almal (Chief Executive Officer)	Ms. Ankita Nigam (Company Secretary)	Mr. Hriday Mondal (Chief Financial Officer)	Total Amount
1	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	₹ 2,16,000	₹ 2,40,000	₹ 2,04,000	₹ 6,60,000
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	—	—	—	—
	(c) Profit 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	—	—	—	—
	TOTAL	₹ 2,16,000	₹ 2,40,000	₹ 2,04,000	₹ 6,60,000

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

	Type	Section of the Companies Act	Brief Description	Details of Penalty Punishment / Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made if any (Give Details)
A. COMPANY	Penalty					
	Punishment					
	Compounding					
B. DIRECTORS	Penalty					
	Punishment					
	Compounding					
C. OTHER OFFICERS IN DEFAULT	Penalty					
	Punishment					
	Compounding					

There were no cases of penalties, punishments or compounding of offences during the year



MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

Non Banking Financial Companies play a vital role in the financial sector of our economy along with other financial institutions. Over the years, due to their strategic management practices and refined operational techniques coupled with lower costs of delivery, lower restrictions on customers etc., have led to it being an alternate choice and at times the first choice for several customers, who need financing. While the RBI has made regulations stringent for the NBFCs, it has also recognized the utility of the NBFCs and thereby made them eligible to set up Banks and also act as an extension of Banks, where the Banks cannot reach. Due to the increase in finance space by NBFCs, the RBI's surveillance has increased. Through its various regulatory measures NBFCs are brought under stricter supervisory regime of RBI. While several steps are being taken to increase the role that the NBFCs play, norms are being strengthened to ensure that there is a strong, transparent and robust non banking financial sector.

OPPORTUNITIES AND THREATS

Opportunities

Reports from the World Bank indicate that Non Banking Financial Institutions act as critical pillars contributing to macroeconomic stability and sustained economic growth and prosperity, due to their ability to finance firms and individuals at a reasonable cost, reduce volatility by providing multiple sources to finance and park funds and enable creation of a competitive environment characterized by a diverse array of products. This has been proven time and again in developed markets. Non-Banking Finance Companies (NBFCs) continue to play a critical role in making financial Services accessible to a wider set of India's population and are emerging as strong intermediaries in the retail finance space. Going forward, one should expect NBFCs to further strengthen their presence in retail finance and grow at a reasonably healthy pace.

Threats

The biggest challenge before NBFCs is that they are facing stiff competition from banks and financial institutions, due to their ability to raise low cost funds which enables them to provide funds at much cheaper rate. More stringent capital adequacy norms have been stipulated by RBI for NBFCs which is making difficult for them to give cheaper finance. Ever-increasing competition from commercial counterparts whose capacity to absorb losses is higher, counter-party failures, recommendations being made to increase the purview of monitoring by regulatory authorities increase the threat of losing the essence of Non-banking Finance Companies which are specifically designed to reach out and finance certain target groups.

SEGMENT -WISE PERFORMANCE

The Company is a Non Banking Finance Company (NBFC). It is engaged in the business of financing which is the major segment in the Company. Besides financing, your Company is also involved in generation of electricity through its windmill located in Tamil Nadu. Hence, the results for the year under review pertain to both financing activity and electricity generation. Detailed segment wise revenue break-up is shown in the notes to financial statements.

OUTLOOK

As the markets continue to grow and mature leading to differentiation of products and services. Each financial intermediary



will have to find its niche in order to add value to consumers. The Company is cautiously optimistic in its outlook for the year 2016-17.

RISKS AND AREAS OF CONCERN

The NBFC industry in general faces the risk of re-entry and new entry of players and existence of several unorganized regional players increasing the competition which mainly affects the asset quality. This is further characterized by captive NBFCs floated by other business houses. The ever existing systemic and delinquency risks and fluctuations in interest rates make the companies more vulnerable. Deployment of funds in sensitive and volatile sectors increases the risk exposure while concentration risk increases dependency

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Internal Control measures and systems are established to ensure the correctness of the transactions and safeguarding of the assets of the Company. The Management ensures adherence to all internal control policies and procedures as well as compliance with regulatory guidelines. The audit committee of the Board of Directors reviews the adequacy of internal controls. This has improved the management of the affairs of the Company and strengthened transparency and accountability.

