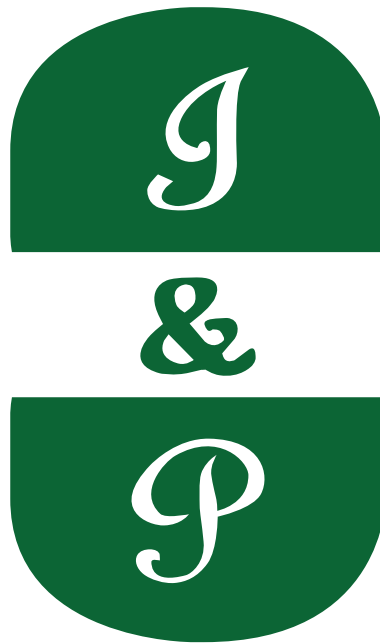


103rd
ANNUAL REPORT
2018-2019



*Industrial And Prudential
Investment Company Limited*

Company Information

Directors	:	MR. PROBIR ROY (DIN: 00033045) MR. DEBANJAN MANDAL (DIN: 00469622) MR. ANISH K. MODI (DIN: 00031232) MS. DEVINA SWARUP (DIN: 06831620) MR. VARUN SWARUP (DIN: 02435858) MR. GAURAV SWARUP (DIN: 00374298) (Chairman and Managing Director)
Executives	:	MR. ARUN K. SINGHANIA (Chief Financial Officer) MR. AYAN DATTA (Company Secretary)
Bankers	:	DEUTSCHE BANK HDFC BANK BANK OF INDIA
Auditors	:	LODHA & CO. Chartered Accountants
Registered Office	:	Paharpur House 8/1/B Diamond Harbour Road, Kolkata 700 027 Tel. No.: 033 40133000 Email: contact@industrialprudential.com Website: www.industrialprudential.com CIN: L65990WB1913PLC218486
Registrars & Transfer Agents	:	LINK INTIME (INDIA) PVT. LTD. C - 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400083 Tel. No.: 022 4918 6000 Email: rnt.helpdesk@linkintime.co.in CIN: U67190MH1999PTC118368

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Notice to the Shareholders

NOTICE is hereby given that the 103rd Annual General Meeting of INDUSTRIAL AND PRUDENTIAL INVESTMENT COMPANY LIMITED will be held at Shripati Singhania Hall, Rotary Sadan, 94/2 Chowringhee Road, Kolkata 700020 on Friday, 2nd August, 2019 at 3.00 p.m. to transact the following items of business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - (a) The Audited Financial Statements of the Company for the financial year ended March 31, 2019, the Reports of the Board of Directors and the Auditors thereon; and
 - (b) The Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2019.
2. To declare a dividend.
3. To appoint a Director in place of Ms. Devina Swarup (DIN 06831620), who retires by rotation and being eligible offers herself for re-appointment.

SPECIAL BUSINESS:

4. To consider and if, thought fit, to pass with or without modification(s) the following resolution as a SPECIAL RESOLUTION:

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made; notifications, circulars and orders issued from time to time thereunder (collectively referred to as “the said Act”), and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), as recommended by the Nomination and Remuneration Committee, Mr. A. K. Modi (DIN: 00031232) be and is hereby re-appointed as an Independent Director of the Company for the second consecutive term from 24th September, 2019 (the date of expiry of the first term of five years) up to 23rd September, 2024, and he shall not be liable to retire by rotation.

RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient, usual or proper and to give such directions as may be necessary to settle any question, difficulty or doubt that may arise in implementing this resolution.”

5. To consider and if, thought fit, to pass with or without modification(s) the following resolution as an ORDINARY RESOLUTION

“RESOLVED that in supersession of the resolution passed at the annual general meeting held on 24th September, 2014 and pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made; notifications, circulars and orders issued from time to time thereunder (collectively referred to as “the said Act”), and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), profit related commission not exceeding the limit prescribed under the said Act, be paid to and distributed amongst the Directors of the Company or some or any of them (other than the Managing Director and Whole-time Director) in such amounts or proportions and in such manner and in all respects as may be directed by the Board of Directors and such payments shall be made in respect of the profits of the Company for each financial year, for a period of five years, commencing April 1, 2019.

RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient, usual or proper and to give such directions as may be necessary to settle any question, difficulty or doubt that may arise in implementing this resolution.”

6. To consider and if, thought fit, to pass with or without modification(s) the following resolution as an ORDINARY RESOLUTION

“RESOLVED that subject to approval of the BSE Limited pursuant to regulation 31A and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), and; subject to other applicable regulations, directives, notifications, circulars and orders issued by the Securities and Exchange Board of India to the listed companies from time to time (SEBI) and Section 92 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made; notifications, circulars and orders issued from time to time thereunder (collectively referred to as “the said Act”), Mr. Kevic Anant Setalvad and Mr. Anant Ventkatrao Setalvad (shareholders of the Company), who belong to the promoter group of the Company, be re-classified as members of the public.

RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board of Directors and the Company Secretary be and are hereby authorized to make application(s) and give an undertaking to the BSE Ltd. and to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient, usual or proper and to give such directions as may be necessary to settle any question, difficulty or doubt that may arise in implementing this resolution.”

NOTES:

- I. The relevant Explanatory Statement pursuant to section 102 of the Companies Act, 2013 and the Rules made; circulars, notifications and orders issued from time to time thereunder (collectively referred to as “the Act”) in respect of business under Items Nos. 4 to 6 of the Notice, is annexed hereto. The relevant details as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (LODR) of persons seeking appointment/ re-appointment as Director under Items No. 3 and 4 is also annexed.
- II. **A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself 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 Company’s Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
- III. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 27th July, 2019 to Friday 2nd August, 2019 (both days inclusive).
- IV. If dividend as recommended by the Board of Directors is approved at the Annual General Meeting, payment of such dividend will be made on or after Friday 27th August, 2019 as under:
 - (i) all Beneficial Owners in respect of shares held in dematerialized form as per the data made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as at the close of business hours on 26th July, 2019;
 - (ii) To all Members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on 26th July, 2019;
- V. Pursuant to section 124 of the Act (as notified on the 7th September, 2016), and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all shares on which dividend has not been paid or claimed for seven consecutive years or more, shall be transferred to an IEPF Account established by the Central Government, within thirty days of such shares becoming due for transfer to the Fund. The Members whose shares/ unclaimed dividend have been transferred to the Fund may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF 5 (available on www.iepf.gov.in) along with requisite fee as decided by the Authority from time to time. The details of the said unclaimed dividends are available on the Company’s

Notice to the Shareholders

website at www.industrialprudential.com and on the website of Ministry of Corporate Affairs at www.mca.gov.in.

- VI. Pursuant to the provisions of section 205C of the Companies Act, 1956 and section 125 of the Companies Act 2013 (with effect from 7th September 2016), the Company has transferred the unpaid or unclaimed dividend amount for the financial year ended 31st March, 2011 to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company is in the process of uploading the details of unpaid and unclaimed amounts lying with the Company on the 2nd August, 2018 (date of the last Annual General Meeting) on the website of the Company (www.industrialprudential.com), as also on the website of the Ministry of Corporate Affairs (www.mca.gov.in). Other unpaid dividends that are due for transfer are detailed below:

Sl. No.	Financial Year ended	Date of payment	Due for transfer on
1	31.03.2012	13/08/2012	12/08/2019
2	31.03.2013	23/09/2013	22/09/2020
3	31.03.2014	01/10/2014	30/09/2021
4	31.03.2015	07/09/2015	06/09/2022
5	31.03.2016	18/07/2016	17/07/2023
6	31.03.2017	11/08/2017	10/08/2024
7	31.03.2018	16/08/2018	15/08/2025

- VII. Corporate Members intending to send their authorised representatives to attend the Meeting pursuant to section 113 of the Act are requested to send to the Company a certified copy of the relevant Board Resolution together with their respective specimen signatures authorising their representative(s) to attend and vote on their behalf at the Meeting.
- VIII. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical mode should submit their PAN to the Company/Registrar and Transfer Agent, Link Intime India Pvt. Ltd. (Link Intime).
- IX. Members who have not yet encashed their dividend warrant(s) for the financial year ended 31st March, 2012 onwards, are requested to make their claims to the Company accordingly, without any delay.
- X. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and Link Intime to provide efficient and better services. Members holding shares in physical form are also requested to intimate such changes to Link Intime.
- XI. Members holding shares in physical mode are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares. Members can contact the Company or Link Intime for assistance in this regard.
- XII. Members holding shares in physical mode in identical order of names in more than one folio are requested to send to the Company or Link Intime, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.
- XIII. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

- XIV. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.
- XV. Electronic copy of the Annual Report for the year 2018-19 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) and have given their positive consent to receive the same through electronic means. To members other than above, physical copies of the Annual Report are being sent in the permitted mode.
- XVI. Electronic copy of the Notice of the 103rd Annual General Meeting (hereinafter for brevity sake referred to as 103rd AGM) of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) and have given their positive consent to receive the same through electronic means. To members other than above, physical copies of the Notice of the 103rd AGM of the Company inter alia indicating the process and manner of remote e-voting along with Attendance Slip, Ballot Form and Proxy Form are being sent in the permitted mode.
- XVII. Members may also note that the Notice of the 103rd AGM and the Annual Report for 2018-19 will also be available on the Company's website www.industrialprudential.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Kolkata for inspection during normal business hours on working days and even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, free of cost. For any communication, the shareholders may also send request to the Company's investor email id: contact@industrialprudential.com

XVIII. Voting through electronic means:

Pursuant to section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and in compliance with the provisions of Regulation 44 of LODR the Company is pleased to provide shareholders facility to exercise their right to vote by electronic means.

