

# 26<sup>th</sup>

ANNUAL REPORT

2015 - 2016



**Manraj Housing Finance Ltd.**

● **Registered Office :**

3, Pushpa Apartment,  
General Vaidya Chowk,  
Jalgaon - 425 002.

● **Board of Directors :**

Shri. Ishwarlal S. Jain	Chairman & Managing Director
Shri. Manish I. Jain	Director
Sau. Neetikâ Manish Jain	Director
Shri. Pramod N. Mehta	Director
Shri. Suganchand K. Raka	Director
Shri. Ramvilas K. Rathi	Director
Shri. Purushottam T. Wani	Director

● **Bankers :**

State Bank of India  
Axis Bank Ltd.  
ICICI Bank Ltd.  
Jalgaon Peoples Co-op Bank Ltd.  
Shri. Mahavir Sahakari Bank Ltd.

● **Secretarial Auditors :**

Pavan Rathi and Associates  
Company Secretaries  
Office No. 2/2, Ganga Callidium  
Market Yard, PUNE - 411037  
Cell : 91-9422324242  
E-mail : pavanrathi@gmail.com

● **Registrar & Share Transfer Agents :**

Bigshare Services Private Limited.  
E - 2/3, Ansa Industrial Estate,  
Sakivihar Road, Sakinaka,  
Andheri (E) - MUMBAI - 400 072.  
Tel : 022 - 28470652, Fax : 022 - 28475207. E-mail : info@bigshareonline.com

● **Auditors :**

N.S.Doshi & Co.  
Chartered Accountants  
Near G.S. High School Ground  
18, Visanji Nagar, Jalgaon - 425 001.  
Tel.: 0257-2225461  
E-mail : niranjandoshi@rediffmail.com

● **Internal Auditors :**

Anurag H. Mathruvaishya  
Chartered Accountants  
14, Pratap Nagar, Jalgaon - 425 001.  
Tel.: 0257-2261725, Cell : 9422272725  
E-mail : anurag02\_mathur@rediffmail.com

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**NOTICE :**

Notice is hereby given that 26<sup>th</sup> Annual General Meeting of the members of Manraj Housing Finance Limited will be held at the register office of the company at 3, Pushpa Apartment, General Vaidya Chowk, Jalgaon-425002 on Tuesday the 27<sup>th</sup> Day of September, 2016 at 10 a.m. to transact with or without modification as may be permissible the following business.

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the Audited Statement of Profit and Loss Account for the year ended 31<sup>st</sup> March, 2016 and the Balance Sheet as at that date together with the Reports of the Board of Directors and the Auditors thereon.

2. **APPOINTMENT OF AUDITORS**

To ratify the appointment of Statutory Auditors, to consider and, if thought fit, to pass with or without modification(s), the following resolution as an

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the appointment of M/s. N. S. Doshi & Co. Chartered Accountants (Registration No. 102738W), as the Statutory Auditors of the Company appointed in the Twenty-Fourth Annual General Meeting to hold office for a period of three years from the conclusion of Twenty-Fourth Annual General Meeting (AGM) until the conclusion of the Twenty Seventh Annual General Meeting of the Company on such remuneration as may be mutually decided, by the Board of Directors of the Company and the Auditors, be and is hereby ratified."

3. To appoint Director in place of Shri.Suganchand Kasturchand Raka (DIN : 0386603) who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Director in place of Shri.Ramvilas Keshrimal Rathi (DIN : 00386669) who retires by rotation and being eligible offers himself for reappointment.

**BY ORDER OF THE BOARD OF  
MANRAJ HOUSING FINANCE LTD**

Place : Jalgaon.  
Date : 27<sup>th</sup> May 2016.

**Registered Office :**  
3, Pushpa Apartment,  
General Vaidya Chowk,  
Jalgaon - 425 002

Sd/-  
**ISHWARLAL S. JAIN**  
Chairman and Managing Director  
DIN: 00386348

**NOTES :**

1. Explanatory Statement as required under Section 102 of the Companies Act, 2013 in respect of the Special Business is annexed hereto, if required.
2. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote in the meeting instead of himself / herself and the proxy need not be a member of the company. The instrument appointing the proxy in order to be effective must be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting. Members/ proxies should bring their duly filled attendance slip attached herewith to attend the meeting.
3. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in aggregate not more than 10 (ten) percent of the total share capital of the Company. A proxy form is sent herewith. Proxies submitted on behalf of the companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable.
4. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
5. Members, Proxies and authorised representative are requested to kindly bring their copy of the Annual Report and Attendance slip with them at the Annual General Meeting, as no extra copy of Annual Report would be made available at the Annual General Meeting and to quote their Folio Numbers in all correspondence.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting
7. The Register of Members and Share Transfer Register of the Company will remain closed from 20<sup>th</sup> Day of September 2016 to 27<sup>th</sup> Day of September 2016 (both days inclusive).
8. The brief profile of the Directors proposed to be re-appointed is given in the section "Report on Corporate Governance" of the Annual Report.
9. All documents referred to in the Notice or in the accompanying Explanatory Statement are available for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, Sundays and public holidays, between 10.00 a.m. to 1.00 p.m. prior to the date of the Annual General Meeting and also available for inspection at the meeting.
10. The shares of the Company are at present listed with Bombay Stock Exchange Limited. The listing fee for the year 2016-2017 is paid before the due date. Pursuant to Section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, members are entitled to make a nomination in respect of shares held by them in physical form. Shareholders desirous of making a nomination are requested to send their requests in Form No. SH-13 in duplicate (which will be made available on request) to the Registrar and Share Transfer Agent of

NOT the Company.

11. Members are requested to inform change in address or bank mandate to their respective depository participants with whom they are maintaining their demat accounts and with the Registrar and Transfer Agent i.e. Bigshare Services Private Ltd. or the Company Secretary of the Company for the shares held in physical form by a written request duly signed by the member for receiving all communication in future.
12. Members desiring any information relating to the accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information available at the meeting.

**BY ORDER OF THE BOARD OF  
MANRAJ HOUSING FINANCE LTD**

Place : Jalgaon.  
Date : 27<sup>th</sup> May 2016.

**Registered Office:**  
3, Pushpa Apartment,  
General Vaidya Chowk,  
Jalgaon - 425 002

**Sd/-**  
**ISHWARLAL S. JAIN**  
Chairman and Managing Director  
DIN: 00386348

**DIRECTORS REPORT**

TO,  
**THE MEMBERS,**  
**MANRAJ HOUSING FINANCE LIMITED**

3, Pushpa apartments  
 General Vaidya Chowk  
 Jalgaon- 425002

Your Directors have pleasure in presenting their 26<sup>th</sup> Annual Report on the business and operations of the Company and the accounts for the Financial Year ended as on March 31, 2016.

**1. FINANCIAL HIGHLIGHTS AND PERFORMANCE OF THE COMPANY**

Particulars	2015-16	2014-15
Gross Income	6,10,740.00	13,05,744.00
Profit Before Interest and Depreciation	(22,69,549.00)	(14,94,669.00)
Finance Charges	11,376.00	73,931.00
Gross Profit	-2,280,925.00	-15,68,600.00
Provision for Depreciation	-	-
Net Profit Before Tax	-2,280,925.00	-15,68,600.00
Provision for Tax	18,043.00	-2,89,155.00
Net Profit After Tax	-2,298,968.00	-12,79,445.00
Balance of Profit brought forward	17,499,806.00	18,779,201.00
Balance available for appropriation	15,200,838.00	17,499,806.00
Proposed Dividend on Equity Shares	-	-
Tax on proposed Dividend	-	-
Transfer to General Reserve	-	-
Surplus carried to Balance Sheet	15,200,838.00	17,499,806.00

**2. BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/STATE OF COMPANY'S AFFAIR**

Company is engaged in the construction and Housing finance related activities. During the year under review company has achieved gross turnover of Rs. 6.10 lacs as against turnover of Rs. 13.05 in the preceding financial year, after charging all expenses company has incurred losses of Rs. 22.98 lacs during the financial year as against losses incurred by the Company proceeding financial year of Rs. 12.79 lacs. Due to tremendous competitive market and adverse condition in real estate and construction business company has incurred heavy losses. Your Directors are optimistic that on the basis of inquiries generated and seriousness demonstrated by the government for the development of housing and infrastructure industry would show an incremental growth in Companies Business in near future.

**3. DIVIDEND**

Company has incurred losses from its business operations during the Current Financial Year. In view of the Financial Position of your company your directors recommends not to declare any

dividend for the year.

**4. TRANSFER TO RESERVES**

The Company has not earned any profits during the Current Financial Year and after looking current financial position of the company directors of the company recommending that not to transfer any amount to the general reserve account out of the amount available for appropriation of profit, if any.

**5. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Mr. Suganchand Kasturchand Raka (DIN : 00386603) and Mr. Ramvilas Keshrimal Rathi (DIN : 00386669) Directors of the Company who are liable to retire by rotation at the forthcoming Annual General Meeting held on Tuesday, 27<sup>th</sup> Day of September 2016 and being eligible for reappoint. There is no any other change in the constitution of the Board of Directors of the Company during the Financial Year.

Brief resume regarding directors who are eligible to appoint and reappoint on the board is given in the corporate governance report including nature of their expertise in the specific functional area and names of the companies in which they are director and member/chairman of the Board Committee and any other committees.

**6. PARTICULARS OF EMPLOYEES**

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, is provided in the Corporate Governance Report.

**7. MEETINGS**

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year under review 8 (Eight) Board Meetings and 5 (Five) Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

**8. BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

**9. REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

**MANAGERIAL REMUNERATION:**

The Company has not paid any remuneration, sitting Fees or Commission to any of its KMPs or Directors during the financial year

**10. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES**

The company do not have any Subsidiary/Joint Ventures/Associate Companies Pursuant to sub-section (3) of section 129 of the Act. Hence the board has nothing to report on the same.

**11. AUDITORS :**

The Auditors, M/s. N. S. Doshi & Co., Chartered Accountants, Jalgaon who is appointed as an auditor of the company at twenty fourth annual general meeting for period of three years from the twenty fourth annual general meeting to twenty seventh annual general meeting of the company.

Board of director pay remuneration and other additional fees to the auditor as decided between the auditor and directors of the company time to time.

**12. AUDITORS' REPORT**

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

**13. EXTRACT OF ANNUAL RETURN:**

As required pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules 2014, an Extract of Annual Return in MGT-9 as a part of this Annual Report as **ANNEXURE I**.