DISCUSSION ON FINANCIAL PERFORMANCE

During the year, the net revenue from operations of your Company decreased by 7.67 %, from ₹ 45.07 Lakhs to ₹ 41.61 Lakhs. For FY 2015 - 16, your Company's profit after tax stood at ₹ 17.70 Lakhs vis-à-vis ₹ 21.95 Lakhs in the previous year, registering a decline of 19.36 %.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company always considers its human resources as a valuable asset and is committed towards their development for continuous growth. Focus on training to enhance the skill-sets of employees in line with the business and market requirements continued throughout the year and it confers recognition based on merit. The employee relations have continued to be harmonious throughout the year. The Company has three (3) permanent employees as on 31st March 2016.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of the applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could influence the Company's operations include economic and political conditions in which the Company operates, interest rate fluctuations, changes in Government/RBI regulations, Tax laws, other statutes and incidental factors.



FORM NO. MR-3
SECRETARIAL AUDIT REPORT

ANNEXURE 3

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2016

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

To,
The Members,
JJ Finance Corporation Limited
3C, Park Plaza, 71, Park Street,
Kolkata- 700 016

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by JJ Finance Corporation Limited 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 JJ Finance Corporation Limited 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 covering the financial year ended on 31st 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 JJ Finance Corporation Limited ("the Company") for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
 - (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, 2015;
- (iv) The Reserve Bank of India Act, 1934;

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Calcutta Stock Exchange Limited (CSE) & Bombay Stock Exchange Limited (BSE);

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

I further report that

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. 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. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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.

Place : Kolkata
Date : 01.07.2016

Disha Dugar
FCS No. : 8128
CP No. : 10895



INDEPENDENT AUDITORS' REPORT

To the Members of J J Finance Corporation Limited

Report on the Standalone Financial Statements

We have audited the accompanying Standalone Financial Statements of J. J. Finance Corporation Ltd. ('the Company'), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss and 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 Standalone 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 and presentation of these standalone 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 adequate 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 standalone 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 auditor's 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. 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 standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 and 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 (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure-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 purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it 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 Standalone 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 representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st 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 explanations given to us :
 - (i) The Company does not have any pending litigations which would impact its financial position in its financial statements;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there are any material foreseeable losses;
 - (iii) There is no amount which were required to be transferred to the Investor Education and Protection Fund by the Company during the year.

For CHATURVEDI & PARTNERS

Chartered Accountants

Firm Reg No. 307068E

CA Anup Kumar Dubey

Partner

Membership No. 054975

Place : Kolkata

Dated: 26th May, 2016



ANNEXURE-A TO THE AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the members of J. J. Finance Corporation Ltd. (the Company) on the standalone financial statements for the year ended 31 March 2016, we report that :

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) These fixed assets have been physically verified by the management at reasonable intervals during the year. No material discrepancies were noticed on such verification.
 - (c) According to information and explanations given to us ,and on the basis of examination of records of the Company, we report that the title deeds of immovable properties are held in the name of the company.
- (ii) The inventories have been physically verified by the management at regular intervals during the year. There were no material discrepancies noticed on physical verification of inventory as compared to the book records. '
- (iii) The company has granted unsecured loan to a Company covered in the register maintained under section 189 of the Companies Act, 2013 . The terms and conditions of the grant of such loans are not prejudicial to the company's interest. As per information and explanation given to us, the loan is repayable on demand, and there is no overdue amount; hence, Para 3(iii) (b) & (c) are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are no guarantees and securities granted in respect of which provisions of Section 185 and 186 of the Companies Act 2013 are applicable. Based on our audit procedures performed and according to information and explanations given by the management, the Company has complied with provisions of Section 186 of the Act in respect of loans granted and investments made during the year.
- (v) The Company has not accepted any deposit; and hence, Para 3(v) of the Order is not applicable.
- (vi) As informed, maintenance of cost records has not been specified by the Central Government u/s 148(1) of the Companies Act; hence Para 3(vi) of the Order is not applicable.
- (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, service tax, duty of customs, duty of excise , value added tax, cess and other material statutory dues, as applicable, have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid 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 material dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) As per information and explanation furnished to us, the company has not defaulted in repayment of loans or borrowings to a financial institution, bank, government or dues to debenture holders.



- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loan; hence Para 3(ix) of the Order is not applicable.
- (x) Based on the audit procedures performed for reporting on the true & fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud by the Company or fraud on the Company by its officers / employees has been noticed or reported during the year under audit .
- (xi) As per information and explanation furnished to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) The Company is not a Nidhi Company; hence Para 3(xii) of the Order is not applicable.
- (xiii) Transaction(s) with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013, and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
- (xiv) The company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review; hence Para 3(xiv) of the Order is not applicable.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him; hence, Para 3(xv) of the Order is not applicable.
- (xvi) The company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, and registration has been obtained.