1. The facility of casting the votes by the shareholders using an electronic voting system from a place other than venue of the 103rd AGM ("remote e-voting") will be provided by Link Intime.
2. The facility for voting, either through electronic voting system or through ballot/polling paper shall also be made available at the venue of the 103rd AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the 103rd AGM.
3. The Company has appointed Mr. Mayur Mehta, Practicing Company Secretary as the Scrutinizer for conducting the remote e-voting and the voting process at the 103rd AGM in a fair and transparent manner. Scrutinizer will submit his report to the Chairman of the meeting not later than Saturday, 3rd August, 2019. The result with the Scrutinizer's Report will be announced and displayed at the Registered Office. The said result would be available on the website of the Company www.industrialprudential.com and of Link Intime. The same would be uploaded on the website of BSE in accordance with the LODR.
4. The Notice of the 103rd AGM inter alia indicating the process and manner of e-Voting can be downloaded from <https://instavote.linkintime.co.in>.
5. The voting period begins on Tuesday, 30th July, 2019 at 9.00 a.m. and ends on Thursday, 1st August, 2019 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 26th July, 2019 may cast their vote electronically. The e-voting module shall be disabled by LIPL for voting after 5.00 p.m. on 1st August, 2019.
6. The voting rights of the shareholders shall be in proportion to their share in the paid up equity share capital of the Company as on cut-off date i.e. 26th July, 2019.



Notice to the Shareholders

Instructions for shareholders to vote electronically

Log-in to e-Voting website of Link Intime

- i. Visit the e-voting system of Link Intime. Open web browser by typing the following URL: <https://instavote.linkintime.co.in>.
- ii. Click on "Login" tab, available under 'Shareholders' section.'
- iii. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".
- iv. Your User ID details are given below:
 - a. Shareholders holding shares in demat account with NSDL: Your User ID is 8 Character DP ID followed by 8 Digit Client ID
 - b. Shareholders holding shares in demat account with CDSL: Your User ID is 16 Digit Beneficiary ID
 - c. Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company
- v. Your Password details are given below:

If you are using e-Voting system of Link Intime: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below:

Click on "Sign Up" tab available under 'Shareholders' section' register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

	For Shareholders holding shares in Demat Form or Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by the Income Tax Department (applicable for both demat shareholders as well as physical shareholders). <ul style="list-style-type: none"> • Members who have not updated their PAN with Depository Participant or in the Company record are requested to use the sequence number which is printed on Ballot Form / Attendance Slip indicated in the PAN Field.
DOB/ DOI	Enter the DOB (Date of Birth)/ DOI as recorded with depository participant or in the Company record for the said demat account or folio number in dd / mm / yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio number. <ul style="list-style-type: none"> • Please enter the DOB/ DOI or Dividend Bank Details in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Dividend Bank Details field as mentioned in instruction (iv).

If you are holding shares in demat form and had registered on to e-Voting system of Link Intime: <https://instavote.linkintime.co.in>, and/or voted on an earlier voting of any company then you can use your existing password to login.

If Shareholders holding shares in Demat Form or Physical Form have forgotten password:

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholder is having valid email address, password will be sent to the shareholders' registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter)

Notice to the Shareholders

NOTE: The password is to be used by demat shareholders for voting on the resolutions placed by the company in which they are shareholders and eligible to vote, provided that the company opts for e-voting platform of Link Intime.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

Cast your vote electronically

- vi. After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/View "Event No" of the company, you choose to vote.
- vii. On the voting page, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting. Cast your vote by selecting appropriate option i.e. Favour/Against as desired.
- viii. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/Against'.
- ix. If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.
- x. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "YES", else to change your vote, click on "NO" and accordingly modify your vote.
- xi. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
- xii. You can also take the printout of the votes cast by you by clicking on "Print" option on the Voting page.

General Guidelines for shareholders:

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund/ Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same. They may also send across a hard copy of the document to the Scrutinizer at: LIPL or send scanned copy to the Scrutinizer by e-mail to insta.vote@linkintime.co.in
- During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".
- Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
- In case the shareholders have any queries or issues regarding e-voting, he/she may refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to insta.vote@linkintime.co.in or Call us :- Tel : 022 - 49186000.

Registered Office:
Paharpur House,
8/1/B Diamond Harbour Road
Kolkata
Date: 3rd May, 2019

By Order of the Board of Directors
Ayan Datta
Company Secretary



Notice to the Shareholders

**Explanatory Statement
(Pursuant to section 102 of the Companies Act, 2013)**

As required by section 102 of the Act, the following explanatory statement sets out all material facts relating to the business mentioned under Items No. 4 to 6 of the accompanying Notice:

Item 4

Pursuant to the provisions of Sections 149 and 152 of the Act and in compliance with the then clause 49 of the Listing Agreement with the Bombay Stock Exchange, at the annual general meeting of the Company held on the 24th September, 2014, Mr. A. K. Modi, was appointed as an Independent Director for a period of five years from 24th September, 2014 up to 23rd September, 2019.

As per sub-section 10 of Section 149 of the Act, subject to provisions of Section 152 of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report. However, as per Sub Section 11 of the Section 149 no Independent Director shall hold office for more than two consecutive terms of five years each.

Mr. Modi is eligible for re-appointment as an Independent Director for a second term of five years.

The Nomination and Remuneration Committee has recommended the re-appointment of Mr. Modi as an Independent Director for the second consecutive term of five years from 24th September 24, 2019 up to 23rd September, 2024.

Mr. Modi has given a declaration to the Board of Directors that he meets the criteria of independence as provided under Section 149(6) read with Schedule IV of the said Act as well as Regulation 16(1) (b) of the LODR. In the opinion of the Board of Directors, he fulfils the conditions specified in the said Act for appointment as an Independent Director and he is independent of the management.

The Board considers continued association of Mr. Modi is in the interest of the Company. His varied experience in the field of finance and stock market would certainly benefit the Company.

Re-appointment of Mr. Modi for the second consecutive term as an Independent Director is now being placed before the Members for their approval as set out in Item No 4 of the Notice. The Board of Directors recommend passing of the said special resolution.

Mr. Modi is deemed to be concerned and interested in the said Special Resolution as it relates to his re-appointment.

Save as above, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested in the resolution set out at Item No. 4 of the Notice.

The terms and conditions of appointment of Mr. A. K. Modi shall be open for inspection by members at the Registered Office of the Company during normal business hours on any working day except Saturday.

Brief Profile of Mr. A. K. Modi

Mr. Modi is Masters in Economics. He has specialized in Advanced Corporate Finance, Mergers and acquisitions, Options and Futures, Fixed Income Instruments and Derivatives. From 1991-94 he was also key member of the Foreign Investment Policy formulation group set up by the Reserve Bank of India. Mr. Modi has experience in finance for over two decades.

Item 5

At the Annual General Meeting of the Company held on 24th September, 2014, the Members had approved the payment of commission to non-executive Directors of the Company in accordance with the ceiling laid down in the Act for a period of five years commencing from April 1, 2014. It is proposed to continue with the payment of Commission to non-executive Directors of the Company in accordance with the said Act. It is proposed that in terms of Sections 149(9), 197 and 198 of the said Act, the non-executive Directors (including independent directors) be paid, for each of the five consecutive financial years commencing April 1, 2019, profit related commission in accordance with the limits set out in the said Act. This remuneration will be distributed amongst all or some of the Directors in accordance with the directions given by the Board.

All the existing Directors of the Company are concerned or interested in the Resolution at Item No. 5 of the Notice to the extent of the remuneration that may be received by each of them. The Board of Directors recommends the Resolution at Item No.5 for approval by the Members.

Item 6

Mr Kevic Setalvad and his father, Mr. A V Setalvad, ex-chairman of the Company hold 13452 shares. They have been currently classified by the Company in its quarterly disclosure of Shareholding Pattern as belonging to promoter/promoter group in accordance with the Regulation 2(1)(pp)(i) and (ii) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (hereinafter referred to "the Regulation"). Consequently, they have been classified by the Company as promoter in the annual return referred to in section 92 of the Companies Act, 2013.

The Company has received from Mr. Kevic Setalvad and Mr. A V Setalvad a request letter dated 18th April, 2019 for reclassification from promote to public in accordance with the Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended by sixth amendment w.e.f. 16th November, 2018 (hereinafter referred to as "LODR"). The main reason is that they have ceased to be member of promoter group from the 7th November, 2017, the date when Mr. Anant Setalvad resigned as a chairman of the Company.

Rationales that warrant reclassification from promoter to public are:-

1. Mr. Anant Setalvad resigned as a Chairman of the Company from the 7th November, 2017.
2. Mr. Anant Setalvad as well as Mr. Kevic Setalvad (hereinafter referred to as "the Setalvads") have no control over the affairs of the Company, directly or indirectly either as a shareholder or director or otherwise after the resignation of Mr. A V Setalvad as Chairman of the Company.
3. The Board of Directors of the Company is not accustomed to act in accordance with advice, directions or instructions of Setalvads.
4. Mr. Kevic Setalvad has been classified as belonging to the promoter group as provided in the Regulation 2(1)(pp)(ii). Originally the shares have been held by Mrs. Jerro Anant Setalvad (Spouse of Mr. Anant Setalvad) and Mr. Anant Setalvad. Mrs. Setalvad passed away on 17th April, 2017. The said shares have been bequeathed to Mr. Kevic Setalvad. Therefore, as per regulation 31A (6)(a) of LODR, he has also been classified as the promoter.
5. Mr. Kevic Setalvad never had any control over the affairs of the Company, directly or indirectly and he has never advised the Board of Directors of the Company.
6. The Setalvads have confirmed as provided in Regulation No 3 (b) of LODR that
 - a. They do not hold more than ten percent of the total voting rights in the Company;
 - b. They do not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;
 - c. They are not represented on the board of directors (including not having a nominee director) of the Company.
 - d. They do not act as a key managerial person in the Company;
 - e. They are not 'wilful defaulters' as per the Reserve Bank of India Guidelines;
 - f. They are not fugitive economic offenders.