**14. SECRETARIAL AUDIT REPORT**

In terms of Section 204 of the Act and Rules made there under, M/s. Pavan Rathi & Associates, Practicing Company Secretary have been appointed Secretarial Auditors of the Company. The report of the Secretarial Auditors is enclosed as **Annexure II** to this report. The report is self-explanatory and do not call for any further comments.

**15. INTERNAL AUDIT & CONTROLS**

The Company continues to engage Anurag H.MathurVaishya, Chartered Accountants, Jalgaon as its Internal Auditor. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

**16. VIGIL MECHANISM :**

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been updated on the office board of the company.

**17. RISK MANAGEMENT POLICY**

A statement indicating development and implementation of a risk management policy for the Company including identification therein of elements of risk, if any, this in the opinion of the Board may threaten the existence of the company.

**18. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

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

**19. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

The Company has no Internal Control System, commensurate with the size of its operations. The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company. Based on the report, corrective action, significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

**20. DEPOSITS**

The Company has not accepted any Deposit covered under Section 73 of the Companies Act,



2013 and The Companies (Acceptance of Deposit) Rules, 2014

**21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

**22. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

The particulars of every contract or arrangements entered into by the Company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto as stated in Notes attached to the Financial Statement.

**23. CORPORATE GOVERNANCE CERTIFICATE**

The Compliance certificate from the auditors regarding compliance of conditions of corporate governance as stipulated in Clause 49 of the Listing agreement shall be annexed with the report.

**24. MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis forms part of this Annual Report for the year ended 31<sup>st</sup> March, 2016.

**25. STATUTORY DISCLOSURES**

In terms of the provisions of Section 134 of the Companies Act, 2013 read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of the employees are set out in the annexure to the Directors' Report. However, as per the provisions of contained in the Act read with Clause 32 of the Listing Agreement, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company at the registered office of the Company.

**26. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK-PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

In order to prevent sexual harassment of women at work place a new act The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified on 9<sup>th</sup> December, 2013. Under the said Act every company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

Company has draft and adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy. During the year Company has not received any complaint of harassment.

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

Information relating to Conservation of Energy, Technology absorption etc. pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014 is not provided as the same is not applicable to the Company.

Foreign Exchange earnings and outgo are NIL during the Current Financial Year.

**28. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

As required under Section 135 of the Companies Act, 2013 and rules made there under are not applicable to the company. Hence the Board has not constituted the committee and Policy for implementing the Corporate Social Responsibility (CSR).

**29. HUMAN RESOURCES**

Your Company treats its "human resources" as one of its most important assets.

The company respects its employees for their commitment and contribution towards a common goal, which has propelled it to a position of leadership. We encourage individuals to go beyond the scope of their work, undertake voluntary projects that enable them to learn, and contribute innovative ideas in meeting goals of the Company. The Company strongly believes that its intrinsic strength lies in the quality of its dedicated and motivated employees.

**30. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors' Responsibility Statement referred to in Clause (c) of Sub-Section (3) of Section 134 of the Companies Act, 2013 shall state 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; and
- e) The directors, in the case of a **listed company**, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) 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.

**31. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND**

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

**32. LISTING WITH STOCK EXCHANGES:**

The Company confirms that it has paid the Annual Listing Fees for the year 2015-2016 to Bombay Stock Exchange where the Company's Shares are listed.

**33. ACKNOWLEDGEMENTS:**

The Directors wish to place on record their appreciation for the continued support and co-operation by Bankers, Customers, Business Associates and to the Shareholders and Investors for the confidence reposed in the Company's management. The Directors also convey their appreciation to the employees at all levels for their dedicated services, efforts and collective contribution.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS  
MANRAJ HOUSING FINANCE LIMITED**

Date: 27<sup>th</sup> May 2016

Place: Jalgaon

**ISHWARLAL S. JAIN**  
Managing Director  
(DIN: 00386348)

**PRAMODKUMAR MEHTA**  
Director  
(DIN: 00386505)

**ANNEXURE I TO THE DIRECTORS' REPORT**

**FORM MGT 9**

**EXTRACT OF ANNUAL RETURN AS ON FINANCIAL YEAR ENDED ON 31.03.2016**

[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**

SR.NO.	PARTICULARS	DETAILS
1.	Corporate Identification Number	L65922MH1990PLC055000
2.	Registration Date	11 <sup>th</sup> January 1990
3.	Name of the Company	Manraj Housing Finance Limited
4.	Category /Sub-Category of the Company	Company Limited by Shares
5.	Address of the Register Office	3, Pushpa Apartments, General Vaidya Chowk, Jalgaon-425002
6.	Contact Details	Tel No: 0257-2226681-82-83 Fax : 0257-2226482
7.	Email ID	mhtljal@rediffmail.com
8.	Whether Listed on Stock Exchange	Yes
9.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshares Services Private Limited E-2/3, Ansa Ind. Estate, Sakivihar Raod, Saki Naka, Andheri (East), Mumbai-400072 Ph. No. 022-28470652 Fax. No.: 022-28475207 Email: info@bigshareonline.com

**I. PRINCIPLE BUSINESS ACTIVITIES OF THE COMPANY**

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

SR.NO.	NAME AND DESCRIPTION OF MAIN PRODUCTS/ SERVICES	NIC CODE OF THE PRODUCT/ SERVICE	% TO TOTAL TURNOVER OF THE COMPANY
1.	Construction and Related Activity	6810	Nil
2.	Housing Finance Activity	6492	Nil

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-**

SR.NO.	NAME & ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1.	-	-	-	-	-

**IV. SHARE HOLDING PATTERN**

(Equity Shares Breakup as percentage of Total Equity)

**i) CATEGORY-WISE SHARE HOLDING**

Category of Shareholders	No. of Shares held at the Beginning of the Year i.e. 01.04.2015				No. of Shares held at the End of the Year i.e. 31.03.2016				% of Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
<b>(1) Individual</b>									
Individual/HUF	0	3141300	3141300	62.8260	0	3141300	3141300	62.8260	0.00
Central Govt.	0	0	0	0	0	0	0	0	0.00
State Govt. (s)	0	0	0	0	0	0	0	0	0.00
Bodies Corporate	0	0	0	0	0	0	0	0	0.00
Bank/FI	0	0	0	0	0	0	0	0	0.00
Any Other	0	0	0	0	0	3700	3700	0.074	0.074
Director Relative									
<b>Sub Total (A)(1)</b>	<b>0</b>	<b>3141300</b>	<b>3141300</b>	<b>62.8260</b>	<b>0</b>	<b>3145000</b>	<b>3145000</b>	<b>62.90</b>	<b>0.074</b>
<b>(2) Foreign</b>									
NRI Individual	0	0	0	0	0	0	0	0	0.00
Other Individual	0	0	0	0	0	0	0	0	0.00
Bodies Corporate	0	0	0	0	0	0	0	0	0.00
Bank/FI	0	0	0	0	0	0	0	0	0.00
Any Other	0	0	0	0	0	0	0	0	0.00
<b>Sub Total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>Total Shareholding of Promoter (A)(1)+ (A)(2)</b>	<b>0</b>	<b>3141300</b>	<b>3141300</b>	<b>62.8260</b>	<b>0</b>	<b>3145000</b>	<b>3145000</b>	<b>62.90</b>	<b>0.074</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
Mutual Fund	0	0	0	0	0	0	0	0	0.00
Banks/FI	0	0	0	0	0	0	0	0	0.00
Central Govt.	0	0	0	0	0	0	0	0	0.00
State Govt. (s)	0	0	0	0	0	0	0	0	0.00
Venture Capital Fund	0	0	0	0	0	0	0	0	0.00
Insurance Companies	0	0	0	0	0	0	0	0	0.00
FI's	0	0	0	0	0	0	0	0	0.00
Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
Other (Specify)	0	0	0	0	0	0	0	0	0.00
<b>Sub Total (B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>(2) Non Institutions</b>									

<b>a. Bodies Corporate</b>									
i) Indian	351890	7600	359490	7.1898	351790	7600	359390	7.1878	0.002
ii) Overseas	0	0	0	0	0	0	0	0	0.00
<b>b. Individuals</b>									
i) Individual Shareholder Holding nominal share capital up to Rs. 1 Lacs	87570	367100	454670	9.0934	88170	362900	451070	9.0214	0.072
ii) Individual Shareholder Holding nominal share capital in excess of Rs. 1 Lacs	1044340	-	1044340	20.8868	1044340	0	1044340	20.8868	0.00
iii) Other (Specify) Employee	0	200	200	0.0040	0	200	200	0.0040	0.00
<b>Sub Total (B) (2)</b>	<b>1483800</b>	<b>374900</b>	<b>1858700</b>	<b>37.1740</b>	<b>1484300</b>	<b>370700</b>	<b>1855000</b>	<b>37.10</b>	<b>0.0002</b>
<b>C. Shares held by custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>D. Grand Total (A+B+C)</b>	<b>1483800</b>	<b>3516200</b>	<b>5000000</b>	<b>100.00</b>	<b>1484300</b>	<b>3515700</b>	<b>5000000</b>	<b>100.00</b>	<b>0.148</b>

**ii) SHAREHOLDING OF PROMOTORS**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the Year			Shareholding at the end of the Year			% change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	No. of Shares	% of total shares of the Company % of	shares pledged/encumbered to total shares	
1.	ISHWARLAL S. JAIN	645400	12.908	-	645400	12.908	-	-
2.	AMRISH I. JAIN	526600	10.532	-	526600	10.532	-	-
3.	MANMAL R. LALWANI	462000	9.24	-	462000	9.24	-	-
4.	NITIKA MANISH JAIN	432400	8.648	-	432400	8.648	-	-
5.	MANISH I. JAIN	427700	8.554	-	427700	8.554	-	-
6.	PUSHPADEVI I. JAIN	353300	7.066	-	353300	7.066	-	-
7.	RUCHI AMRISH JAIN	261500	5.23	-	261500	5.23	-	-
8.	MANALI BOTHRA	27600	0.552	-	27600	0.552	-	-
9.	UPENDRAKUMAR S. BOTHRA	3100	0.062	-	3100	0.062	-	-
10.	MINAL U. JAIN	1500	0.03	-	1500	0.03	-	-
11.	TARADEVI N. MEHTA	100	0.002	-	100	0.002	-	-
12.	NAGINCHAND N. MEHTA	100	0.002	-	100	0.002	-	-
	<b>Total</b>	<b>3141300</b>	<b>62.8260</b>	<b>-</b>	<b>3141300</b>	<b>62.8260</b>	<b>-</b>	<b>-</b>

iii) **CHANGE IN PROMOTER'S SHAREHOLDING (PLEASE SPECIFY IF THERE IS NO CHANGE)**

Sr. No.		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.	At the Beginning of the Year	3141300	62.8260		
2.	Date wise Increase/ Decrease in Promoters share Holding during the year specifying the reasons for Increase/ Decrease				
3.	At the End of the Year	3141300	62.8260		

iv) **SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS(OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS) :**