For CHATURVEDI & PARTNERS

Chartered Accountants

Firm Reg No. 307068E

CA Anup Kumar Dubey

Partner

Membership No. 054975

Place : Kolkata

Dated : 26th May, 2016



ANNEXURE-B TO THE AUDITORS' REPORT

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 J. J Finance Corporation Ltd. ('the Company') as of 31 March 2016 in conjunction with our audit of the standalone 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 the 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.

Auditors' 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, both 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. Those Standards and the Guidance Note which are applicable to an audit of internal financial controls, 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 were 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 auditors' 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 authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

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, and 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 CHATURVEDI & PARTNERS*Chartered Accountants*

Firm Reg No. 307068E

CA Anup Kumar Dubey*Partner*

Membership No. 054975

Place : Kolkata**Dated : 26th May, 2016**

**J. J. FINANCE CORPORATION LIMITED**

33RD ANNUAL REPORT

BALANCE SHEET AS AT 31ST MARCH, 2016

Particulars	Note No.	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
I. EQUITY AND LIABILITIES			
(1) Shareholders' fund :			
(a) Share Capital	3.1	28,200,000	28,200,000
(b) Reserves and Surplus	3.2	20,184,831	18,424,641
		48,384,831	46,624,641
(2) Non-Current Liabilities :			
(a) Deferred Tax Liabilities (Net)	3.3	497,588	519,720
(3) Current Liabilities :			
(a) Trade Payables	3.4	48,022	64,927
(b) Other Current Liabilities	3.5	16,890	28,110
(c) Short term provisions	3.6	34,331	166,543
		99,243	259,580
Total		48,981,662	47,403,941
II. ASSETS			
(1) Non Current Assets :			
(a) Fixed Assets			
Tangible Assets	3.7	1,655,848	1,758,416
(b) Non current Investment	3.8	21,967,913	24,565,029
(c) Long-term Loans & Advances	3.9	1,809,037	1,809,037
		25,432,798	28,132,482
(2) Current Assets :			
(a) Inventories	3.10	734,718	729,623
(b) Trade Receivable	3.11	665,097	651,722
(c) Cash and Bank Balances	3.12	11,123,832	10,807,309
(d) Short term loans and advances	3.13	9,250,000	6,000,000
(e) Other current assets	3.14	1,775,217	1,082,805
		23,548,864	19,271,459
Total		48,981,662	47,403,941

SIGNIFICANT ACCOUNTING POLICIES 2

NOTES ON ACCOUNTS 3

The accompanying significant accounting policies and notes to accounts are an integral part of the Financial Statements.

As per our report of even date attached

For **CHATURVEDI & PARTNERS**Chartered Accountants
(Firm Regn. No. 307068E)

For and on behalf of the Board of Directors

CA A. K. DUBEYPartner
(Mem. No. 054975)**ANIL JHUNJHUNWALA**Director
DIN : 00128717**SHYAM BAGARIA**Director
DIN : 00121949

Place : Kolkata

Date : 26th May, 2016

HRIDAY MONDAL

C.F.O.

ANKITA NIGAMCompany Secretary
Membership No. : A36293



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	Note No.	For the Year ended 31st March, 2016 ₹	For the Year ended 31st March, 2015 ₹
I. Revenue :			
Revenue from Operations	3.15	4,161,481	4,506,978
Total		4,161,481	4,506,978
II. Expenses :			
Changes in inventories of Stock-in-trade	3.16	(5,095)	143,124
Employee benefits expense	3.17	663,000	504,997
Depreciation and amortization expense	3.7	102,568	143,302
Other expense	3.18	1,288,720	1,167,257
Total		2,049,193	1,958,680
III. Profit before tax (I - II)		2,112,288	2,548,298
IV. Tax expense :			
(1) Current Tax		360,000	410,000
(2) Deferred Tax		(22,132)	(25,699)
(3) Income Tax for earlier year(s)		4,374	(30,978)
V. Profit/(Loss) for the year (III - IV)		1,770,046	2,194,975
VI. Earnings per equity share - Basic and Diluted		0.63	0.78
(Face Value per share ₹ 10/-)			
SIGNIFICANT ACCOUNTING POLICIES	2		
NOTES ON ACCOUNTS	3		

The accompanying significant accounting policies and notes to accounts are an integral part of the Financial Statements.