The Board of Directors at its meeting held on the 3rd May, 2019 has considered the representation made by the Setlavads. At the said meeting the Board of Directors has considered the rationale of re-classification given by the Setalvads as mentioned above. Accordingly the Company has informed the BSE Ltd as required by the Regulation 31A of the LODR. After considering the following the Board of Directors has decided, subject to approval of members to make an application to the BSE Ltd for re-classification.

- a. The Company has always been compliant with the requirement for minimum public shareholding as required under

Notice to the Shareholders

Regulation 38 of SEBI LODR and the proposed reclassification is not being initiated for achieving the Minimum Public Shareholding.

- b. The Board Directors further confirm that post re-classification:-
- i. Setalvads will not exercise directly or indirectly control over the affairs of the Company.
 - ii. There has not been any shareholders agreement with the Setalvads.
 - iii. Setalvads will not be represented on the Board of Directors (including a Nominee Director) of the Company for a period of not less than three years from the date of such re-classification.
 - iv. Setalvads will not act as a key managerial person in the Company for a period of not less than three years from the date of such reclassification.
 - v. The company, its promoters, its directors are not in violation of the restrictions imposed by SEBI under SEBI circular no. SEBI/HO/ MRD/DSA/CIR/P/2017/92 dated August 01, 2017.
 - vi. The company or its promoters or whole-time directors are not in violation of the provisions of Regulation 24 of the SEBI Delisting Regulations, 2009.
 - vii. That trading in the shares of the company has not been suspended by the BSE Ltd.
 - viii. That the Company does not have any outstanding dues to the SEBI, the BSE Ltd.

The Board of Directors recommend to the members passing of the resolution at Item 6 of the Notice. At the Annual General Meeting as well as by remote e-voting the Setalvads would not be entitled to vote on the resolution at Item 6 of the Notice.

The Directors, KMPs and their relatives are not deemed to be considered as concerned or interested in the above referred resolution.

The Documents shall be open for inspection by members at the Registered Office of the Company during normal business hours on any working day except Saturday.

Registered Office:
Paharpur House,
8/1/B Diamond Harbour Road
Kolkata
Date: 3rd May, 2019

By Order of the Board of Directors
Ayan Datta
Company Secretary

ANNEXURE to the Notice of 103rd Annual General Meeting

Details of Directors seeking appointment/re- appointment

Sr No	Particulars	Ms Devina Swarup	Mr. A K Modi
1	Date of Birth	17/03/1985	21/03/1966
2	Date of appointment	7 th November 2017 (original date of appointment)	11 th September, 2013 (original date of appointment)
3	Qualifications	Masters of Science from Brown University, USA	Master in Finance (London)/ Master in Economics (Delhi)
4	Expertise in specific functional areas	Management and Corporate Affairs	Specialised in Corporate Finance
5	Directorships held in other companies	<ol style="list-style-type: none"> 1. Floeter India Retort-Pouches Private Limited 2. Melvin Powell Vanaspati Engineering Industries Ltd 3. New Holding And Trading Company Limited 4. Paharpur Industries Limited. 5. Paharpur Flexibles Private Limited 6. Indian Chamber Of Commerce Calcutta 	<ol style="list-style-type: none"> 1. Tarang Advisory Private Limited 2. Viridis Chemicals Private Limited 3. Stolt Rail Logistic Systems Limited 4. Shree Nirmal Commercial Limited
6	Memberships/ Chairmanships of committees (includes only Audit Committees and Shareholders/ Investor Grievance Committee)	In the Company <ol style="list-style-type: none"> a. Audit Committee b. Nomination and Remuneration Committee c. Stakeholders Relationship Committee d. Corporate Social Responsibility Committee e. Share Transfer and Investment Committee 	In the Company <ol style="list-style-type: none"> a. Audit Committee b. Nomination and Remuneration Committee
7	Number of Shares held in the Company	NIL	NIL

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2019

To

The Shareholders,

Your directors have pleasure in submitting the ANNUAL REPORT relating to the affairs of the Company together with Audited Financial Statements of the Company for the year ended March 31, 2019.

FINANCIAL RESULTS

₹ in lakhs

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Income	1056.39	920.52
Expenditure		
(a) Expenses	48.16	51.41
(b) Provision for Corporate Social Responsibility	15.25	13.25
Profit before taxation	992.98	855.86
Provision for taxation		
Current tax		
--- For the year	46.00	40.00
--- Relating to earlier years	-	(7.92)
Total Tax	-	32.08
Net Profit after taxation	946.98	823.78
Earnings per equity share (in ₹) Basic and diluted	54.26	47.20
Dividend (Payable, if approved by members)	436.33	436.33
Tax on Proposed Dividend	89.69	88.83
Special Reserve (in terms of Section 45-IC of RBI Act, 1934)	189.40	164.76

DIVIDEND

Board of Directors recommend dividend of Rs. 25 per share on 17,45,340 shares, which is the same as per the last year.

HOLDING COMPANY

Paharpur Cooling Towers Limited (PCTL) controls the composition of the Board of Directors of the Company. Consequently, the Company in terms of section 2(87)(i) read with Explanation (b) of the Companies Act, 2013 (hereinafter referred to as "the Act"), is the subsidiary of PCTL.

SUBSIDIARY AND ASSOCIATE COMPANY

New Holding and Trading Company Ltd. is a wholly owned subsidiary of the Company. The Company holds 20.53% of share capital of KSB Pumps Limited, therefore, it is an Associate Company in terms of section 2(6) of the Act.

DIRECTORS

The Company has the following directors as at 31st March, 2019

Sr. No.	Name of the Director	DIN	Status	Date of Appointment
1	Mr. G Swarup	00374298	Chairman and Managing Director	17.04.1990
2	Mr. Varun Swarup	02435858	Non - Executive	07.11.2017
3	Ms. Devina Swarup	06831620	Non-Executive WD	07.11.2017
4	Mr. Anish K Modi	00031232	Non -Executive IND	24.09.2014
5	Mr. Probir Roy	00033045	Non -Executive IND	07.11.2017
6	Mr. Debanjan Mandal	00469622	Non -Executive IND	07.11.2017

A. Directors retiring by rotation

Ms. Devina Swarup, woman director retires by rotation at the ensuing Annual General Meeting. She being eligible, offers herself for re-appointment.

B. Change in Directors:

There has been no change in the composition in the Board of Directors.

C. Re-appointment of Independent Director

Mr. A. K. Modi, (DIN 00031232) was appointed as an Independent Director for a period of five years from 24th September, 2014 up to 23rd September, 2019. Mr. Modi is eligible for re-appointment as an Independent Director for a second term of five years. Based on the recommendation of Nomination and Remuneration Committee the Board of Directors also recommends re-appointment of Mr. Modi as an Independent Director for the second consecutive term. Re-appointment of Mr. Modi is proposed at the ensuing annual general meeting and the members are requested to pass the special resolution for the same.

D. Continuation of appointment of Independent Director

Mr. Probir Roy (DIN 00033045) was appointed on the 15th December, 2017 through postal ballot as an Independent Directors for a period of five years from the 7th November 2017. Mr. Probir Roy has attained 75 years of age on the 19th April, 2019. In compliance with the LODR a special resolution for the continuation of appointment Mr. Probir Roy (DIN 00033045) beyond 75 years as an Independent Director for the residual period of his appointment, i. e., till the 6th November, 2022 was passed by means of a postal ballot on 23rd March, 2019.

KEY MANAGERIAL PERSONNEL

The Board of Directors has the following Key Managerial Personnel (KMP) as at 31st March, 2019

- Mr. Gaurav Swarup, Managing Director.
- Mr. A. K. Singhania, Chief Financial Officer.
- Mr. Ayan Datta, Company Secretary and Compliance Officer.

Mr. Gaurav Swarup and Mr. A. K. Singhania are also KMP of the PCTL (holding Company). Therefore, their appointments are covered by section 203(3) of the Act.

Directors' Report for the year ended 31st March, 2019

In compliance with the Act and as per SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 [LODR] the following reports are attached.

Sr. No.	Particulars	Annexure
1.	Corporate Governance Report with requisite certificate from the Practising Company Secretary (PCS)	A
2.	Management Discussion and Analysis Report	B
3.	Financial Summary / Highlights	C
4.	Disclosure on related party as per LODR	D
5.	Secretarial Audit Report	E
6.	Annual Secretarial Compliance Report under LODR	F
7.	A Statement containing salient features of the financial statement of New Holding and Trading Co. Ltd. (wholly owned subsidiary) and KSB Pumps Limited (Associate Company) in Form AOC 1	G
8.	Extract of Annual Report in Form MGT 9	H
9.	Corporate Social Responsibility report	I
10.	Consolidated Financial Statement	J

NUMBER OF MEETINGS OF THE BOARD

During the financial year under review the Board of Directors met 4 (four) times. The details are given in the Corporate Governance Report (Annexure A).