Sr. No.	Name 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.	RAJMAL LAKHICHAND JEWELLERS PRIVATE	351500	7.0300	-	-
2.	PUKHRAJ PRITHVIRAJ JAIN	234800	4.6960	-	-
3.	CHANDANMAL PUKHRAJ JAIN	234600	4.6920	-	-
4.	SATISH INDARCHAND REDASANI	220200	4.4040	-	-
5.	SUDHAKAR DAMODAR SONAWANE	63200	1.2640	-	-
6.	MAHAVIR VASANT JAIN	53700	1.0740	-	-
7.	NITIN DIGAMBAR CHAUDHARI	46300	0.9260	-	-
8.	LAXMAN GOVINDA MALI	44800	0.8960	-	-
9.	MANOJ PANDIT PATIL	40000	0.8000	-	-
10.	RAJKUMAR R BIRARI	35300	0.7060	-	-
	<b>Total</b>	<b>1324400</b>	<b>26.488</b>	<b>-</b>	<b>-</b>

v) **SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Sr. No.	Shareholding of the Director and KMP	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.	ISHWARLAL SHANKARLAL LALWANI JAIN	645400	12.908	-	-
2.	MANISH ISHWARLAL JAIN	427700	8.554	-	-
3.	PRAMODKUMAR NAGINCHAND MEHTA	500	0.01	-	-
4.	SUGANCHAND KASTURCHAND RAKA	2,500	0.05	-	-
5.	RAMVILAS KESHRIKAL RATHI	1,000	0.02	-	-
6.	PURUSHOTTAM TRYAMBAK WANI	200	0.004	-	-
7.	NITIKA MANISH LALWANI	432400	8.650	-	-
	<b>Total</b>	<b>1509700</b>	<b>30.196</b>	<b>-</b>	<b>-</b>

**V. INDEBTEDNESS**

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

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial Year</b>				
i) Principal Amount	10,30,35,581.00	1,02,32,784.00	0.00	11,32,68,365.00
ii) Interest due but not paid	0.00	0.00	0.00	
iii) Interest accrued but not due	0.00	0.00	0.00	
<b>Total (i+ii+iii)</b>	<b>10,30,35,581.00</b>	<b>1,02,32,784.00</b>	<b>0.00</b>	<b>11,32,68,365.00</b>
<b>Change in Indebtedness during the financial year</b>				
● Addition	0.00	4,63,47,573.00	0.00	4,63,47,573.00
● Reduction	2,69,95,207.00	0.00	0.00	2,69,95,207.00
<b>Net Change</b>	<b>2,69,95,207.00</b>	<b>4,63,47,573.00</b>	<b>0.00</b>	<b>1,93,52,366.00</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	7,60,40,374.00	5,65,80,357.00	0.00	13,26,20,731.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not Due	0.00	0.00	0.00	0.00
<b>Total (i+ii+iii)</b>	<b>7,60,40,374.00</b>	<b>5,65,80,357.00</b>	<b>0.00</b>	<b>13,26,20,731.00</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sr. No.	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount
		IshwarlalShankarlal Lalwani			
1.	Gross salary	0	0	0	0
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0	0	0
(b)	Value of perquisites u/s17(2) Income-tax Act, 1961	0	0	0	0
(c)	Profits in lieu of salary under section 17(3) Income Tax Act, 1961	0	0	0	0
2.	Stock Option	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission	0	0	0	0
	- as % of profit	0	0	0	0
	- Other (s), specify...	0	0	0	0
5.	Others, please specify	0	0	0	0
	Total (A)	0	0	0	0
	Ceiling as per the Act	0	0	0	0

**B. Remuneration to other Director:**

Sr. No.	Particulars of Remuneration	Name of Director			Total Amount
		Suganchand Raka	Ramvilas Rathi	Purshottam Wani	
1.	<b>Independent Director</b>				
	Fee for attending board / committee meetings	0	0	0	0
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
=	<b>Total (1)</b>	0	0	0	0
2.	<b>Other Non-Executive Directors</b>				
	Fee for attending board / committee meetings	0	0	0	0
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
=	<b>Total (2)</b>	0	0	0	0
=	<b>Total (B) = (1+2)</b>	0	0	0	0
	Total Managerial Remuneration	0	0	0	0
	Overall Ceiling as per the Act	0	0	0	0

**C. Remuneration to key managerial personnel other than MD/ Manager/ WTD:**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary	0	0	0	0
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0	0	0
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0
2.	Stock Option	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission	0	0	0	0
	- as % of profit	0	0	0	0
	- Others specify...	0	0	0	0
5.	Others, please specify	0	0	0	0
	Total	0	0	0	0



**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]	Appealmade, if any(Give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS  
MANRAJ HOUSING FINANCE LIMITED**

**Date: 27<sup>th</sup> May 2016**

**Place: Jalgaon**

**ISHWARLAL S. JAIN**  
Managing Director  
(DIN: 00386348)

**PRAMODKUMAR MEHTA**  
Director  
(DIN: 00386505)

**ANNEXURE II TO THE DIRECTORS' REPORT  
FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2016**

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

To,  
**The Members,**  
**Manraj Housing Finance Limited**  
3, Pushpa Apartment  
General Vaidya Chowk  
Jalgaon-425002.

I/We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MANRAJ HOUSING FINANCE LIMITED** (Hereinafter called the company).

Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **MANRAJ HOUSING FINANCE 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 31<sup>st</sup> March 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I/we have examined the books, papers, minute books, forms and returns filed and other records maintained by **MANRAJ HOUSING FINANCE LIMITED** for the financial year ended on 31<sup>st</sup> March 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998;
- (vi) Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis related to Salary & Wages, Bonus, Gratuity, Provident Fund, ESIC, Compensation etc.
- (vii) Labour Welfare Act of respective States.
- (viii) Acts prescribed under Direct Tax and Indirect Tax Laws by the Central and respective State Governments.
- (ix) Land Revenue Laws of respective States.
- (x) Indian Contract Act, 1872.
- (xi) Transfer of Property Act, 1882.
- (xii) Indian Stamp Act, 1999.
- (xiii) Negotiable Instruments Act, 1881.
- (xiv) Local Laws as applicable to various offices and Premises of the Company.

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 Bombay Stock Exchange Stock Exchange(s), if applicable;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations :

**I/WE 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/WE FURTHER REPORT THAT** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I/WE FURTHER REPORT THAT** during the audit period the company has apart from above, there were no instances of:

- (i) Public/Right/Preferential issue of Shares/Debentures/Sweat Equity etc.
- (ii) Redemption/Buy-Back of Securities.
- (iii) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.
- (iv) Merger / Amalgamation / Reconstruction, etc.
- (v) Foreign Technical Collaborations.

**For Pavan Rathi & Associates  
Company Secretaries**

**Pavan Rathi  
Proprietor  
(M. NO. 30210, CP. 10900)**

**Date: 27<sup>th</sup> May 2016.**

**Place: Pune.**

ANNEXURE A

To,  
**Manraj Housing Finance Limited**  
 3, Pushpa Apartment  
 General Vaidya Chowk  
 Jalgaon-425002

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

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

**For Pavan Rathi & Associates**  
**Company Secretaries**

**PavanRathi**  
**Proprietor**  
**(M. NO. 30210, CP. 10900)**

**Date: 27<sup>th</sup> May 2016.**

**Place : Pune**

## REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE

### COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

It has been the continuous endeavor of the company to exceed and excel the laid down regulatory parameters through better Corporate Governance. The company follows fair and transparent governance practices. It is the desire of the Management to institutionalize the "Framework of Corporate Governance and Code of Practices." The Management believes in leveraging the resources to translate dreams into realities. During the year, the company has fine-tuned its governance and corporate practices in line with revised clause 49 of the listing agreement.

Your company continues to follow procedures and practices in conformity with the code of Corporate Governance as enunciated in the Listing Agreement. In keeping with the spirit of the Code, your Board constituted Committees such as an Audit Committee, Nomination and Remuneration Committee, Share Transfer Committee and Shareholders/Investors Grievance Committee. Details of the implementation of the Code follow in the paragraphs below.

### BOARD OF DIRECTORS

The Board of Directors is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties. The Management Committee of the Company is headed by the Managing Director and has business / functional heads as its members, which look after the management of the day to day affairs of the Company.

### COMPOSITION

The board comprises a good mix of Executive and Non Executive Directors including Independent Directors. The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business.

As on the date of this report, the board consists of seven Directors comprising one Non Independent Executive chairman, Three Non Executive Non Independent Director and Three Independent Non Executive Directors.

Details of Directors and date of joining the Board as on 31<sup>st</sup> march 2016 are provided herein below :

Sr. No.	Name of director	Designation	Date of Appointment
1.	Mr. Ishwarlal Shankarlal Lalwani Jain	Chairman & Managing Director	11/01/1990
2.	Mr. Manish Ishwarlal Jain	Director	11/01/1990
3.	Mr. Pramodkumar Naginchand Mehta	Director	11/01/1990
4.	Mr. Suganchand Kasturchand Raka	Director	21/05/2003
5.	Mr. Ramvilas Keshrimal Rathi	Director	21/05/2003
6.	Mr. Purushottam Tryambak Wani	Director	21/05/2003
7.	Mrs. Neetika Manish Lalwani	Director	31/03/2015

The Company has not entered into any materially significant transactions with its promoters, directors or the management or relatives etc., which may have potential conflict with the interests of the Company at large.

The details of each member of the Board along with the number of Directorship(s)/ Committee Membership(s)/Chairmanship(s) and date of joining the Board are provided herein below :

Sr.No	Name Of Director	Category	Number Of Directorships @		No Of Committees @@	
			Member	Chairman	Member	Chairman
1.	Ishwarlal Jain	NI-E	NIL	NIL	NIL	NIL
2.	Manish Jain	NI-NE	NIL	NIL	NIL	NIL
3.	Pramod Mehta	NI-NE	NIL	NIL	NIL	NIL
4.	Suganchand Raka	IND-NE	NIL	NIL	NIL	NIL
5.	Ramvilas Rathi	IND-NE	NIL	NIL	NIL	NIL
6.	Purshottam Wani	IND-NE	NIL	NIL	NIL	NIL
7.	Neetika Manish Jain	NI-NE	NIL	NIL	NIL	NIL

**Notes :**

\* NI-E Non Independent Executive; NI-NE means Non-Independent Non-Executive; IND-NE means Independent Non Executive.