As per our report of even date attached

For **CHATURVEDI & PARTNERS**

Chartered Accountants

(Firm Regn. No. 307068E)

CA A. K. DUBEY

Partner

(Mem. No. 054975)

Place : Kolkata

Date : 26th May, 2016

For and on behalf of the Board of Directors

ANIL JHUNJUNWALA

Director

DIN : 00128717

SHYAM BAGARIA

Director

DIN : 00121949

HRIDAY MONDAL

C.F.O.

ANKITA NIGAM

Company Secretary

Membership No. : A36293



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	2015-2016		2014-2015	
	₹	₹	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITY				
Net Profit before Tax and Extraordinary items	2,112,288		2,548,298	
<i>Adjusted for :</i>				
Depreciation	102,568		143,302	
Operating Profit before Working Capital Changes	2,214,856		2,691,600	
<i>Adjusted for :</i>				
Trade and Other Receivables	(705,786)		(1,698,670)	
Inventories	(5,095)		143,124	
Trade and other Payables	(28,125)		(93,367)	
Direct Taxes paid (net of refund)	(506,443)		(73,577)	
Cash Flow before extraordinary items		969,407		969,110
Extraordinary Items		—		-
Cash Generated from Operating Activities		969,407		969,110
Net Cash from Operation		969,407		969,110
B CASH FLOW FROM INVESTING ACTIVITIES				
Sale of Investment	2,597,116		5,500,000	
Net Cash used in Investing Activity		2,597,116		5,500,000



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

	2015-2016		2014-2015	
	₹	₹	₹	₹
C CASH FLOW FROM FINANCIAL ACTIVITIES				
Loans and Advances	(3,250,000)		(6,001,000)	
Net Cash used in Financing Activities		(3,250,000)		(6,001,000)
Net Increase in Cash and Cash Equivalents (A+B+C)		316,523		468,110
Opening Balance of Cash and Cash Equivalents		10,807,309		10,339,199
Closing Balance of Cash and Cash Equivalents		11,123,832		10,807,309

Notes :

i) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.

ii) Figures in brackets represent outflow.

iii) Cash & Cash Equivalent at the end of the year consists of :

a) Cash in Hand	34,155	34,324
b) Balances with Bank	11,089,677	10,772,985
Closing Balance of Cash and Cash Equivalents	11,123,832	10,807,309

As per our report of even date attached
For **CHATURVEDI & PARTNERS**
Chartered Accountants
(Firm Regn. No. 307068E)

CA A. K. DUBEY
Partner
(Mem. No. 054975)

Place : Kolkata
Date : 26th May, 2016

For and on behalf of the Board of Directors

ANIL JHUNJHUNWALA
Director
DIN : 00128717

HRIDAY MONDAL
C.F.O.

SHYAM BAGARIA
Director
DIN : 00121949

ANKITA NIGAM
Company Secretary
Membership No. : A36293



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

1. CORPORATE INFORMATION

J. J. Finance Corporation Ltd is a company incorporated in India and regulated by Reserve Bank of India (RBI) as a Non-Deposit Accepting or Holding Non Banking Financial Company (NBFC) engaged in the business of Finance and Generation of Electricity through Wind Power Mill.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles (GAAP) in India under the historical cost convention on accrual basis.

GAAP comprises applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. These financial statements comply in all material aspects with the Accounting Standards (Rules) notified under the companies (Accounting Standard) Rule, 2006 (as amended), to the extent applicable and the terms of " Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007" issued by Reserve Bank of India.

All Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies' Act, 2013.

Accounting policies not specifically referred to otherwise are consistent and in accordance with generally accepted accounting principles.

2.2 USE OF ESTIMATES

The preparation of financial statements in conformity with the GAAP requires estimates and assumptions to be made that affect the reported amount of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about the assumptions and estimates could result in outcomes different from the estimates. Difference between actual results and estimates are recognized in the period in which the results are known or materialize.

2.3 TANGIBLE FIXED ASSETS

Fixed assets are stated at cost, net of accumulated depreciation. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

2.4 DEPRECIATION ON TANGIBLE FIXED ASSETS

Depreciation on tangible fixed assets is calculated on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

2.5 INVESTMENT

Investments, which are readily realizable and intended to be held for not more than one year from the date on which

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)**

such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

2.6 INVENTORIES

Inventories are valued at lower of cost or net realizable value.