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) and sub section (5) of the Act, your Directors confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- (b) Appropriate accounting policies have been selected and applied consistently and that the judgements and estimates made are reasonable and prudent so as to give a true and fair view of the affairs of the Company for the year ended March 31, 2019 and of the profit for the year under review.
- (c) proper and sufficient care have been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts have been prepared on a 'going concern' basis.
- (e) internal financial controls have been laid down and followed by the company and such internal financial controls are adequate and operating satisfactorily.
- (f) there is proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

COMPLIANCE OF SECRETARIAL STANDARD

The Board of Directors has devised proper systems commensurate with the size and operations to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating adequately

AUDIT COMMITTEE

Members of the Audit Committee are

- a. Mr. Probir Roy - IND
- b. Mr. A K Modi - IND
- c. Mr. Debanjan Mandal - IND
- d. Ms. Devina Swarup - NED

The Audit Committee discharges functions as in accordance with the Act and LODR. Details of the said committee are set out in the Corporate Governance Report (Annexure A). All suggestions of the Audit Committee have been accepted by the Board.

A STATEMENT OF DECLARATION BY INDEPENDENT DIRECTORS

Mr. Probir Roy, Mr. Debanjan Mandal and Mr. A K Modi, Independent Directors have furnished declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and of LODR.

POLICY ON DIRECTORS' APPOINTMENT, REMUNERATION AND CRITERIA OF INDEPENDENCE OF DIRECTORS

Nomination and Remuneration Committee recommends to the Board appointment of a director.

With regard to remuneration, except Mr. G Swarup all the Directors are non-executive directors. Mr. Swarup does not draw any remuneration (except sitting fees). Non-executive Directors are paid sitting fee as well as commission based on the net profits of the Company. The members have approved payment of commission within the limit laid down in the Act, for a period of five years upto 31st March 2019. At the ensuing Annual General Meeting it is proposed to continue payment of remuneration for further period of five years. Member are requested to approve the same.

SECRETARIAL AUDIT REPORT

Pursuant to Section 204 of the Act, the Board of Directors has appointed Mayur Mehta, PCS as secretarial auditor. Secretarial Audit Report received from Mayur Mehta is enclosed (Annexure D).

Annual Secretarial Compliance Report

In accordance with the regulation 24A of the LODR read with SEBI circular No CIR/CFD/CMD1/27/2019 dated 8th February, 2019, (which has come in to force from 1st April, 2019) Annual Secretarial Compliance Report given by Mr. Mayur Mehta, Practising Company Secretary is annexed to this annual report. The Company does not have any material subsidiary. As per the said Circular the Report will be submitted to the BSE Ltd within 60 days of the end of the financial year. Refer Annexure E.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company's principal business is dealing in investments and securities and it is registered as NBFC with the Reserve Bank of India. In accordance with section 186(11) details are not required to be given. However, note 2.7 and 2.10 of the attached financial statement gives details of the same.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

There is no material related party transaction during the year under review with the promoters, directors, Key Managerial Personnel and their relatives. Therefore, no details are required to be disclosed the Form AOC 2.

MATERIAL CHANGES AND FINANCIAL COMMITMENTS, IF ANY,

No material changes and financial commitments have occurred between the end of the financial year of the Company to which the balance sheet relates and the date of this Report.

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

There are no particulars to be disclosed with regard to

Directors' Report for the year ended 31st March, 2019

- conservation of energy,
- technology absorption and
- foreign exchange earnings and outgoings

RISK MANAGEMENT

The principal business of the Company is dealing in investments and securities which are subject to market risks. The Board of Directors/Committee of Directors take policy decision on deployment of funds of the Company in securities market based on investment climate, economic conditions in the country and movement in the stock markets. The investment portfolio is periodically reviewed by the Board of Directors / Committee of Directors and cautious approach is a key note of the policy to mitigate risks.

AMALGAMATION OF NEW HOLDING & TRADING CO. LTD.

At the previous annual general meeting held on the 3rd August, 2018, the members, subject to various approvals have approved a scheme of amalgamation of New Holding & Trading Co. Ltd., its Wholly Owned Subsidiary (WOS) under section 233 of the Act. The approvals from the Reserve Bank of India and the Regional Director (Easter Region), Ministry of Corporate Affairs are awaited.

CORPORATE SOCIAL RESPONSIBILITY

Based on the recommendation of Corporate Social Responsibility Committee, the Board of Directors has adopted CSR Policy. It is available on the Website of the Company.

The Company has undertaken two projects as CSR activities which concentrate on the education.

- a. A project of Vivekananda Vidyavikash Parishad, an arm of Vidya Bharati, for construction of new school building of "Saraswati Shishu Mandir"- in Gopalpur, West Bengal. The total project cost was Rs. 25.25 lakhs and the Company has contributed fully. The project has been completed successfully in the current year.
- b. A project of Vivekananda Vidyavikash Parishad, an arm of Vidya Bharati for constructing a new school building in Kedarpur, South 24 Parganas, West Bengal, named as Saraswati Shishu Mandir. The project cost is Rs. 28.75 lakhs. The Company has already contributed Rs. 10.00 lakhs towards the project in the financial year 2018-19. The Balance amount will be contributed as and when required as per the schedule.

As per the budget recommended by CSR Committee and approved by the Board of Directors, the Company has made provision of Rs.15.25 lakhs for the financial year ended 31.03.2019.

The total unspent amount is as at the end of the financial year is Rs 15.25. This amount has been earmarked for the second project viz. Saraswati Shishu Mandir, Kedarpur

CHANGE IN BUSINESS

There has been no change in the nature of business of the Company.

DEPOSITS

The Company had no deposits at the beginning of the Financial Year. It has not accepted any deposits from its members/directors. The Company does not have any outstanding deposits at the end of the Financial Year.

SIGNIFICANT MATERIAL ORDERS

No significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

INTERNAL FINANCIAL CONTROL

The quality of internal financial procedure and control observed by the management and its officials are commensurate with the size of the operations of the Company.

DISCLOSURE OF REMUNERATION VIS A VIS EMPLOYEES

No disclosure is required to be made pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Further non-executive directors are paid commission related to profits. The Managing Director is not paid remuneration (except sitting fees).

The Company has no employee covered under Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Company has only one male employee.

UNCLAIMED SECURITIES

Members are requested to note that in accordance with the Regulation 39(4) read with the Schedule VI of LODR, the Company has transferred unclaimed equity shares to a separate account titled "Industrial Prudential Unclaimed Securities Suspense Account". Present outstanding is 25,989 shares.

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION & PROTECTION FUND:

In accordance with Sections 124 and 125 of the Companies Act, 2013 ("the Act") and the Rules made thereunder an amount of ₹ 6,76,056 being unclaimed dividends up to the year 31st March, 2011, has been transferred to the Investor Education & Protection Fund established by the Central Government after the close of the accounting year.

TRANSFER OF SHARES UNDERLYING UNCLAIMED DIVIDEND TO INVESTOR EDUCATION & PROTECTION FUND:

During the previous year the Company had transferred pursuant to Section 124 of the Act, and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, 3140 shares on which dividend had not been paid or claimed for seven consecutive years or more to an IEPF Account established by the Central Government. Further shares will be transferred as when they become due.

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

AUDITORS' REPORT

There are no qualifications or adverse remarks in the Auditors' Report.

AUDITORS

In accordance with Section 139 of the said Act read with rules made thereunder, the Company at the annual general meeting held on the 1st August, 2017 appointed Messrs. Lodha & Co., Chartered Accountants (Registration no. 301051E), Kolkata as statutory auditors for a period of five years. The appointment is to be ratified by members at every annual general meeting thereafter.

However, the Companies (Amendment) Act, 2017 has dispensed with annual ratification.

In accordance with provision of Section 139 of the said Act, the Board of Directors has received consent and certificate of eligibility and compliance of criteria under Section 141 of the said Act from Messrs. Lodha & Co., Chartered Accountants.

Registered Office:
Paharpur House,
8/1/B Diamond Harbour Road
Kolkata
Date: 3rd May, 2019

On behalf of the Board of Directors

Gaurav Swarup
Chairman & Managing Director

A. MANDATORY REQUIREMENTS**1. A Brief Statement on the Company's Philosophy on Code of Governance**

The Company aims to achieve good corporate governance practice and to ensure compliance with the relevant laws and regulations. The Company is conducting its business efficiently, professionally and in the manner, which is fair and transparent. It always strives to meet its obligations to all stakeholders in a balanced and accountable manner.

2. Board of Directors

(i) Composition and Category of Directors

The Board of Directors comprises of six directors.

(ii) Attendance of each Director at the Board Meetings and the last Annual General Meeting (AGM): -

Name of the Director	Category of Directorship	No. of Board Meetings attended	Attendance at the last AGM on 03.08.2018
Mr. G. Swarup	Chairman and Managing Director	4	Yes
Mr. A K Modi	NED - I	1	No
Mr. Varun Swarup	NED	4	Yes
Ms. Devina Swarup	WD - NED	4	Yes
Mr. Probir Roy	NED - I	4	Yes
Mr. Debanjan Mandal	NED - I	4	Yes

NED - Non-Executive Director

NED- I – Non-Executive Director – Independent

WD – Woman Director

(iii) Number of other Boards or Board Committees in which he/she is a member or chairperson: -

Name of the Director	No. of Directorships in Boards @	No. of Memberships in Board Committees #	No. of Chairmanships in Board Committees #
Mr. G. Swarup	13	4	2
Mr. A K Modi	5	1	0
Mr. Varun Swarup	2	0	0
Ms. Devina Swarup	7	1	1
Mr. Probir Roy	6	1	3
Mr. Debanjan Mandal	10	-	-

@ Directorships in Foreign Companies and Private Limited Companies are included in the above table.

Memberships in Committees other than Audit Committee/ Stakeholders' Relationship Committee of public limited companies and all Committees of private limited/foreign companies are excluded in the above table.

(iv) Number of Board Meetings held during the year under review: -

Sr. No.	Date
1.	27.04.2018
2.	03.08.2018
3.	14.11.2018
4.	07.02.2019

The Company is managed by the Board of Directors and the Committees of directors.