@ The Directorship held by directors as mentioned above excludes directorship in Manraj Housing Finance Limited & excluding directorships of Private limited Companies.

@@ Committees considered are Audit Committee and Stakeholders Relationship Committee excluding in Manraj Housing Finance Limited

During the financial year 2015-16, 8 (Eight) Board Meetings were held on the during the period from 1st April, 2015 to 31st March, 2016 on the following dates: 13<sup>th</sup> April 2015, 30<sup>th</sup> May 2015, 31<sup>st</sup> July 2015, 24<sup>th</sup> August 2015, 31<sup>st</sup> October 2015, 15<sup>th</sup> December 2015, 30<sup>th</sup> January 2016, and 31<sup>st</sup> March 2016 and the gap between two meetings did not exceed One Hundred Twenty Days and the Director's attendance at the Board Meetings during the period and at last Annual General Meeting are given below :

Name of Director	No. of Board Meetings Attended	Attendance At Last AGM i.e. on 26/09/2015
Mr. Ishwarlal Shankarlal Lalwani Jain	06	Yes
Mr. Manish Ishwarlal Jain	04	Yes
Mr. Pramodkumar Naginchand Mehta	08	Yes
Mr. Suganchand Kasturchand Raka	08	Yes
Mr. Ramvilas Kesharimal Rathi	08	Yes
Mr. Purushottam Tryambak Wani	08	Yes
Mrs. Neetika Manish Lalwani	05	Yes

**BOARD PROCEDURE**

The Board of Directors ('the Board') is responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent

Board. We keep our governance practices under continuous review and benchmark ourselves to best practices.

To enable the Board discharge its responsibilities effectively, a detailed Agenda folder is sent to each Director in advance of Board and Committee meetings. The Managing Director briefs the Board at every meeting on the overall company performance and progress. A detailed functional report is also placed at every Board Meeting. The functions performed by the Board include reviews of:

- ◆ Strategy and business plans.
- ◆ Annual operating and capital expenditure budgets
- ◆ Compliance with statutory/regulatory requirements and review of major legal issues
- ◆ Adoption of quarterly/half yearly/annual results.
- ◆ Major accounting provisions and accounting policies.

#### **DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT**

Mr. Suganchand Kasturchand Raka (DIN: 00386603) and Mr. Ramvilas Keshrimal Rathi (DIN: 00386669) directors of the company retired by rotation in the forthcoming Annual General Meeting, they are eligible for re-appoint on the Board of the company. Board of directors considered about their re-appointment. Detail profile of directors who are reappointed as follows.

Sr.No.	Name of Director	Suganchand Kasturchand Raka	Ramvilas Keshrimal Rathi
1.	Director Identification Number	00386603	00386669
2.	Date of Birth	02/05/1934	19/08/1938
3.	Date of Appointment	21/05/2003	21/05/2003
4.	Nature of Expertise in specific functional areas	Business Development	Finance and Administration
5.	Qualification	Matric	Matric
6.	Directorship Held in other Companies	No Director In Other Companies	No Director In Other Companies
7.	Committee Position held in Companies	Chairman of the Committee	Member of the Committee
8.	No. of Shares Held (As on 31 <sup>st</sup> March 2016)	2500	1000

#### **CODE OF CONDUCT**

The Board has formulated a code of conduct for the Board members and senior management of the Company. All Board members and senior management have affirmed their compliance with the code of conduct. A declaration to this effect, signed by Managing Director is contained in the Annual report.

The code concern Whistle Blower provisions, where the employees of the Company can voice their concerns on violation and potential violation of this Code in a responsible and effective manner.

The chairman of the company has given a declaration of due compliance with Code of Conduct by the Board Members and Senior Management of the Company

#### **COMMITTEES OF THE BOARD**

##### **AUDIT COMMITTEE**

The company has constituted an Audit Committee as set out in Clause 49 of Listing Agreements with the Stock Exchanges read with Section 177 of the Companies Act, 2013. The terms of reference are broadly

as follows:

- a) To review the company's financial reporting process
- b) To review the compliance of Internal Control System and risk management systems
- c) To review findings of Internal Auditors
- d) To discuss various aspects of accounts and audit with the Statutory Auditors and Internal Auditors
- e) To review quarterly, half yearly and annual financial results of the company
- f) To make recommendation on appointment, remuneration and terms of appointment of the auditor of the company
- g) To review and monitor the auditors independence and performance and effectiveness of audit process.
- h) Details as per revised clause 49

The composition of Audit Committee and the details of meeting attended by the Directors are given below:

Sr.No.	Name of Member	Designation	No. of Committee meetings held	No. of Committee meetings attended
1.	Suganchand K. Raka	Chairman (Independent)	06	06
2.	Ramvilas Rathi	Member (Independent)	06	06
3.	Purushottam Wani	Member (Independent)	06	06

During the year six committee meetings were held on following dates:

- (i) 30th May 2015
- (ii) 31st July, 2015
- (iii) 31st October, 2015
- (iv) 10th November 2015
- (v) 30th January, 2016
- (vi) 31st March 2016

The Audit Committee invites the Managing Director and other Directors as a representative of the Company to attend Meetings. The representatives of auditors also attend the meetings.

The broad terms of reference of the audit committee are, to review the internal controls, to meet statutory auditors and discuss their findings, suggestions and other issues relating to company operations. The scope also includes areas prescribed by clause 49II (D) of listing agreement.

#### **NOMINATION AND REMUNERATION COMMITTEE**

Members of the Nomination and Remuneration Committee are Mr. Pramodkumar Mehta (Chairman), Mr. Purshottam Wani and Mr. Manish Jain. The Committee held three meetings during the financial year 2015-16 on 5th August 2015, 1st December 2015 and 31st March 2016 no other meeting held by the committee during the year 2015-16.

The terms of reference of nomination and remuneration committee are as follows.

1. Formulation of the Criteria for determining qualification, positive attributes and independent directors and recommend to the Board Policy, relating to remuneration of the Directors , Key managerial personnel and other employees



2. Formulation of criteria for evaluation of Independent Directors and the Board.
3. Devising Policy of Board Diversity
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

### **REMUNERATION POLICY**

Payment of remuneration to the Executive Directors is governed by the terms of appointment approved by the Board of Directors and the members in the terms of schedule V to the Companies Act, 2013. His/her remuneration structure comprises of salary, perquisites, allowances and contribution to provident fund. The non-executive directors are not entitled for any remuneration from the company other than sitting fees.

None of the Directors of the Board have been paid any remuneration/sitting fees during the year.

### **SHAREHOLDERS' GRIEVANCE COMMITTEE**

The Shareholders Grievance Committee was constituted for redressal of Investors' Complaints. The composition and role of committee is as under :

Sr. No.	Name of Member	Designation
1.	Suganchand K. Raka	Chairman
2.	Manish I. Jain	Member
3	Purushottam Wani	Member

Two meeting of the Shareholders' Grievance Committee was held as on 1<sup>st</sup> September, 2015 and 10<sup>th</sup> March 2016.

The committee oversees all matters encompassing the Shareholders/Investors related issues like approval for issue of duplicate certificates an overseas and review all matters connected with transfer of securities of the Company. It also looks into Redressal of shareholders/investor complaints, overall performance of the registrar and transfer agents and recommends improvement in the quality of investor services. It also monitors implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 1992. Given below is the table of grievances received and resolved:

Received / Referred From	Total Complaints Received during the year 2015-2016	Total Complaints Resolved	Pending Complaints As on 01.04.2016
Investor	Nil	Nil	Nil
SEBI	Nil	Nil	Nil
Stock Exchanges	Nil	Nil	Nil

The Company has designated an email id "mhfljal@rediffmail.com" for the purpose of complaints by investors electronically.

There is no grievance from shareholders remaining unresolved as every effort is made to immediately redress investors' grievances without loss of time.

**SUBSIDIARY COMPANIES**

The company does not have any subsidiary company.

**DISCLOSURES**

**A. Disclosure of Materially significant related party transactions**

The company has not entered into any materially significant transactions with its promoters, directors or the management or relatives etc. that may have potential conflict with the interests of the Company at large.

A summary of related party transactions is given elsewhere in the Annual Report.

**B. Disclosure of Accounting Treatment**

In preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India.

**C. Proceeds from Public Issues, Rights Issues, and Preferential Issues etc.**

Company has not raised money by way of public issue, rights issue or preferential issue during the financial year.

**D. Details of Non-compliance and Instances of Penalties**

The Company has complied with the requirements of the regulatory authorities on matters related to capital markets and no strictures of whatsoever nature have been imposed against the Company by Stock Exchange or SEBI or any other statutory authority during the last three years.

**E. Details of Compliance with mandatory requirements and adoption of non-mandatory requirements**

Clause 49 of the Listing agreement requires the company shall obtain a certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance as stipulated in this clause and annex the certificate to the directors' report, which is sent annually to all the shareholders of the company. The Company has obtained a certificate from its auditors to this effect and the same is given as an annexure to the Directors' report.

The Clause further states that the non-mandatory requirements may be implemented as per the discretion of the Company. However, the disclosures of compliance with mandatory requirement and adoption (and compliance)/ non-adoption of the non-mandatory requirements shall be made on need basis.

**SHARE TRANSFER COMMITTEE**

The Share Transfer Committee of the Board of Directors has been delegated the powers to attend to share transfer/transmission approvals etc. The constitution of share transfer committee comprises of Mr. Ishwarial S. Jain (M.D.), Mr. Purshottam Wani and Mrs. Neetika Manish Jain Directors of the Company.

**MANAGEMENT DISCUSSION & ANALYSIS REPORT**

The Management Discussion and Analysis Report forms a part of Directors' Report. All the matters pertaining to the said report are discussed in the Directors' Report.

**IMPLEMENTING INSIDER TRADING CODE OF CONDUCT**

The Company follows strict guidelines in respect of insiders stock trading and related disclosures. The code is based on the same SEBI framework and is more stringent than the statutory Code being enforced by the SEBI. The Board of Directors and the Audit Committee have implemented the code observance in the Company. Mr. D. B. Patil, General Manager of the company is the designated Compliance Officer to oversee its implementation. All the concerned people have been identified and required disclosures are obtained.