2.7 INCOME & EXPENDITURE RECOGNITION

Income & Expenditure unless otherwise stated, are accounted for on accrual basis except income from Dividends which is accounted for as and when actually received.

The Company has followed the prudential norms for income recognition and provisioning against non performing assets and Provision on Standard Assets as prescribed by the Reserve Bank of India for Non Banking Financial Companies.

2.8 RETIREMENT AND OTHER EMPLOYEE BENEFITS

Retirement benefit to employees such as Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and The Payment of Gratuity Act, 1972 are not applicable to the "company" as number of employee is below the Statutory limit as prescribed by the above Acts.

The company does not have the policy of extending leave encashment benefits to its employees.

2.9 TAXES ON INCOME

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax is recognized on timing differences, being the difference between taxable income and accounting income that originate in the one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognized only if there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset will be realized. Such assets are reviewed as at Balance Sheet date to reassess realizability thereof. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

2.10 EARNINGS PER SHARE (EPS)

Basic EPS 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 year.

For the purpose of calculating diluted EPS, 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, if any.

2.11 PROVISIONS

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

2.12 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are neither recognized nor disclosed in the financial statements.

2.13 CASH AND CASH EQUIVALENTS

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
3.1 SHARE CAPITAL		
(i) Authorised		
60,00,000 (P.Y. 60,00,000) Equity Shares of ₹10 each	<u>60,000,000</u>	<u>60,000,000</u>
	<u>60,000,000</u>	<u>60,000,000</u>
(ii) Issued, Subscribed and Fully Paid-up		
28,20,000 (P.Y. 28,20,000) Equity Shares of ₹ 10 each	<u>28,200,000</u>	<u>28,200,000</u>
	<u>28,200,000</u>	<u>28,200,000</u>

(iii) **The reconciliation of the number and amount of equity shares outstanding**

Equity Shares	As at 31.03.2016		As at 31.03.2015	
	No. of Shares	₹	No. of Shares	₹
Opening Balance	2820000	28,200,000	2820000	28,200,000
Add : Shares issued during the year	—	—	—	—
Closing Balance	2820000	28,200,000	2820000	28,200,000

(iv) **Terms / Rights and restrictions attached to Equity Shares :**

The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing AGM except in the case of interim dividend. In the event of liquidation, the ordinary shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

(v) **Shareholders holding more than 5 % shares in the company**

Name of Share holders (Equity Shares of ₹ 10 each fully paid up)	As at 31.03.2016		As at 31.03.2015	
	No. of Shares	% held	No. of Shares	% held
Asharam Sarda	245,000	8.69	245,000	8.69
J J Projects Pvt. Ltd	549,729	19.49	549,729	19.49
Kanaklata Jhunjunwala	142,000	5.03	142,000	5.03



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

	As at 31.03.2016		As at 31.03.2015	
	₹	₹	₹	₹
3.2 RESERVES AND SURPLUS				
(i) Special Reserve u/s 45-IC of RBI Act, 1934				
Opening Balance		4,510,000		4,060,000
Add : Transferred from Surplus in the Statement of Profit & Loss		360,000		450,000
Closing Balance		4,870,000		4,510,000
(ii) Surplus/(deficit) in the Statement of Profit & Loss				
Opening Balance		13,914,641		12,187,281
Add : Profit/(Loss) for the year		1,770,046		2,194,975
Less : Provision towards Standard Assets		9,856		17,615
Surplus available for Appropriations		15,674,831		14,364,641
Less : Appropriation				
Transferred to Reserve u/s 45-IC of RBI Act, 1934		360,000		450,000
Closing Balance		15,314,831		13,914,641
Total		20,184,831		18,424,641
3.3 DEFERRED TAX LIABILITIES (NET)				
Deferred Tax Liability on Depreciation and Amortisation		497,588		519,720
		497,588		519,720
3.4 TRADE PAYABLES				
Sundry creditor		48,022		64,927
		48,022		64,927
3.5 OTHER CURRENT LIABILITIES				
Others		16,890		28,110
		16,890		28,110
3.6 SHORT TERM PROVISIONS				
Provision for Income Tax -				
Opening Balance	585,000		1,935,000	
Less : Adjustment during the year	585,000		1,760,000	
	—		175,000	
Add : Provision for the year	360,000		410,000	
		360,000		585,000
Less : Advance Tax -				
Opening Balance	436,072		2,091,517	
Less : Adjustment during the year	436,072		1,904,688	
	—		186,829	
Add : Paid during the year	353,140		249,243	
		353,140		436,072
		6,860		148,928
Contingent provision against Standard Assets		27,471		17,615
		34,331		166,543