Key Managerial Personnel (KMP)

- a. Mr G. Swarup - Managing Director
- b. Mr. A. K. Singhanian - Chief Financial Officer
- c. Mr. Ayan Datta – Company Secretary

Mr. G Swarup and Mr. A. K. Singhanian are KMPs of the Company's holding company viz. Paharpur Cooling Towers Limited (PCTL). They have been appointed under section 203(3) of the Companies Act, 2013. PCTL (unlisted public company) is a holding company in accordance with section 2 (87) (i) read with Explanation (B) of the Companies Act, 2013.

The composition of the Board of Directors is in conformity with the Companies Act, 2013 (the Act) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR).

Mr. G Swarup, Ms. Devina Swarup and Mr. Varun Swarup, Directors of the Company are inter se related.

Mr. G Swarup has been re-appointed as a Managing Director with effect from 09.2.2017 up to 31.01.2022, concurrent with his tenure as a Managing Director in the holding company.

Independent Directors

- i. Brief Description of Terms of Reference

Independent Directors play an important role in the governance process of the Board by bringing their expertise and experience. Each Independent Director has been appointed by the members at the general meeting through Postal Ballot for a period of five years from the date of appointment by the members.

None of the Independent Directors serves as "Independent Director" in more than seven listed companies.

The Independent Directors have confirmed that they meet the criteria of Independence laid down under the Act and LODR.

- ii. Composition, name of members and Chairperson

Names of the Members	Composition
Mr. Probir Roy, Chariman	NED I
Mr. A K Modi	NED I
Mr. Debanjan Mandal	NED I

During the financial year under review, the Independent Directors met on 2nd February, 2019 in accordance with the Act and LODR to

- review the performance of non-independent directors and the Board as a whole;
- review the performance of the Chairperson of the company, taking into account the views of executive director and non-executive directors;
- assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties

All the Independent Directors were present throughout the meeting. They expressed satisfaction on all the issues which were reviewed and assessed.

All the Independent Directors are fully familiarised with the Company's business and the regulatory framework in which the Company operates.

4. Audit Committee

i. Brief Description of Terms of Reference:

The terms of reference of this Committee are wide enough covering the matters specified under the Act and LODR.

ii. Composition, Name of Members and Chairperson and attendance during the year.

Names of the Members	Composition	No. of Meetings attended
Mr. Probir Roy, Chairman	NED I	4
Mr. A K Modi	NED I	1
Mr. Debanjan Mandal	NED I	4
Ms. Devina Swarup	NED	4

All the members of the Audit Committee possess the requisite qualification for appointment on the Committee and have knowledge of finance, accounting practices and internal financial controls.

iii. Details of Audit Committee Meetings held during the year under review: -

Sr. No.	Date
1.	27.04.2018
2.	03.08.2018
3.	14.11.2018
4.	07.02.2019

5. Nomination and Remuneration Committee

i. Brief Description of Terms of Reference

The Remuneration Committee has the power to perform the role and functions laid down in the Act and LODR.

ii. Composition of Committee

Names of the Members	Composition
Mr. Probir Roy, Chairman	NED I
Mr. A K Modi	NED I
Ms. Devina Swarup	NED I

iii. Attendance during the year

One meeting was held on 2nd February, 2019 which was attended by all the members.

The said meeting was chaired by Mr. A K Modi. At the meeting the Committee recommended continuation of appointment Mr. Probir Roy (DIN 00033045) beyond 75 years as an Independent Director for the residual period of his appointment, i. e., till the 6th November, 2022. This was to comply with the provisions of LODR.

iv. Remuneration policy

The Board of Directors decide the remuneration of non-executive directors which consists of a sitting fee as well as commission based on the net profits of the Company. At the Annual General Meeting held on 24th September, 2014, the members have approved payment of commission within the limit laid down in the Companies Act, 2013 for a period of five years up to financial year 31st March, 2019. At the ensuing annual general meeting it is proposed to obtain approval of the members for payment of commission for a further period of five financial years commencing from 1st April, 2019.

v. Details of remuneration to all the directors (including KMPs)

Except Mr. G Swarup, who is Managing Director, all other Directors are non-executive. The Non-Executive Directors are paid sitting fees as well as commission based on the net profits of the Company within the limit approved by the members. Mr. G. Swarup is paid sitting fees for attending the Board Meetings and Committee Meetings.

Payments made/payable for the period from 01.04.2018 to 31.03.2019 is as under:

Name of the Directors	Sitting Fees	Commission
Mr. Anish Modi	37,500	1,50,000
Mr. G. Swarup	67,500	nil
Mr. Varun Swarup	60,000	1,50,000
Mr. Probir Roy	1,12,500	1,50,000
Mr. Debanjan Mandal	1,12,500	1,50,000
Ms. Devina Swarup	1,20,000	1,50,000
Total	5,10,000	7,50,000

The Managing Director and Chief Financial Officer are not paid any remuneration from the Company.

6. Stakeholders' Relationship Committee

i

Name of Members	Composition
Mr. Debanjan Mandal	NED-I
Ms. Devina Swarup	NED

ii. Compliance Officer:

Mr. Ayan Datta, Company Secretary is a compliance officer.

iii. One meeting was held on 7th February, 2019 which was attended by both the members.

iv. Complaints

No complaint was received during the year under review. There were no pending transfers as on 31.03.2019.

Subsidiary Company

The Company has one non-material unlisted subsidiary, viz. New Holding and Trading Company Limited.

The Company's policy on "material subsidiary" is placed on the Company's website www.industrialprudential.com

The Audited Financial Statement of the Subsidiary Company is tabled at the Audit Committee Meeting and Board Meeting.

At the 102nd Annual General Meeting held on 3rd August, 2018, members have, subject to various approvals, consented to the Scheme of amalgamation of New Holding and Trading Company Limited (WOS) with the Company. Approvals of the Reserve Bank of India and the Regional Director (Eastern Region) are awaited.

7. General Body meetings

(i) Location and time where last three Annual General Meetings were held: -

Financial Year	Date	Time	Venue
31.03.2016	08.07.2016	2.00 pm	Indian Merchant Chambers' Building, Mumbai
31.03.2017	01.08.2017	3.00 pm	Shripati Singhanian Hall, Rotary Sadan, 94/2 Chowringhee Road, Kolkata 700020
31.03.2018	03.08.2018	3.00 pm	Shripati Singhanian Hall, Rotary Sadan, 94/2 Chowringhee Road, Kolkata 700020

(ii) Special Resolution passed in the previous three Annual General Meetings: -

Financial Year	Special Resolution Passed	Details of resolutions
31.03.2016	Yes	1. Increase in Authorised Share Capital from ₹ 1,00,00,000 to ₹ 2,00,00,000 2. Consequential amendment of the Capital Clause of the Memorandum of Association.
31.03.2017	None	-
31.03.2018	Yes	1. Amalgamation of New Holding and Trading Co Ltd (WOS) 2. Amendment of the Articles of Association

(iii) Postal Ballot: -

In compliance with the LODR a special resolution for the continuation of appointment Mr. Probir Roy (DIN 00033045) beyond 75 years as an Independent Director for the residual period of his appointment, i. e., till the 6th November, 2022 was passed by means of a postal ballot on 23rd March, 2019.

Mr. Mayur Mehta, PCS was appointed as a scrutinizer. The resolution was passed with requisite majority.

3. Disclosures

- i. The particulars of transactions between the Company and its related parties in accordance with the Accounting Standard 18 are set out in Note no 2.18 to the Accounts. These transactions are in the ordinary course of business and are not likely to have any conflict with the interest of the Company.
- ii. There were no material pecuniary relationships or transactions of the directors other than payment of sitting fees, commission and investments, if any, in shares/securities of the Company.
- iii. There were no material pecuniary transactions of the Company with its promoters, directors, KMP or their relatives other than investments, if any, in shares/securities of the Company that may have potential conflict with the interest of the Company at large.
- iv. In compliance with the Act and LODR, the Company has framed the following policies which are placed on the Company's website www.industrialprudential.com
 - a. Related Party Transactions
 - b. Determination of materiality of events or information
 - c. Insider trading
 - d. Code of conduct
 - e. Preservation of documents
 - f. Archival of documents
- v. With regard to compliance with the non-mandatory requirements the same have been disclosed separately.
- vi. The financial statements of the Company are prepared in accordance with the relevant Accounting Standards.
- vii. The principal business of the company is dealing in investments and securities which are subject to market risks. The Board of Directors/Committee of Directors take policy decision on deployment of funds of the Company in securities market based on investment climate and economic conditions in the country and movement in the stock markets. The investment portfolio is periodically reviewed by the Board of Directors/Committee of Directors and cautious approach is a key note of the policy to mitigate the risks.