**GENERAL SHAREHOLDER INFORMATION**

**1. MEANS OF COMMUNICATION**

**NEWSPAPER:** The Company publishes its quarterly results and Financial Statements in the following news papers:

Sr. No.	Name of Newspaper	Area of Circulation
1	Active Times	Whole of India
2	Daily Mumbai Lakshdip	Maharashtra
3	Gavkari	Jalgaon District

**2. DETAILS OF NON-COMPLIANCE**

There was no non-compliance by the Company on any matters related to capital markets during the last three years.

**3. COMPLIANCE OFFICER.**

Name & Designation	Address and Contact Details
Mr. D. B. Patil General Manager	3, Pushpa Apartment, Gen. Vaidya Chowk, Jalgaon. Ph. No. 0257-2226681 Fax.: 0257- 2226482 E-Mail: mhfljal@rediffmail.com

**4. GENERAL MEETING (AGM)**

Last three years AGM Date & place of meeting

Annual General Meeting		Address
Year	Date	
25 <sup>th</sup> AGM	26 <sup>th</sup> Sept. 2015	3 Pushpa Apartment, Gen. Vaidya Chowk, Jalgaon
24 <sup>th</sup> AGM	26 <sup>th</sup> Sept. 2014	3 Pushpa Apartment, Gen. Vaidya Chowk, Jalgaon
23 <sup>rd</sup> AGM	28 <sup>th</sup> Sept. 2013	3 Pushpa Apartment, Gen. Vaidya Chowk, Jalgaon

Special Resolution if any passed by postal ballot: NIL

**5. SHAREHOLDERS INFORMATION**

<b>A</b>	<b>Date of AGM and Time and Venue</b>	27 <sup>th</sup> September 2016, 3, Pushpa Apartment, Genral Vaidy Chowk, Jalgaon-425002.								
<b>B</b>	<b>Financial Year</b>	1 <sup>st</sup> April, 2015 to 31 <sup>st</sup> March, 2016								
<b>C</b>	<b>Date of Book Closure</b>	20 <sup>th</sup> September 2016 to 27 <sup>th</sup> September 2016								
<b>D</b>	<b>Dividend Payment Date</b>	N.A.								
<b>E</b>	<b>Stock Exchange Listing</b>	The company's equity is listed on Bombay Stock Exchange Limited. The Annual listing fee of the stock exchange has been paid.								
<b>F</b>	<b>Stock exchange code of the Company (Script code)</b>	BSE - 530537								
<b>G</b>	<b>No of shares in Demat form</b>	<table> <tr> <td>NSDL</td> <td>2,07,288</td> </tr> <tr> <td>CDSL</td> <td>12,77,012</td> </tr> <tr> <td>Physical Mode</td> <td><u>35,15,700</u></td> </tr> <tr> <td><b>Total</b></td> <td><b><u>50,00,000</u></b></td> </tr> </table>	NSDL	2,07,288	CDSL	12,77,012	Physical Mode	<u>35,15,700</u>	<b>Total</b>	<b><u>50,00,000</u></b>
NSDL	2,07,288									
CDSL	12,77,012									
Physical Mode	<u>35,15,700</u>									
<b>Total</b>	<b><u>50,00,000</u></b>									

**H. STOCK EXCHANGE DATA FOR THE YEAR 2015-2016 :**

Company has listed its shares on Bombay Stock Exchange Limited. The shares of company are not regularly traded and as such particulars of High/Low Price and Quantity traded are not available.

**I. REGISTRAR & SHARE TRANSFER AGENT DETAILS :**

Sr. No.	Particulars	Details
1.	<b>Name</b>	Bigshare Services Pvt. Ltd
2.	<b>Address</b>	E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri, (E) Mumbai-400 072
3.	<b>Phone No.</b>	022-28470652
4.	<b>Fax No.</b>	022-28475207
5.	<b>E-mail</b>	<a href="mailto:info@bigshareonline.com">info@bigshareonline.com</a>

**J. DISTRIBUTION SCHEDULE AS ON 31<sup>st</sup> March 2016**

Share holding of Nominal Value Rs.	No. of Share Holders	Amount in Rs.	% to total Share Capital
UPTO 5000	373	9,50,620	1.90
5001 To 10000	138	11,88,000	2.37
10001 To 20000	53	7,78,000	1.55
20001 To 30000	20	5,05,990	1.01
30001 To 40000	9	3,10,990	0.62
40001 To 50000	4	1,80,000	0.36
50001 To 100000	13	9,11,000	1.82
100001 and Above	23	4,51,75,400	90.35
<b>TOTAL</b>	<b>633</b>	<b>5,00,00,000</b>	<b>100.00</b>

**K. SHAREHOLDING PATTERN AS ON 31<sup>st</sup> March 2016**

	Category	No. of Shares held	Percentage of Shareholding
<b>A</b>	<b>Promoter's holding</b>		
1	Promoters		
	- Indian Promoters	31,41,300	62.83
	- Foreign Promoters/Holding Company	—	—
2	Persons acting in Concert	—	—
3	Any Other (Director Relative)	3700	0.07
	<b>SUB TOTAL</b>	<b>31,45,000</b>	<b>62.90</b>
<b>B</b>	<b>Non-Promoters Holding</b>		
3	Institutional Investors	NIL	NIL
a	Banks, Financial Institution, Insurance Companies (Central/State Govt. Institutions/ Non-Government Institutions)	NIL	NIL
	<b>SUB TOTAL</b>	<b>NIL</b>	<b>NIL</b>
4	Others (Employees/Relatives)	200	0.0040
a	Private Corporate Bodies	3,59,390	7.1878
b	Indian Public	1495410	29.9082
c	NRIs/OCBs FIIS	NIL	0.00
	<b>SUB TOTAL</b>	<b>18,55,000</b>	<b>37.10</b>
	<b>GRAND TOTAL</b>	<b>50,00,000</b>	<b>100.00</b>

**L. OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, LIKELY TO IMPACT ON EQUITY. - NIL**

**M ADDRESS FOR CORRESPONDENCE**

3, Pushpa Apartment,  
General Vaidya Chowk,  
JALGAON. (M.S)  
Ph. No:-0257-2226681,82  
Fax No:- 0257- 2226482  
E-Mail: mhfljal@rediffmail.com

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS  
MANRAJ HOUSING FINANCE LIMITED**

Date: 27<sup>th</sup> May 2016

Place: Jalgaon

**ISHWARLAL S. JAIN**  
Managing Director  
(DIN: 00386348)

**PRAMODKUMAR MEHTA**  
Director  
(DIN: 00386505)

**N. S. DOSHI & CO.**

**Chartered Accountants**

'Sharada' Near G.S. Highschool Ground, 18, Visanji Nagar,  
JALGAON-425 001. Email ID-niranjandoshi@rediffmail.com

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**Niranjan S. Doshi,**  
M.Com., LL.B., F.C.A.

**AUDITORS' CERTIFICATION ON CORPORATE GOVERNANCE**

To  
The Members of  
Manraj Housing Finance Ltd.

1. We have examined the compliance of conditions of corporate governance by Manraj Housing Finance Ltd. for the year ended on 31<sup>st</sup> March 2016, as stipulated in applicable provisions of Securities & Exchange Board of India (Listing obligations and disclosure Requirements) Regulations 2015 ("The Regulations")
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor expression of opinion on the financial statements of the company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of the Corporate Governance as stipulated in applicable provisions of the Regulations.
4. We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

**For N.S.Doshi & Co.**  
**Chartered Accountants**

**(N.S.Doshi-Proprietor)**  
M.No. 10212

Place : Jalgaon.  
Date : 27<sup>th</sup> May 2016.

**CEO/CFO CERTIFICATION TO THE BOARD**

I, Ishwarlal S. Jain, Managing Director responsible for the finance function Certify that....

- a. We have reviewed the financial statements and the cash flow statement for the year ended 31<sup>st</sup> March 2016 and to the best of our knowledge and belief :
  - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading ;
  - ii) 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. To the best of our knowledge and belief, no transactions entered into by the company during the year ended 31<sup>st</sup> March 2016 are fraudulent, illegal or violative the Company's code of conduct;
- c. We accept responsibility for establishing and maintaining internal controls and that I have evaluated the effectiveness of the internal control systems of the Company and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the internal control, if any, of which I am aware of and the steps I have taken or propose to take to rectify these deficiencies.
- d.
  - i) There has not been any significant change in internal control over financial reporting during the year under reference.
  - ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements.
  - iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Sd/-

**Shri. ISHWARLAL S. JAIN**  
MANAGING DIRECTOR

Place : Jalgaon.

Date : 27<sup>th</sup> May 2016.

**N. S. DOSHI & CO.**

**Chartered Accountants**

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**Niranjan S. Doshi,**

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**Independent Auditor's Report**

**To the Members of Manraj Housing Finance Limited.**

**Report on the Financial Statements**

We have audited the accompanying financial statements of Manraj Housing Finance Limited ('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 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 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 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 thereunder.

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



**N. S. DOSHI & CO.**

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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 financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016 and its loss 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, a statement on the matters specified in the paragraph 3 and 4 of the order.
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;

**N. S. DOSHI & CO.**

**Chartered Accountants**

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(c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;

(d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) on the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

(g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. there are no pending litigations by or against the Company and as such the question of disclosing the particulars regarding the same does not arise.
- ii. the Company has not entered into any long term contracts including derivative contracts and consequently the question of making any provision for the material foreseeable losses does not arise.
- iii. there are no amounts required to be transferred to the Investor Education and Protection Fund by the company.

**For N.S.Doshi & Co.  
Chartered Accountants**

**(N.S.Doshi-Proprietor)**

M.No. 10212

FRN. 102738W

Date : 27<sup>th</sup> May, 2016

Place : Jalgaon

**N. S. DOSHI & CO.**

**Chartered Accountants**

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**Annexure - A to the Auditors' Report**

The Annexure referred to in Independent Auditors' Report to the members of Manraj Housing Finance Limited financial statements for the year ended 31 March 2016.