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

3.7 FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at 01.04.15	Addition	Adjust- ments	As at 31.03.16	Upto 01.04.15	For the Year	Adjust- ments	Upto 31.03.16	As at 31.03.16	As at 31.03.15
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
TANGIBLE ASSETS										
Land (Freehold)	145,000	-	-	145,000	-	-	-	-	145,000	145,000
Plant and Machinery – Wind Mill	21,560,038	-	-	21,560,038	20,490,660	-	-	20,490,660	1,069,378	1,069,378
– Others	9,153	-	-	9,153	8,820	-	-	8,820	333	333
Office Equipments	469,484	-	-	469,484	417,731	19,891	-	437,622	31,862	51,753
Electrical Installation	35,414	-	-	35,414	35,413	-	-	35,413	1	1
Data Processing Machine	330,969	-	-	330,969	314,556	-	-	314,556	16,413	16,413
Vehicles	663,224	-	-	663,224	187,687	82,677	-	270,364	392,860	475,537
Furniture & Fixtures	550,906	-	-	550,906	550,905	-	-	550,905	1	1
Total	23,764,188	-	-	23,764,188	22,005,772	102,568	-	22,108,340	1655,848	1,758,416
Previous Year	23,764,188	-	-	23,764,188	21,862,470	143,302	-	22,005,772	1,758,416	





NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

Particulars	Face Value	31-03-2016		31-03-2015	
		Units	₹	Units	₹
3.8 NON-CURRENT INVESTMENT					
(At Cost - Other than Trade - Long Term)					
i) Equity Instrument-Quoted Shares (Fully paid up)					
Wopolin Plastics Ltd.	10	6000	300,000	6000	300,000
- (Formerly : Bajaj Plastics Ltd.)					
Ceeta Industries Ltd.	10	1000	19,028	1000	19,028
Indian Hotels Ltd.	1	4800	546,241	4800	546,241
Ambuja Cements Ltd.	2	2000	47,311	2000	47,311
Thanjavur Textiles Ltd.	10	1000	185,925	1000	185,925
J.J. Automotive Ltd.	10	17900	177,821	17900	177,821
Pradeep Drugs Co. Ltd.	10	1050	14,665	1050	14,665
Recron Synthetics Ltd.	2	500	13,843	500	13,843
(Formely Raymond Synthetics Ltd.)					
Nageswar Investment Ltd.	10	30000	174,100	30000	174,100
Navcom Oil Products Ltd.	10	500	22,330	500	22,330
Tata Motors Ltd.	2	62	16,802	—	—
			1,518,066		1,501,264
ii) MUTUAL FUND					
SBI Magnum Income Fund	10	206328.191	5,999,900	206328.191	5,999,900
L & T Short Term Income Fund - Growth	10			240369.117	2,613,918
			5,999,900		8,613,818
iii) Equity Instrument-Un-Quoted Shares (Fully paid up)					
J J Projects (P) Ltd.	10	143153	620,947	143153	620,947
Pinnacle Leasing & Finance (P) Ltd.	10	1400	14,000	1400	14,000
Kohinoor Stockbroking (P) Ltd.	10	10000	100,000	10000	100,000
Chitrakoot Properties Ltd.	10	4500	315,000	4500	315,000
KPJ Estates Pvt. Ltd.	10	10000	100,000	10000	100,000
			1,149,947		1,149,947
iv) Preference Share-Instrument-Un-Quoted (Fully paid up)					
J J Automotive Limited	10	1300000	13,300,000	1300000	13,300,000
(6% Non-Cumulative Redeemable Preference Share)					
Total			21,967,913		24,565,029
a) Aggregate Value of Quoted Investment (i + ii)			7,517,966		10,115,082
b) Aggregate Value of Unquoted Investment (iii + iv)			14,449,947		14,449,947
			21,967,913		24,565,029
c) Market value of Quoted Investment			9,980,058		13,168,927