8. Means of Communication

i. Quarterly Results	Published in the newspapers every quarter
ii. Newspapers wherein results normally published	1. Financial Express 2. Dainik Statesman
iii. Website, where results are displayed	www.industrialprudential.com
iv. Whether website also displays official news releases	Yes
v. The presentations made to Institutional Investors or to the Analysts	No presentation has been made to Institutional Investors or to the Analysts
vi. Company's email	contact@industrialprudential.com

9. General Shareholder Information

AGM: Date, Time and Venue	Friday, 2 nd August, 2019 at 3.00 p.m. at Shripati Singhanian Hall, Rotary Sadan, 94/2 Chowringhee Road, Kolkata 700020.
Financial Year	The financial year under review covers the period 1 st April, 2018 to 31 st March, 2019.
Date of Book Closure	From Saturday, 27 th July, 2019 to Friday 2 nd August, 2019 (both days inclusive).
Dividend Payment date	16 th August, 2019 onwards
Listing on Stock Exchanges	1. BSE Limited (BSE) 2. The Company has paid the listing fees for the period 1 st April 2019 to 31 st March 2020
Stock Code and ISIN	1. BSE : 501298 2. ISIN : INE 620D01011
Market Price Data: High, Low during each month in last Financial year	Please see Annexure 'A'
Performance in comparison to broad-based indices such as BSE Sensex, CRISIL index etc.	The performance of the Company's share relative to the BSE sensitive index is given in Annexure 'B'
Registrar and Transfer Agent	Link Intime India Pvt. Ltd.
Share Transfer System	All the transfers received are processed by the Registrar and Transfer Agent and approved by committee of directors at regular intervals. The Board of Directors has delegated to Ms. Devina Swarup, Director authority to approve transfer etc. Report of the delegatee is confirmed at subsequent Board Meetings.
Distribution of Shareholding and Share holding pattern as on 31.03.2019	Please see Annexure 'C'
Dematerialisation of shares and liquidity	16,25,096 shares were dematerialised as on 31.03.2019, representing 93.12 % of the total share capital.
Outstanding GDRs/ADRs/ Warrants or any Convertible instruments conversion date and likely impact on equity	Not issued
Plant Locations	The Company's main business is dealing in investments and securities

Address for correspondence	Shareholders should address correspondence to: Link Intime India Pvt. Ltd. C101, 247 Park, L.B.S Marg, Vikhroli West, Mumbai 40083 Tel: 022- 49186000 E-mail: rnt.helpdesk@linkintime.co.in
Transfer of "Underlying Shares" into Investor Education and Protection Fund (IEPF)	Members are requested to note that in accordance with the Regulation 39(4) read with the Schedule VI of LODR, the Company has transferred unclaimed equity shares to a separate account titled "Industrial Prudential Unclaimed Securities Suspense Account". Present outstanding is 25,989. The Company, whenever it becomes due, transfers pursuant to Section 124 of the Act, and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, shares on which dividend had not been paid or claimed for seven consecutive years or more to an IEPF Account established by the Central Government. A shareholder entitled to the shares can claim the shares from Investor Education and Protection Fund in a prescribed manner.

B. NON-MANDATORY REQUIREMENTS UNDER REGULATION 27(I) READ WITH PART E OF SCHEDULE II OF LODR

a. The Board

An executive Chairman has been provided with the office by Paharpur Cooling Towers Limited (Holding Company) as he is also a KMP (Managing Director) of PCTL.

b. Shareholders' Rights

Under review

c. Audit Qualifications

The financial statements of the Company are unqualified.

d. Separate Posts of Chairman and CEO

Size of the Company does not warrant having a separate office of the Chairman and the Managing Director. Mr. Gaurav Swarup who is a Chairman and the Managing Director does not draw any remuneration except sitting fees for attending the meetings.

e. Reporting of Internal Auditor

The Internal Auditor reports directly to the Audit Committee.

DECLARATION UNDER REGULATION 26(3) OF LODR REGARDING ADHERENCE TO THE CODE OF CONDUCT

I hereby confirm that, all the directors of the Company have affirmed compliance to the Code of Conduct for the financial year ended 31st March, 2019.

The Managing Director and CFO have provided the compliance certificate to the Board of Directors as specified in Part B of Schedule II of LODR.

Kolkata
Date: 3rd May, 2019

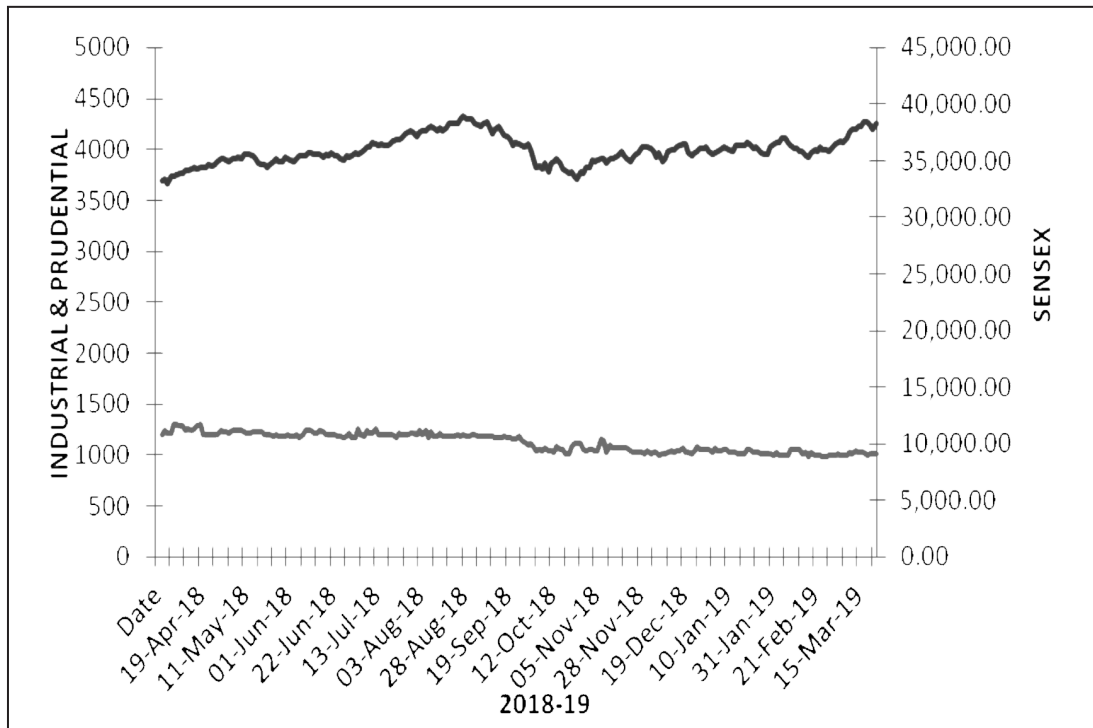
On behalf of the Board of Directors
Gaurav Swarup
Chairman & Managing Director

ANNEXURE A

Price and volume of shares traded

Month/Year	High (₹)	Low (₹)	Volume Traded
BSE LTD			
2018			
April	1400	1185	15089
May	1275	1176	1879
June	1250	1147	1105
July	1294	1159	1983
August	1289	1147	1719
September	1239	1111	1595
October	1150	1007	2044
November	1150	1004	1254
December	1090	989	1734
2019			
January	1076	1000	555
February	1080	975	717
March	1080	1000	2251

ANNEXURE B



ANNEXURE C

Distribution of Shareholding as on 31st March, 2019

Number of shares held	Members		Shares	
	Number	%	Number	%
1-500	1730	88.90	114506	6.56
501-1000	97	4.98	66512	3.81
1001-2000	49	2.52	68471	3.92
2001-3000	19	0.98	45431	2.60
3001-4000	16	0.82	56197	3.22
4001-5000	4	0.20	17785	1.02
5001-10000	18	0.93	123043	7.05
10001 and above	13	0.67	1253395	71.82
TOTAL	1946	100	1745340	100

Shareholding pattern as on 31st March, 2019

Category	No. of Members	No. of Shares held	% to the Capital
Indian Promoters	8	1150065	65.89
Foreign Promoters	0	0	0
Mutual Funds & UTI	0	0	0
Banks, Financial Institutions and Insurance Companies	1	1200	0.07
Central Government/State Government	1	1629	0.09
Foreign Institutional Investors	0	0	0
Private Corporate Bodies	45	18982	1.09
Investor Education and Protection Fund	1	3140	0.18
Foreign Nationals/ NRIs	45	27785	1.59
Unclaimed Securities Suspense Account	1	25989	1.49
Indian Public/ Trust	1844	516550	29.60
Total	1946	1745340	100.00

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

CIN: L65990WB1913PLC218486

Nominal Capital: ₹ 2,00,00,000

Paid up Capital: ₹ 1,74,53,400

To
The Members
Industrial and Prudential Investment Company Limited

I have examined all relevant records of Industrial and Prudential Investment Company Limited (the Company) for the purpose of certifying compliance of the conditions of Corporate Governance as per SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (LODR) for the financial year 1st April, 2018 to 31st March, 2019. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of certification

The Compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to the procedure and implementation thereof. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company. It is neither an audit nor an expression of opinion on the financial statements of the Company.

On the basis of my examination of the records produced, explanations and information furnished I certify that the Company has complied with the conditions of the Corporate Governance as stipulated in the above-mentioned LODR.

Based on the representation received from the Company and certified by the Registrar and Transfer Agent, no investor grievance was pending for a period exceeding one month as on 31st March, 2019, against the Company.

For Mayur Mehta
Company Secretary

Mumbai, 3rd May, 2019

Mayur Mehta
Practicing Company Secretary
Mem. No. A3132
C. P. No 9952

Global Economy

The global economy is showing signs of a cyclical slowdown, mainly driven by trade tensions between US and China. This may have negative impact on US outbound investments and consumption between the two countries, as well as their trading partners. More clarity will emerge post US Elections and policies of the new Government.

Indian Economy

India remains one of the fastest growing economy in the world despite global disruptions. The Indian financial service sector has suffered badly due to IL&FS & DHFL crisis in the year under review leading to a sharp decline in the consumption, especially in the Auto sector. However, the Indian Government's Income Tax exemptions up to Rs. 5 Lacs and implementations of various schemes such as Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) and middleclass reservation will positively impact consumption and investments. With clarity post the Indian election, lower oil prices and low inflation, the Indian economy is expected to do well in the future.

Financial Performance

The Company's business is comprised of investment in equity shares and other money market instruments which are directly related to the performance of the stock market. The equity markets have witnessed a pre-election rally recently which could extend to the overall market, post-election and formation of a Stable Government.