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets which are fully depreciated in the books of accounts.
  - (b) As explained to us the fixed assets have been physically verified by the management on an yearly basis and no material discrepancies were noticed on such verification. In our opinion this periodicity of verification is reasonable having regard to the size of the company and the nature of its assets.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company did not hold any immovable property as fixed asset and as such this clause is not applicable.
- (ii) a) The management has conducted physical verification of inventory at reasonable intervals.
  - b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to size of the company and the nature of its business.
  - c) The company has maintained proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) The Company has granted a loan to a company covered in the register maintained under section 189 of the Companies Act, 2013 for a very short period which is fully repaid and as such no interest involving an insignificant amount, is charged.
  - a) There were no terms and conditions of such loan. However considering the short tenure and immediate repayment the same could not be treated as prejudicial to the interest of the company.
  - b) No terms of repayment of principal and payment of interest were stipulated while the loan stood fully repaid, within two days.
  - c) In view of the above clause (3) (iii) (c) of CARO 2016 is not applicable.

**N. S. DOSHI & CO.**

**Chartered Accountants**

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- (iv) In our opinion and according to the information and explanations given to us, as the Company has not given any loan, guarantee or security and has not made any investment in concerns in which Directors are interested, this clause is not applicable.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, income-tax, and all other material statutory dues applicable to it with the appropriate authorities. Further according to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.  
  
(b) According to the information and explanations given to us, there are no dues of Income tax, that have not been deposited on account of any dispute.
- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, clause 3(viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, clause 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/provided for any managerial remuneration during the year under review and therefore this clause is not applicable.

**N. S. DOSHI & CO.**

**Chartered Accountants**

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- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For N.S.Doshi & Co.**  
**Chartered Accountants**

**(N.S.Doshi-Proprietor)**

M.No. 10212

FRN. 102738W

Date : 27<sup>th</sup> May, 2016

Place : Jalgaon

**N. S. DOSHI & CO.**

**Chartered Accountants**

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**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 Manraj Housing Finance Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

**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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

**N. S. DOSHI & CO.**

Chartered Accountants

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M.Com., LL.B., F.C.A.

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial 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, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For N.S.Doshi & Co.  
Chartered Accountants

(N.S.Doshi-Proprietor)

M.No. 10212

FRN. 102738W

Date : 27<sup>th</sup> May, 2016

Place : Jalgaon

## Balance Sheet as at 31 March, 2016

Particulars	Note No.	As at 31 March, 2016	As at 31 March, 2015
		Rs.	Rs.
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	1	50,000,000	50,000,000
(b) Reserves and surplus	2	43,312,150	45,611,118
		93,312,150	95,611,118
<b>2 Current liabilities</b>			
(a) Short-term borrowings	3	132,620,731	113,268,365
(b) Other current liabilities	4	3,596,540	2,767,651
(c) Short-term provisions	5	37,636	39,916
		136,254,907	116,075,932
<b>TOTAL</b>		<b>229,567,057</b>	<b>211,687,050</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	6	-	-
(b) Non-current investments	7	764,501	764,501
(c) Deferred tax assets (net)	8	-	11,631
(d) Long-term loans and advances	9	135,544,872	117,399,053
(e) Other non-current assets	10	27,423	135,030
		136,336,796	118,310,215
<b>2 Current assets</b>			
(a) Inventories	11	92,404,265	92,404,265
(b) Trade receivables	12	-	18,150
(c) Cash and cash equivalents	13	184,320	122,590
(d) Short-term loans and advances	14	641,676	831,830
		93,230,261	93,376,835
<b>TOTAL</b>		<b>229,567,057</b>	<b>211,687,050</b>
Summary of Significant Accounting Policies and other notes	21,22 & 23	-0	0

The accompanying Notes are an integral part of the financial statements.

In terms of our report attached.

For N. S. Doshi & Co.  
Chartered Accountants  
Firm Registration No. 102738W

For and on behalf of the Board of Directors

(N.S.Doshi-Proprietor)  
M.No. 10212  
Place : Jalgaon  
Date : 27th May, 2016

Pramod Mehta  
(Director)

Ishwarlal S.Jain  
(Managing Director)



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

Particulars	Note No.	For the year ended	For the year ended
		31 March, 2016	31 March, 2015
		Rs.	Rs.
<b>A CONTINUING OPERATIONS</b>			
1 Revenue from operations	15	34,172	-
2 Other income	16	597,569	1,305,744
3 <b>Total revenue (1+2)</b>		631,741	1,305,744
4 <b>Expenses</b>			
(a) Cost of goods sold	17	-	-0
(b) Employee benefits expense	18	1,920,472	1,964,548
(c) Finance costs	19	11,376	73,931
(d) Depreciation and amortisation expense	6	-	-
(e) Other expenses	20	980,818	835,865
<b>Total expenses</b>		2,912,666	2,874,344
5 <b>Profit before tax</b>		-2,280,925	-1,568,600
6 <b>Tax expense:</b>			
(a) Current tax expense for current year		-	-
(b) Deferred Tax		11,631	-5,383
(c) Net current tax expense		11,631	-5,383
(d) Earlier years taxes		6,412	-283,772
(e) Earlier years income		-	-50
		18,043	-289,205
7 <b>Profit / (Loss) for the year</b>		-2,298,968	-1,279,395
<b>Earnings per share :</b>			
Basic		(0.46)	(0.26)
Diluted		(0.46)	(0.26)
Summary of Significant Accounting Policies and other notes	21,22 & 23		

The accompanying Notes are an integral part of the financial statements.

In terms of our report attached.

For N. S. Doshi & Co.  
Chartered Accountants  
Firm Registration No. 102738W

For and on behalf of the Board of Directors

(N.S.Doshi-Proprietor)  
M.No. 10212

Pramod Mehta Ishwarlal S.Jain  
(Director) (Managing Director)

Place : Jalgaon  
Date : 27th May, 2016

Cash Flow Statement for the year ended 31 March, 2016

Particulars	For the year ended 31 March, 2016		For the year ended 31 March, 2015	
	Rs.	Rs.	Rs.	Rs.
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before extraordinary items and tax		-2,280,925		-1,568,600
<i>Adjustments for:</i>				
Depreciation and amortisation	-		-	
(Profit) / loss on sale / write off of assets	-		24,278	
Dividend income	-81,771		-75,000	
Shares purchased credited to reserve	-		50	
		-81,771		-50,672
Operating profit / (loss) before working capital changes		-2,362,696		-1,619,272
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Inventories				
Trade receivables	18,150		-18,150	
Short-term loans and advances	190,154		165,638	
		208,304		147,488
<i>Adjustments for increase / (decrease) in operating liabilities:</i>				
Changes in Provision For Bonus	-2,280		-3,218	
Other non current assets	107,607		-135,030	
Other current liabilities	828,889	934,216	-1,218,440	
				-1,356,688
		-1,220,176		-2,828,472
Cash generated from operations		-1,220,176		-2,828,472
Housing Loan Recoveries				
Net income tax (paid) / refunds		-6,412		-3,284,260
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>-1,226,588</b>		<b>-6,112,732</b>
<b>B. Cash flow from investing activities</b>				
Proceeds from sale of fixed assets			14,330	
Longterm loans & advances	-18,145,819		-21,479,447	
Dividend received	81,771			
Others			75,000	
Cash flow from extraordinary items		-18,064,048		-21,390,117
		-18,064,048		-50
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>-18,064,048</b>		<b>-21,390,167</b>
<b>C. Cash flow from financing activities</b>				
Net increase / (decrease) in working capital borrowings	19,352,366		27,389,654	
Cash flow from extraordinary items		19,352,366		27,389,654
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>19,352,366</b>		<b>27,389,654</b>
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		61,730		-113,245
Cash and cash equivalents at the beginning of the year		122,590		235,836
Cash and cash equivalents at the end of the year		184,320		122,591
Breakup of Cash and Cash equivalents		46,139		45,743
		138,181		76,847
See accompanying notes forming part of the financial statements				

In terms of our report attached.

For N. S. Doshi & Co.  
Chartered Accountants  
Firm Registration No. 102738W

For and on behalf of the Board of Directors

(N.S.Doshi-Proprietor)  
M.No. 10212  
Place : Jalgaon  
Date : 27th May, 2016

Pramod Mehta  
(Director)

Ishwarlal Jain  
(Managing Director)

Notes forming part of the financial statements

1) Share capital

Particulars	As at 31 March, 2016		As at 31 March, 2015	
	Number of shares	Amount in Rs.	Number of shares	Amount in Rs.
(a) Authorised				
Equity shares of ` 10 each with voting rights	7,499,000	74,990,000	7,499,000	74,990,000
Preference shares of 100 each	100	10,000	100	10,000
(b) Issued				
Equity shares of ` 10 each with voting rights	5,000,000	50,000,000	5,000,000	50,000,000
(c) Subscribed and fully paid up				
Equity shares of ` 10 each with voting rights	5,000,000	50,000,000	5,000,000	50,000,000
<b>Total</b>	<b>5,000,000</b>	<b>50,000,000</b>	<b>5,000,000</b>	<b>50,000,000</b>

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

Particulars	Opening Balance	Fresh issue	Bonus	ESOP	Conversion	Buy back	Other changes (give details)	Closing Balance
Equity shares with voting rights								
Year ended 31 March, 2016								
- Number of shares	5,000,000	0	0	0	0	0	0	5,000,000
- Amount (₹)	50,000,000	0	0	0	0	0	0	50,000,000
Year ended 31 March, 2015								
- Number of shares	5,000,000	0	0	0	0	0	0	5,000,000
- Amount (₹)	50,000,000	0	0	0	0	0	0	50,000,000

(e) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2016		As at 31 March, 2015	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Rajmal Lakhichand Jewellers Pvt Ltd.	351500	7.0	351500	7.0
Amrish I. Jain	526600	10.5	526600	10.5
Manmal R. Lalwani	462000	9.2	462000	9.2
Nitika M. Jain	432400	8.6	432400	8.6
Manish I. Jain	427700	8.6	427700	8.6
Pushpadevi I. Jain	350000	7.0	350000	7.0
Ishwarlal S. Jain	645400	12.9	645400	12.9

(f) The Company has two classes of shares referred to as equity shares having a par value of Rs.10/- and Preference shares of Rs.100/-. Each holder of equity shares is entitled to one vote per share.