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
3.9 LONG-TERM LOANS AND ADVANCES		
Security Deposit	13,236	13,236
Advance for booking of Flat	1,795,801	1,795,801
	<u>1,809,037</u>	<u>1,809,037</u>
3.10 INVENTORIES		
Stock-in-Trade (At cost or net realisable value, whichever is lower)	734,718	729,623
	<u>734,718</u>	<u>729,623</u>
3.11 TRADE RECEIVABLES		
(Unsecured, considered good)		
Outstanding for a period exceeding six months from due date	69,321	301,408
Others	595,776	350,314
	<u>665,097</u>	<u>651,722</u>
3.12 CASH AND BANK BALANCE		
<u>Cash and Cash Equivalents</u>		
Balance with Bank - In current account	11,089,677	10,772,985
Cash on hand	34,155	34,324
	<u>11,123,832</u>	<u>10,807,309</u>
3.13 SHORT TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
<u>Advances recoverable in cash or kind</u>		
Loan and advances to related parties	9,250,000	6,000,000
	<u>9,250,000</u>	<u>6,000,000</u>
3.14 OTHER CURRENT ASSETS		
Interest Receivable	1,738,257	1,046,184
Prepaid Expenses	36,960	36,621
	<u>1,775,217</u>	<u>1,082,805</u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)**

	31.03.2016	31.03.2015
	₹	₹
3.15 REVENUE FROM OPERATIONS		
(i) Operating Revenue		
Sales	—	335,732
Interest Income	1,931,397	1,181,476
Profit on Sale of Investment	1,111,707	500,000
	<u>3,043,104</u>	<u>2,017,208</u>
(ii) Other Operating Revenue		
Dividend Income	233,970	1,318,886
Electricity Generation	884,407	1,170,884
	<u>1,118,377</u>	<u>2,489,770</u>
Total	<u>4,161,481</u>	<u>4,506,978</u>
3.16 CHANGES IN INVENTORIES OF STOCK-IN-TRADE		
Finished Goods		
Opening Stock	729,623	872,747
Less : Closing Stock	734,718	729,623
	<u>(5,095)</u>	<u>143,124</u>
3.17 EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	663,000	496,597
Staff Welfare Expenses	—	8,400
	<u>663,000</u>	<u>504,997</u>
3.18 OTHER EXPENSES		
Advertisement & Publicity	20,328	19,362
Bank Charges	1,125	1,011
Postage & Telegram	80,975	72,023
Conveyance expenses	5,000	2,310
Insurance	94,789	94,019
Listing Fees	236,518	129,776
Membership Fees	26,310	16,853
Auditors' Remuneration :		
– For Statutory Audit	5,725	5,618
– For Certification	18,411	13,484
Printing and stationery	37,435	29,615
Professional Fees	59,265	57,632
Repairs and Maintenance (Others)	3,990	21,280
Repairs to plant and machinery (Wind Power)	663,604	662,297
Telephone Charges	16,582	13,296
Miscellaneous Expenses	18,663	28,681
	<u>1,288,720</u>	<u>1,167,257</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

3.19 ADDITIONAL NOTES

The Company has not received any memorandum as required to be filed by the suppliers with the notified authority regarding registration under Micro, Small and Medium Enterprises Development Act, 2006 for claiming their status as micro, small or medium enterprises as at 31st March, 2016. Therefore, there are no dues outstanding to Micro, Small and Medium Enterprises (Previous year Nil).

3.20 SEGMENT REPORTING

The Company's Operations mainly consist of Finance & Generation of Electricity through Wind Power Mill.

(₹ in Lakh)

Sl. No.	Particulars	31.03.2016	31.03.2015
1	Segment Revenue		
	i) Finance Business	32.77	33.36
	ii) Electricity Generation	8.84	11.71
	Net Sales/Income from Operations	41.61	45.07
2	Segment Results		
	Profit before Tax & Interest from each segment		
	i) Finance Business	19.73	21.19
	ii) Electricity Generation	1.39	4.29
	Profit before Tax	21.12	25.48
3	Capital Employed (Segment Assets Less Segment Liabilities)		
	i) Finance Business	471.03	455.38
	ii) Electricity Generation	18.79	18.66
	Total	489.82	474.04

3.21 RELATED PARTY DISCLOSURES

A. Names of the related parties :

Related parties as per AS 18 with whom transaction have taken place during the year :

- | | |
|---|----------------------|
| i) Key Management Personnel | Mr. Anil Jhunjunwala |
| ii) Enterprise over which key managerial personnel and relatives of such personnel are able to exercise Significant influence : | J J Automotive Ltd. |

B. Related Party Transactions during the year

- | | | |
|-----------------------------------|----------------------|-----|
| (i) With Key Management Personnel | | |
| Managing Directors Remuneration | Mr. Anil Jhunjunwala | Nil |