The Company's financial performance is directly affected by the performance of KSB India's stock price which has seen a downtick from this time last year, despite stable earnings growth.

Opportunities, Threats, Risks and Concerns

The pump industry, especially the sectors in which KSB operates, is likely to benefit from an improving industrial activities in the country. However, the Company continues to have exposure to market risks – slowing rural consumption, disruptive climate patterns, trade war escalations, increasing oil prices, and depreciating INR all can adversely impact the Company's investments. The Company is continuously reviewing its portfolio to reduce or limit its risk to the extent possible.

Disclaimer

The information and opinion expressed in this section of the Annual Report may contain certain statements, which the Management believes are true to the best of its knowledge at the time of its preparation. The Company and the Management shall not be held liable for any loss, which may arise as a result of any action taken on the basis of the information contained herein.

For and on behalf of the Board of Directors

Kolkata
Date: 3rd May, 2019

Gaurav Swarup
Chairman & Managing Director

Annexure C

Financial Summary / Highlights

In ₹ thousand

Particulars	31/03/19	31/03/18	31/03/17
Balance Sheet Items			
Paid-up Capital	1,74,56	1,74,56	1,74,56
Reserve & Surplus	40,94,60	36,73,64	33,75,02
Non-Current Investments	40,30,59	37,91,23	34,16,17
Current Investments	-	-	-
Profit and Loss Accounts			
Revenue from Operations	1056,39	9,20,52	8,14,13
Expenses	63,41	64,66	87,73
Profit before tax	9,92,98	8,55,86	7,26,40
Dividend	4,36,33	4,36,33	4,36,34
Retained Earnings	18,47,05	16,15,49	14,81,63
Earnings per Shares	54.26	47.20	39.84
Dividend per Shares	25*	25.00	25.00

*Proposed

Annexure D

Related Party Disclosures

Disclosure under Regulation 34 (3) read with Schedule V with regard to “ Related Party Disclosures”

Sr. No.	Disclosures of amounts at the year end and the maximum amount of loans/ advances /investment outstanding during the year	As at 31. 03. 2019 ₹	Maximum amount during the financial year in ₹
1	Loans and advances in the nature of loans to New Holding and Trading Co Ltd. (WOS)	NIL	NIL
2	Loans and advances in the nature of loans to KSB Pumps Ltd (associate company)	NIL	NIL
3	Loans and advances in the nature of loans to firms/ companies in which directors are interested	NIL	NIL

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

[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,
Industrial And Prudential Investment Company Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Industrial And Prudential Investment Company Limited, (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of Industrial And Prudential Investment Company Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 generally 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 hereunder:-

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Industrial and Prudential Investment Company Limited, ("the Company") for the financial year ended on 31st March, 2019 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 Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and other 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 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, 2015;
 - 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 (Buyback of Securities) Regulations, 2018.
- (vi) Regulations, Circulars, Notifications and Guidelines issued by the Reserve Bank of India in relation to the Non Banking Financial Companies as applicable to 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) SEBI LODR (Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. (LODR).

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above. There has been delay in transferring to the Investor Education and Protection Fund, unclaimed dividend for the financial year 2010-11 amounting to ₹ 6,76,000. The same has been transferred on the 9th April 2019.

I further report that during the period under review, the Board of Directors of the Company is duly constituted with proper balance of executive directors, non- executive directors and independent directors. There were no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors of schedule of the Board meetings, agenda and detailed notes on agenda were sent in advance in accordance with the applicable Secretarial Standards, 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.

I further report that during the period under review the Company had duly conducted postal ballot process for the continuation of appointment Mr. Probir Roy (DIN 00033045) beyond 75 years as an Independent Director for the residual period of his appointment, i. e., till the 6th November, 2022. This was to comply with the provisions of LODR.

All the decisions were carried out unanimously; therefore, there was no question of recording dissenting members' views in the minutes.

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

I further report that during the audit period, members at the 102nd Annual General Meeting held on 3rd August, 2018, had resolved, subject to various statutory approvals, amalgamation of the New Holding and Trading Company Limited (wholly owned subsidiary) with the Company. The same is still pending till the date of this report.

Save as stated above there were no events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. such as

- i. Public/Right/Preferential Issue of shares/debentures /sweat equity, etc.
- ii. Redemption/buy-back of securities
- iii. Major decisions taken by members pursuance to section 180 of the Companies Act, 2013
- iv. Foreign technical collaborations

Mumbai, 3rd May, 2019

Mayur Mehta
Practicing Company Secretary
C. P. No 9952
Membership No A3132

To
The Members
Industrial And Prudential Investment Co Ltd

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on the secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain responsible assurance about the correctness of the contents of 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 follow provide a responsible basis for my 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.

Mumbai, 3rd May, 2019

Mayur Mehta
Practicing Company Secretary
C. P. No 9952
Membership No A3132

**Annual Secretarial compliance report
Industrial And Prudential Investment Company Limited
for the year ended 31st March, 2019**

I, Mayur Mehta, Practising Company Secretary, have examined:

- (a) all the documents and records made available to me and explanation provided by Industrial and Prudential Investment Company Limited ("the listed entity"),
- (b) The filings/submissions made by the listed entity to the BSE Ltd. (shares of the listed entity are listed on the said exchange)
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended 31st March, 2019 ("Review Period") in respect of compliance with the provisions of :
 1. the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
 2. the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- i. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (LODR)
- ii. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- iii. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- iv. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- v. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- vi. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- vii. Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
- viii. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- ix. Other SEBI Regulations and circulars/guidelines issued thereunder, if any;

and based on the above examination, I hereby report that, during the Review Period:

- (a) Based on my examination of various records and information and explanation given to me the listed entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder.

Sr No	Compliance Requirement (Regulations/circulars/ guidelines including specific clause	Deviations	Observations/ Remarks of the Practising Company Secretary, if any
Complied with			

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my examination of those records.
- (c) Based on my examination of various records and information and explanation given to me, no action has been taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr No.	Action taken by	Details of violation	Details of action taken e.g. fines, Warning letter, debarment, etc.	Observations/Remarks of the Practising Company Secretary, if any
None				

- (d) The listed entity has taken the following actions to comply with the observations made in previous reports: NA

Sr No.	Observations of the Practising Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 31.03.2019	Actions taken by the listed entity, if any	Comments of the Practising Company Secretary on the actions taken by the listed entity
This is the first year of report				

Mumbai, 3rd May, 2019

Mayur Mehta
Practising Company Secretary
C. P. No 9952
Membership No A3132

FORM AOC 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiary

New Holding & Trading Co. Ltd		
SI No	Particulars	(in thousand)
1	Reporting period	31.03.2019
2	Share Capital	5,02
3	Reserve & Surplus	4,85,94
4	Total assets	4,91,96
5	Total Liabilities	4,91,96
6	Investments	4,10,90
7	Revenue from Operations	26,50
8	Profit before taxation	25,91
9	Provision for tax	-
10	Proposed Dividend	-
11	% of shareholding	100

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures.

SI No	Particulars	(in thousand)
1	Name of Associates/Joint Ventures	KSB Pumps Limited
2	Shares of Associate//Joint Ventures held by the company	
	No. Holding (Including Holding by Subsidiary Company)	74,00,000
	Amount of Investment in Associates / Joint Ventures	28,409
	Extend of Holding %	21.2595
3	Description of how there is significant influence	Control of 20% of Total Share Capital
4	Reason why the associate/joint venture is not consolidated	Not Applicable
5	Net worth attributable to Shareholding as per latest audited Balance Sheet	16,10,968
6	Profit/Loss for the year	
	i) Considered in Consolidation	15,30,90
	ii) Not Considered in Consolidation	Not Applicable

For and on behalf of the Board of Directors

Gaurav Swarup
Chairman & Managing Director

Devina Swarup
Director

Place: Kolkata
Date: 3rd May, 2019

Arun Kumar Singhania
Chief Financial Officer

Ayan Datta
Company Secretary

Form No. MGT-9

as on the financial year ended on 31st March,2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

1. REGISTRATION AND OTHER DETAILS:

Sr No	Particulars	Details
i.	CIN	L65990WB1913PLC218486
ii	Registration Date	26/08/13
iii	Name of the Company	Industrial and Prudential Investment Co Ltd
iv	Category / Sub-Category of the Company	Listed
v	Address of the Registered Office and Contact Details	Paharpur House, 8/1/B Diamond Harbour Road, Kolkata 700027
vi	Whether Listed Company	YES
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd C 101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai - 400083 Phone: 022 49186000 E-mail: rnt.helpdesk@linkintime.co.in

2. PRINCIPAL 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	Investment	-	100%

3. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr No	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Paharpur Cooling Towers Limited 8/1/B Diamond Harbour Road, Kolkata 700027	U02005WB1949PLC018363	Holding	44	2(87)(i) read with explanation
2	New Holding and Trading Co Ltd 125, Maker Chambers III Nariman Point, Mumbai 400021	U65990MH1981PLC025981	Wholly owned subsidiary	100	2(87)(ii)
3	KSB Pumps Limited 126, Maker Chambers III Nariman Point, Mumbai 400021	L29120MH1960PLC011635	Associate	20.53	2(6) read with explanation