**Manraj Housing Finance Limited.**  
Notes forming part of the financial statements

**2) Reserves and surplus**

Particulars	As at 31	As at 31
	March, 2016	March, 2015
	Rs.	Rs.
(a) General reserve		
Opening balance	8,034,312	8,034,312
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Closing balance	8,034,312	8,034,312
(b) Other reserves (Special reserve u/s.36(i)(viii))		
Opening balance	20,077,000	20,077,000
Add: Additions / transfers during the year	-	-
Closing balance	20,077,000	20,077,000
(c) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	17,499,806	18,779,201
Add: Profit / (Loss) for the year, after tax, transferred from the Statement of Profit & Loss	-2,298,968	-1,279,395
Less : Transferred to General Reserve	-	-
Closing Balance	15,200,838	17,499,806
<b>Total</b>	<b>43,312,150</b>	<b>45,611,118</b>

**3) Short-term borrowings**

Particulars	As at 31	As at 31
	March, 2016	March, 2015
	Rs.	Rs.
(a) Loans repayable on demand		
From bank - Secured.	76,040,374	103,035,581
From Related party - Unsecured	56,580,357	10,232,784
<b>Total</b>	<b>132,620,731</b>	<b>113,268,365</b>

Notes:

(b) Details of security for the secured short-term borrowings:

Particulars	Nature of security	As at 31	As at 31
		March, 2016	March, 2015
		Rs.	Rs.
Name of the Bank	Jalgaon Peoples Co-operative Bank Ltd.		
Type of Loan	Hypothecation		
Loan A/c No	Hypo - 170		
Amount Sanctioned / Availed	9.50 Crores		
Sanction / Renewal Date	28/08/2013		
Interest Rate p.a.	13.50%		
Installments	On Demand		
Interest Payment Type	Monthly		
Security	Registered Mortgage of 9 residential flats at CTS No. 1273/1/7 Purna Building, having total area admeasuring 534.22 sqmtrs., 7 residential flats at CTS No. 1273/1/8, Ganga Building, having total area admeasuring 406.40 sqmtrs., 6 residential flats at CTS No. 1273/1/7 Yamuna Building, having total area admeasuring 383.46 sqmtrs. Situated at Tal. : Sillod, Dist : Aurangabad	76,040,374	103,035,581
	Registered Mortgage of 3 residential flats at CTS No. 7063/1B , having total area admeasuring 306.69 sqmtrs. Situated at Aman Appt. Kalka Mata Manmdir Road, Nashik which are owned by M/s Manvi Holding P Ltd ( a group company )		
	Registered Mortgage of Land and total construction at Survey No.807/2/A/2/23, having total area admeasuring 478.60 sqmtrs. situated at Ishwar Pushpa Appt. Nashik which are owned by M/s Manvi Holding P Ltd. ( a group company )		
	Agricultural Land located at Shet Gat No. 210/1/2 at Sonari Tal : Jamner, Dist : Jalgaon which is owned by Director Shri Pramod Mehta.		
	Individual guarantee of all directors and guarantee of Manvi Holdings Pvt. Ltd. through its Directors..		
<b>Total - from bank</b>		<b>76,040,374</b>	<b>103,035,581</b>

**Manraj Housing Finance Limited.**  
**Notes forming part of the financial statements**

**4) Other current liabilities**

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
<u>Other payables</u>		
(i) Statutory remittances (Contributions to PF and ESIC.)	518,262	156,539
(ii) Advances from customers	2,676,500	2,197,500
(iii) Outstanding Expenses	401,778	413,612
<b>Total</b>	<b>3,596,540</b>	<b>2,767,651</b>

**5) Short-term provisions**

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
(a) Provision for employee benefits:		
(i) Provision for bonus	37,636	39,916
(b) Provision - Others:		
(i) Provision for tax	-	-
<b>Total</b>	<b>37,636</b>	<b>39,916</b>

## Manraj Housing Finance Limited.

## Notes forming part of the financial statements

## 6) Fixed Assets.

Particulars	Gross block				Accumulated depreciation and impairment				Net block	
	Balance as at 1 April, 2015	Additions	Other adjustments	Balance as at 31 March, 2016	Balance as at 1 April, 2015	Depreciation for the year	Other adjustments	Balance as at 31 March, 2016	Balance as at 31 March, 2016	Balance as at 31 March, 2015
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
(a) Furniture and Fixtures Owned	70,225	-	-	70,225	70,225	-	-	70,225	-	-
(b) Office equipment Owned	48,707	-	-	48,707	48,707	-	-	48,707	-	-
Total	118,932	-	-	118,932	118,932	-	-	118,932	-	-
Previous year	1,236,464	-	1,117,532	118,932	1,197,856	-	1,078,924	118,932	-	38,608

## Depreciation and amortisation relating to continuing operations:

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Depreciation and amortisation for the year on tangible assets	-	-
Depreciation and amortisation relating to continuing operations	-	-

Manraj Housing Finance Limited.  
Notes forming part of the financial statements

7) Non-current investments

Particulars	As at 31 March, 2016			As at 31 March, 2015		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
<u>Investments (At cost)</u>						
(A) <u>Trade Investments</u>	-	500,000	500,000	-	500,000	-
(B) <u>Investment in equity instruments</u>	-	500,000	500,000	-	500,000	-
(i) of other entities	264,501	-	264,501	264,501	-	264,501
<b>Total trade investments (A)</b>						
<b>Total - Other investments (B)</b>	264,501	-	264,501	264,501	-	264,501
<b>Total (A+B)</b>	<b>264,501</b>	<b>500,000</b>	<b>764,501</b>	<b>264,501</b>	<b>500,000</b>	<b>764,501</b>
Less: Provision for diminution in value of investments						
<b>Total</b>			<b>764,501</b>			<b>764,501</b>
Aggregate amount of quoted investments			264,501			264,501
Crest Ventures Ltd.			547,056			660,124
(No of shares 13,541 * Market value 40.40)						
Aggregate market value of listed and quoted investments						
Jalgaon Peoples Co-op. Bank			500,000			500,000
Aggregate amount of unquoted investments			500,000			500,000



8) Deferred Tax Assets (net).

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
<b>Deferred tax (liability) / asset</b>		
<u>Tax effect of items constituting deferred tax assets</u>		
On difference between book balance and tax balance of fixed	-	11,631
Tax effect of items constituting deferred tax assets	-	11,631
<b>Net deferred tax (liability) / asset</b>	-	11,631

9) Long-term loans and advances

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
<b>(a) Capital Advances</b>		
Secured considered good		
Unsecured considered good	135,339,509	117,193,690
Doubtful		
	135,339,509	117,193,690
<b>(b) Security deposits</b>		
Unsecured, considered good	205,363	205,363
Less: Provision for doubtful deposits	-	-
	205,363	205,363
<b>Total</b>	<b>135,544,872</b>	<b>117,399,053</b>

10) Other non-current assets

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
Income Tax Refundable	27,423	135,030
<b>Total</b>	<b>27,423</b>	<b>135,030</b>

11) Inventories

(At lower of cost and net realisable value)

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
Stock-in-trade (acquired for trading)		
- Unsold Shops and Flats at Sillod	9,973,324	9,973,324
- Tenancy rights Purchased at Mumbai (As verified, valued and certified by Director)	82,430,941	82,430,941
<b>Total</b>	<b>92,404,265</b>	<b>92,404,265</b>

**Manraj Housing Finance Limited.**  
**Notes forming part of the financial statements**

**12) Trade receivables**

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	NIL	NIL
Other trade receivables		
Secured, considered good	-	-
Unsecured, considered good	-	18,150
Doubtful	-	-
	-	18,150
<b>Total</b>	<b>-</b>	<b>18,150</b>

**Trade receivables include debts due from:**

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	NIL	NIL
Other trade receivables		
Unsecured		
- Terrace rent receivable	-	18,150
	-	18,150

**13) Cash and cash equivalents**

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
(a) Cash on hand	46,139	45,743
(c) Balances with banks		
(i) In current accounts	138,181	76,847
<b>Total</b>	<b>184,320</b>	<b>122,590</b>
The said balances meet the definition of Cash and cash equivalents as per AS 3 <i>Cash Flow Statements</i> .		

**Manraj Housing Finance Limited.**  
**Notes forming part of the financial statements**

**14) Short-term loans and advances**

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
<b>(a) Loans and advances to employees</b>		
Unsecured, considered good	638,706	831,830
Less: Provision for doubtful loans and advances	638,706	831,830
	-	-
	638,706	831,830
<b>(b) Prepaid expenses - Unsecured, considered good (For Insurance premium.)</b>	2,970	
	2,970	-
<b>Total</b>	<b>641,676</b>	<b>831,830</b>

**Short-term loans and advances include amounts due from:**

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
Other group concerns of the Company	638,706	831,830
	638,706	831,830

15) Revenue from operations

	Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
		Rs.	Rs.
(a)	Sale of products (Refer note below)	-	-
(b)	Sale of services (Refer note below)	34,172	-
(c)	Other operating revenues	-	-
	<b>Total</b>	<b>34,172</b>	<b>-</b>

Note	Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
		Rs.	Rs.
(a)	Sale of products comprises :		
	<u>Manufactured goods</u>		
	Sale of Shops	-	-
	Sale of Flats	-	-
	<b>Total - Sale of manufactured goods</b>	<b>-</b>	<b>-</b>
	<u>Traded goods</u>		
	<b>Total - Sale of traded goods</b>	<b>-</b>	<b>-</b>
	<b>Total - Sale of products</b>	<b>-</b>	<b>-</b>
(b)	Sale of services comprises :		
	Interest on		
	- Housing Loans	34,172	-
	- Debtors	-	-
	- Other Loans	-	-
	<b>Total - Sale of services</b>	<b>34,172</b>	<b>-</b>

16) Other income

	Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
		Rs.	Rs.
(a)	Dividend income:		
	<u>from long-term investments :</u>		
	others	81,771	75,000
(b)	Other non-operating income (net of expenses directly attributable to such income) (Refer Note below)	515,798	1,230,744
	<b>Total</b>	<b>597,569</b>	<b>1,305,744</b>

Note

	Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
		Rs.	Rs.
	Other non-operating income comprises:		
	Rental Income from investment properties	21,000	4,000
	Miscellaneous income	494,798	1,226,744
	<b>Total - Other non-operating income</b>	<b>515,798</b>	<b>1,230,744</b>

17) Cost of goods sold

	Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
		Rs.	Rs.
	Opening stock	92,404,265	92,404,265
	Add: Purchases	-	-
		92,404,265	92,404,265
	Less: Closing stock	92,404,265	92,404,265
	<b>Cost of goods sold</b>	<b>-</b>	<b>(0)</b>

## 18) Employee benefit expenses

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
	Rs.	Rs.
Salaries and wages	1,827,000	1,872,923
Contributions to provident and other funds	55,836	51,709
Bonus and Ex-gratia	37,636	39,916
<b>Total</b>	<b>1,920,472</b>	<b>1,964,548</b>

## 19) Finance costs

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
	Rs.	Rs.
(a) Interest expense on:		
(i) Borrowings	-	-
(ii) Others		
Interest on TDS	11,376	73,931
<b>Total</b>	<b>11,376</b>	<b>73,931</b>

## 20) Other expenses

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
	Rs.	Rs.
Legal and professional	100,330	58,933
Payments to auditors (Refer Note below)	58,395	57,304
Advertisement charges	110,532	105,074
Annual custodial Fees	20,698	13,482
Listing fees	224,720	112,360
Rent for Tenancy Rights for Mumbai	205,692	205,692
Share Transfer Charges	118,072	108,250
Miscellaneous expenses	142,379	174,770
<b>Total</b>	<b>980,818</b>	<b>835,865</b>

## Details of Payment to Auditors :

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
	Rs.	Rs.
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - statutory audit	31,000	31,000
For taxation matters	15,000	15,000
For company law matters	5,000	5,000
Service tax	7,395	6,304
<b>Total</b>	<b>58,395</b>	<b>57,304</b>

**MANRAJ HOUSING FINANCE LIMITED.**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016.**

**21) CORPORATE INFORMATION**

Manraj Housing Finance Limited is a listed Company incorporated in India under the provisions of the Companies Act, 1956. Earlier it was engaged in the business of providing finance for housing. This activity of late has been discontinued and since last few years the company has started construction activity and is otherwise dealing in real estate business.