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

- (ii) Enterprise over which key managerial personnel and relatives of such personnel are able to exercise Significant influence : (₹ in Lakh)

Loan Given	Principal	Interest	Total
Opening Balance	60.00	10.46	70.46
Addition/Accrued during the year	142.00	17.38	159.38
Refund/Repaid during the year	109.50	10.46	119.96
Closing Balance	92.50	17.38	109.88

3.22 BASIC AND DILUTED EARNING PER SHARE

For the purpose of calculation of Basic and Diluted Earning Per Share the following amounts are considered :

Particulars	31.03.2016	31.03.2015
a) Net Profit after Tax (₹) available for Equity Shares of ₹ 10/- each	1,770,046	2,194,975
b) Number of Equity Shares of ₹ 10/- each	2820000	2820000
c) Basic and Diluted Earning Per Share (a/b) (in ₹)	0.63	0.78

3.23 Previous year's figures have been regrouped/rearranged/recasted wherever necessary.

3.24 Financial figures have been rounded off to nearest rupees.

3.25 Schedule to the Balance Sheet as on 31st March, 2016 of a Non-Banking Financial Company is Annexed (Annexure-A)

Signature to Note

As per our report of even date attached

For **CHATURVEDI & PARTNERS**

Chartered Accountants

(Firm Regn. No. 307068E)

CA A. K. DUBEY

Partner

(Mem. No. 054975)

Place : Kolkata

Date : 26th May, 2016

For and on behalf of the Board of Directors

ANIL JHUNJHUNWALA

Director

DIN : 00128717

SHYAM BAGARIA

Director

DIN : 00121949

HRIDAY MONDAL

C.F.O.

ANKITA NIGAM

Company Secretary

Membership No. : A36293



ANNEXURE 'A' TO NOTE 3.25

Schedule to the Balance Sheet as on 31st March 2016 of a non-deposit taking Non-Banking Financial Company (as required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)

Liabilities side :

(₹ in Lakh)

	<u>Amount Outstanding</u>	<u>Amount Overdue</u>
(1) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:		
a) Debentures : Secured	—	—
: Unsecured (other than falling within the meaning of public deposits*)	—	—
b) Deferred Credits	—	—
c) Term Loans	—	—
d) Inter-corporate loans and borrowing	—	—
e) Commercial Paper	—	—
f) Other Loans (specify nature)	—	—
* Please see Note 1 below		
Total	—	—

Assets side :

Amount outstanding

(2) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :	
a) Secured	Nil
b) Unsecured	134.99
Total	<u>134.99</u>
(3) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities :	
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
Total	<u>Nil</u>
(4) Break-up of Investments :	
Current Investments :	
1. Quoted :	
i) Shares : a) Equity	7.35
b) Preference	Nil
ii) Debentures and Bonds	Nil
iii) Units of Mutual Funds	Nil
iv) Government Securities	Nil
v) Others (please specify)	Nil



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2. <u>Unquoted :</u>		<u>Amount outstanding</u>
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
<u>Long Term Investments :</u>		
1. <u>Quoted :</u>		
i) Shares : a) Equity		15.18
b) Preference		Nil
ii) Debentures and Bonds		Nil
iii) Units of mutual funds		60.00
iv) Government Securities		Nil
v) Others (please specify)		Nil
2. <u>Unquoted :</u>		
i) Shares : a) Equity		11.50
b) Preference		133.00
ii) Debentures and Bonds		Nil
iii) Units of mutual funds		Nil
iv) Government Securities		Nil
v) Others (please specify)		Nil
Total		<u>227.03</u>

(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 **	Nil	109.88	109.88
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	25.11	25.11
Total	Nil	134.99	134.99



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

Please see Note 3 below :

Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties **		
a) Subsidiaries	Nil	Nil
b) Companies in the same group	143.29	142.99
c) Other related parties	Nil	Nil
2. Other than related parties	112.02	84.04
Total	255.31	227.03

* Market Value in most of the cases being not available has been considered at book value.

(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.

For **CHATURVEDI & PARTNERS**

Chartered Accountants
(Firm Regn. No. 307068E)

CA A. K. DUBEY
Partner
(Mem. No. 054975)

Place : Kolkata
Date : 26th May, 2016

For and on behalf of the Board of Directors

ANIL JHUNJHUNWALA
Director
DIN : 00128717

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