**22) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A) Accounting Methodology**

The accounts have been prepared on historical cost basis of accounting in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 2013. The Company adopts the accrual concept in the preparation of accounts, unless otherwise stated.

**B) Investments**

Investments classified as long term investments are carried at cost. Provision for diminution, if any, in the value of investments is made to recognize a decline, other than, that of a temporary nature.

**C) Revenue Recognition**

As for the real estate business the revenue from sale properties constructed is recognized on transfer of significant risk and rewards to the buyer. Accordingly cost of construction /development is charged to the profit and loss account in proportion to the revenue recognized during the period and balance costs are carried as inventories. Amounts receivable/payable are reflected as Debtors/Advances from Customers, respectively, after considering income recognized in the aforesaid manner.

Dividend Income is recognized when the right to receive dividend is established.

**D) Fixed Assets**

1. All the fixed assets have been stated at cost inclusive of incidental expenses less accumulated depreciation less impairment if any.
2. Depreciation on Fixed Assets was provided on Straight Line Method at the rates and in the manner specified in Schedule II to the Companies Act, 2013 till 31.03.2014. Since then as all the assets are fully depreciated, no depreciation has been provided in the books.

**E) Inventories**

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

**23) OTHER NOTES**

**23.1) Unclaimed Dividend and Transfer of Dividend to Investor Protection Fund**

Unclaimed Dividend of Rs. NIL ( P.Y. Rs. NIL/- )

**23.2) Provision for Current and Deferred Tax. (AS-22)**

No provision for current tax is made in view of current year's and brought forward losses. Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent there is a reasonable certainty that the assets will be realised in future.

**23.3) Current assets, loans and advances**

In the opinion of the board, the current assets, loans and advances , have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance sheet.

**23.4) Amount due to micro & small enterprises:**

The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and, hence, disclosures relating to amounts unpaid as at the year end together with interest paid/payable under this Act has not been given.

**23.5) Contingent Liability**

**Capital and Other Contingencies**

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs. N I L /-. (P.Y. Rs. NIL).

**23.6) Segment Reporting**

The company's operations predominantly consist of construction activities. Hence there are no reportable segments under Accounting Standard – 17. During the year under report substantial part of the company's business has been carried out in the state of Maharashtra. The conditions prevailing in Maharashtra being uniform, no separate geographical disclosures are considered necessary.

**23.7) Employee Benefits**

No provision for gratuity payable is made as there is no eligible employee entitled to gratuity. There are no other dues payable to employees for which provision / payment has been made in books of accounts including leave encashment dues etc.

**23.8) Disclosure in respect of Related Parties pursuant to Accounting Standard 18**

1) List of Related Parties

(As identified by the Management)

i) Enterprises that directly or indirectly exercise control NIL

ii) Key Managerial Personnel and Enterprises

(Having common Key Management Personnel or their relatives)

Key Management Personnel

1	Shri Ishwarlal S. Jain	Managing Director
2	Shri Manish I. Jain	Director
3	Shri Pramod N. Mehta	Director
4	Shri Suganchand K. Raka	Director
5	Shri Ramvilas K. Rathi	Director
6	Shri Prashant J. Agrawal	Director
7	Shri Purushottam T. Wani	Director
8	Mrs. Nitika Jain	Director

Relatives of Key Management Personnel

1	Shri Amrish Jain	(son of Shri Ishwarlal Jain)
2	Mrs Pushpadevi Jain	(wife of Shri Ishwarlal Jain)

Enterprises having common Key Management Personnel (Associates)

Name of the Related Party	Relationship
Arya Automobiles	Proprietary Concern of Shri. I.S.Jain
Rajmal Lakhichand (Jalgaon)	
Rajmal Lakhichand & Sons	
Arya Impex	
Manraj Travels	
Manraj Construction	
Manraj Green Gold	
Rajmal Lakhichand Jewellers (Pune)	
R.L.Commodities Pvt. Ltd.	Shri Ishwarlal S. Jain / Manish I. Jain and their relatives are partners / directors / shareholders in these firms / companies.
Manraj Jewellers Pvt. Ltd.	
R.L.Jewels Pvt. Ltd.	
Ajanta Health Resort Pvt. Ltd.	
R.L. Gold Pvt. Ltd.	
Rajmal Lakhichand Jewellers Pvt. Ltd.	
Manraj Motors Pvt. Ltd.	
Manavi Holdings Pvt. Ltd.	
Chatrapati Real Estate and Projects Pvt. Ltd.	
Precious Hallmarking Pvt, Ltd.	

2) During the year, the following transactions were carried out with the related parties in the ordinary course of the business and at arms length price.

Name of Related Party	Nature of Transaction	Paid (Rs.)
Chatrapati Real Estate and Projects Pvt. Ltd.	Trade Advances	13,53,39,509
Chatrapati Real Estate and Projects Pvt. Ltd.	Rent	6,38,706
Ishwarlal S. Jain	Interest	56,69,526



- 23.9) Disclosure in respect of Lease rent in pursuant to Accounting Standard 19  
The particulars of rental agreements entered into by the company are as follows:-

Name of the party	Term of agreement	Total amount	Within one year	Later than one year but not later than five years	Later than five years.
Reliance	Nine Years and eleven months	17,85,000	1,80,000	7,20,000	8,85,000
ETC Tower	Fifteen years	20,23,380	1,34,892	5,39,568	13,48,920
Idea	Nine Years	9,18,000	1,02,000	4,08,000	4,08,000

- 23.10) Earnings Per Share

Particulars	31.03.2016	31.03.2015
Earning for the Year	(22,98,969)	(12,79,395)
Number of Shares: Basic/ Diluted	50,00,000	50,00,000
E P S : Basic/ Diluted	(0.46)	(0.26)

- 23.11) Sales and Stock Particulars of Finished Goods.

Particulars	Sale Value (Rs.)	Closing Inventory (Rs.)	Opening Inventory (Rs.)
Current Year	NIL	99,73,324	99,73,324
Previous Year	NIL	99,73,324	99,73,324

- 23.12) Where changes in presentation are made, comparative figures for the previous year are re-grouped accordingly.

AS PER OUR REPORT OF EVEN DATE.

**FOR N. S. DOSHI & CO.,**  
Chartered Accountants  
FRN - 102738W  
(N.S. Doshi-Proprietor)  
M. No. 10212

**FOR AND ON BEHALF OF THE BOARD  
OF DIRECTORS**

Jalgaon  
27th May, 2016.

**PRAMOD MEHTA**                      **ISHWARLAL JAIN**  
(Director)                                      (Managing Director)

**MANRAJ HOUSING FINANCE LIMITED**

Registered Office: 3, Pushpa Apartment, General Vaidya Chowk, Jalgaon - 425 002.

Tel No. : 0257-2226681-82-83. Fax : 0257-2226482. e-mail : mhljal@rediffmail.com CIN-L65922MH1990PLC055000

**Form No. MGT-11**

**Proxy Form**

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

Name of Member (s) : _____	
Register Address : _____	
Email ID : _____	Folio No./Client ID : _____
DP ID : _____	

I / We, being the member(s) of \_\_\_\_\_ shares of the above named company, hereby appoint

1. Name : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 Signature :   
 Or falling him / her

2. Name : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 Signature :   
 Or falling him / her

3. Name : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 Signature :   
 Or falling him / her

As my / our proxy to attend and vote, in case of a poll, for me/us and on my/our behalf at the 26th Annual General Meeting of the Company, to be held on 27<sup>th</sup> day of September 2016 at 3, Pushpa Apartment, General Vaidya Chowk, Jalgaon-425002 on Tuesday at 10 a.m. and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below :

Resolution No.	Description	For*	Against*

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016

Signature of Shareholder : \_\_\_\_\_

Signature of Proxy Holder : \_\_\_\_\_

Affix Revenue Stamp
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Tel No. : 0257-2226681-82-83. Fax : 0257-2226482. e-mail : mhffjal@rediffmail.com CIN-L65922MH1990PLC055000

**Note :**

1. Please put a 'X' in the Box in the appropriate column against the respective resolutions. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
2. A Proxy need not be a Member of the Company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty Members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other Member.
3. This Form of Proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 Hours before the Commencement of the Meeting.

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**ATTENDANCE SLIP**

**26<sup>th</sup> ANNUAL GENERAL MEETING ON TUESDAY, THE 27<sup>th</sup> DAY OF SEPTEMBER 2016 AT 10 A.M.  
3, Pushpa Apartment, General Vaidya Chowk, Jalgaon-425002**

**REGISTERD FOLIO NO./ DP ID NO./ CLIENT ID NO. :**

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**NUMBER OF SHARES HELD :**

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I certify that I am a member/proxy/authorised representative of the member of the Company.  
I hereby record my presence at the 26<sup>th</sup> Annual General Meeting of the Company on 27<sup>th</sup> day of September 2016 at 3, Pushpa Apartment, General Vaidya Chowk, Jalgaon-425002 on Tuesday at 10 a.m.

**Name of Member/Proxy**  
(In BLOCK letters)

**Signature of the Member/Proxy**

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**Note :**

Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM.

BOOK - POST

To,

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If Undelivered, Please Return to

**Manraj Housing Finance Limited**

Administrative Office : C/o. Rajmal Lakhichand Jewellers,  
169, Balaji Path, JALGAON - 425 001.