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

i. Category-wise shareholding

Sr No	Category of Shareholders	Shareholding at the beginning of the year - 2018				Shareholding at the end of the year - 2019				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	56814	0	56814	3.2552	56814	0	56814	3.2552	0.0000
(b)	Central Government / State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Financial Institutions / Banks	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Any Other (Specify)									
	Bodies Corporate	1093251	0	1093251	62.6383	1093251	0	1093251	62.6383	0.0000
	Sub Total (A)(1)	1150065	0	1150065	65.8935	1150065	0	1150065	65.8935	0.0000
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Government	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Institutions	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Foreign Portfolio Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Any Other (Specify)									
	Sub Total (A)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	1150065	0	1150065	65.8935	1150065	0	1150065	65.8935	0.0000
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Alternate Investment Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Foreign Venture Capital Investors	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Foreign Portfolio Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
(f)	Financial Institutions / Banks	0	1200	1200	0.0688	0	1200	1200	0.0688	0.0000
(g)	Insurance Companies	0	0	0	0.0000	0	0	0	0.0000	0.0000
(h)	Provident Funds/ Pension Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(i)	Any Other (Specify)									
	Sub Total (B) (1)	0	1200	1200	0.0688	0	1200	1200	0.0688	0.0000
[2]	Central Government/ State Government(s)/ President of India									
	Central Government / State Government(s)	3140	168	3308	0.0096	1461	168	1629	0.0933	0.0837
	Sub Total (B)(2)	3140	168	3308	0.0096	1461	168	1629	0.0933	0.0837

[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	328451	92617	421068	24.1253	327629	89103	416732	23.8768	0.0867
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	48326	47919	96245	5.5144	70249	25989	96238	5.5140	-0.0004
(b)	NBFCs registered with RBI	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Any Other (Specify)									
	IEPF	0	0	0	0.0000	3140	0	3140	0.1799	0.1799
	Trusts	600	0	600	0.0344	600	0	600	0.0344	0.0000
	Foreign Nationals	1524	0	1524	0.0873	0	0	0	0.0000	-0.0873
	Hindu Undivided Family	20449	0	20449	1.1716	22991	0	22991	1.3173	0.1456
	Non Resident Indians (Non Repat)	19613	0	19613	1.1237	19549	0	19549	1.1201	-0.0037
	Other Directors	0	0	0	0.0000	5850	0	5850	0.3352	-0.3352
	Non Resident Indians (Repat)	4112	2460	6572	0.3765	5776	2460	8236	0.4719	0.0953
	Clearing Member	530	0	530	0.0304	128	0	128	0.0073	-0.0230
	Bodies Corporate	22842	1324	24166	1.3846	17658	1324	18982	1.0876	-0.2970
	Sub Total (B)(3)	446447	144320	590767	33.8482	473570	118876	592446	33.9444	0.0962
	Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	449587	145688	595275	34.1065	475031	120244	595275	34.1065	0.0000
	Total (A)+(B)	1599652	145688	1745340	100.0000	1625096	120244	1745340	100.0000	0.0000
(C)	Non Promoter - Non Public									
[1]	Custodian/DR Holder	0	0	0	0.0000	0	0	0	0.0000	0.0000
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Total (A)+(B)+(C)	1599652	145688	1745340	100.0000	1625096	120244	1745340	100.0000	

ii. Shareholding of Promoters

Sr no	Shareholder's name	Shareholding at the beginning of the year - 2018			Shareholding at the end of the year - 2019			% Change in Shareholding During the year
		No. of Shares Held	% of total Shares of the Company	% of shares Pledged /Encumbered to Total shares	No. of Shares Held	% of total Shares of the Company	% of shares Pledged/ Encumbered to Total shares	
1	Paharpur Cooling Towers Ltd.	746901	42.7940	0.00000	746901	42.7940	0.00000	0.00000
2	Paharpur Corporation Limited	191550	10.9749	0.00000	191550	10.9749	0.00000	0.00000
3	Melvin Powel Vanaspati & Engg. Industries Ltd.	154800	8.8693	0.00000	154800	8.8693	0.00000	0.00000
4	Vikram Swarup	27348	1.5669	0.00000	27348	1.5669	0.00000	0.00000
5	Kevic Anant Setalvad	13452	0.7707	0.00000	13452	0.7707	0.00000	0.00000
6	Gaurav Swarup	3600	0.2063	0.00000	3600	0.2063	0.00000	0.00000
7	Parul Swarup	3414	0.1956	0.00000	3414	0.1956	0.00000	0.00000
8	Bindu Vikram Swarup	9000	0.5157	0.00000	9000	0.5157	0.00000	0.00000
	Total	1150065	65.8934	0.00000	1150065	65.8934	0.00000	0.00000

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

Sr No.	Name & Type of Transaction	Shareholding At The Beginning of The Year - 2018		Transactions During The Year		Cumulative Shareholding At The End of The Year - 2019	
		No. of Shares Held	% of Total Shares of The Company	Date Of Transaction	No. Of Shares	No Of Shares Held	% Of Total Shares Of The Company
1	Paharpur Cooling Towers Ltd.	746901	42.794	-	-	746901	42.794
	At The End of The Year			-	-	746901	42.794
2	Paharpur Corporation Limited	191550	10.9749	-	-	191550	10.9749
	At The End of The Year			-	-	191550	10.9749
3	Melvin Powel Vanaspati & Engg. Industries Ltd.	154800	8.8693	-	-	154800	8.8693
	At The End of The Year			-	-	154800	8.8693
4	Vikram Swarup	27348	1.5669	-	-	27348	1.5669
	At The End of The Year			-	-	27348	1.5669
5	Kevic Anant Setalvad	13452	0.7707	-	-	13452	0.7707
	At The End of The Year			-	-	13452	0.7707
6	Bindu Vikram Swarup	9000	0.5157	-	-	9000	0.5157
	At The End of The Year			-	-	9000	0.5157
7	Gaurav Swarup	3600	0.2063	-	-	3600	0.2063
	At The End of The Year			-	-	3600	0.2063
8	Parul Swarup	3414	0.1956	-	-	3414	0.1956
	At The End of The Year			-	-	3414	0.1956

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

Sr No.	Name & type of transaction	Shareholding at the beginning of the year - 2018		Transactions during the year		Cumulative shareholding at the end of the year - 2019	
		No. of shares held	% of total shares of the company	Date of transaction	No. of shares	No of shares held	% Of total shares of the company
1	Sita Atul Setalvad	19146	1.097			19146	1.097
	At the end of the year					19146	1.097
2	Rita pavankumar.	7577	0.4341			7577	0.4341
	Market sell			13 Apr 2018	-197	7380	0.4228
	Market sell			20 Apr 2018	-3633	3747	0.2147
	Market sell			27 Apr 2018	-3681	66	0.0038
	Market sell			04 May 2018	-66	0	0
	Market purchase			01 Mar 2019	21810	21810	1.2496
	At the end of the year					21810	1.2496
3	Vinod Dadlani	15226	0.8724			15226	0.8724
	Market purchase			06 Apr 2018	20	15246	0.8735
	Market purchase			27 Apr 2018	40	15286	0.8758
	Market purchase			04 May 2018	30	15316	0.8775
	Market purchase			11 May 2018	20	15336	0.8787
	Market purchase			15 Jun 2018	3	15339	0.8789
	Market purchase			22 Jun 2018	1	15340	0.8789
	Market purchase			30 Jun 2018	21	15361	0.8801
	Market purchase			27 Jul 2018	20	15381	0.8813
	Market purchase			21 Sep 2018	64	15445	0.8849

	Market purchase			29 Sep 2018	36	15481	0.887
	Market purchase			05 Oct 2018	25	15506	0.8884
	Market purchase			12 Oct 2018	81	15587	0.8931
	Market purchase			19 Oct 2018	25	15612	0.8945
	Market sell			26 Oct 2018	-51	15561	0.8916
	Market sell			09 Nov 2018	-8	15553	0.8911
	Market sell			16 Nov 2018	-1	15552	0.8911
	Market purchase			23 Nov 2018	5	15557	0.8913
	Market purchase			07 Dec 2018	169	15726	0.901
	Market purchase			14 Dec 2018	3	15729	0.9012
	Market purchase			28 Dec 2018	17	15746	0.9022
	Market purchase			04 Jan 2019	12	15758	0.9029
	Market purchase			11 Jan 2019	8	15766	0.9033
	Market purchase			25 Jan 2019	63	15829	0.9069
	Market purchase			01 Feb 2019	12	15841	0.9076
	Market purchase			08 Feb 2019	93	15934	0.9129
	Market sell			15 Feb 2019	-1	15933	0.9129
	Market purchase			22 Feb 2019	109	16042	0.9191
	Market purchase			01 Mar 2019	19	16061	0.9202
	Market purchase			08 Mar 2019	20	16081	0.9214
	Market sell			15 Mar 2019	-20	16061	0.9202
	Market purchase			22 Mar 2019	40	16101	0.9225
	Market sell			29 Mar 2019	-2	16099	0.9224
	At the end of the year					16099	0.9224
4	Vipul Rameshchandra Shah	15264	0.8746			15264	0.8746
	At the end of the year					15264	0.8746
5	Archana s Desai	12384	0.7095			12384	0.7095
	At the end of the year					12384	0.7095
6	Hemang Rajnikant Maniar	12000	0.6875			12000	0.6875
	At the end of the year					12000	0.6875
7	Yogesh Mathuradas	10818	0.6198			10818	0.6198
	Market purchase			20 Jul 2018	200	11018	0.6313
	Market purchase			29 Mar 2019	25	11043	0.6327
	At the end of the year					11043	0.6327
8	Pravin Kantilal Vakil	10722	0.6143			10722	0.6143
	At the end of the year					10722	0.6143
9	Kokila Rajnikant Maniar	10140	0.581			10140	0.581
	At the end of the year					10140	0.581
10	Janak Mathuradas	9600	0.55			9600	0.55
	At the end of the year					9600	0.55
11	Pankaj Premji	9291	0.5323			9291	0.5323
	Market sell			24 Aug 2018	-500	8791	0.5037
	Market sell			11 Jan 2019	-500	8291	0.475
	At the end of the year					8291	0.475
12	Pavankumar Sanwarmal	21810	1.2496			21810	1.2496
	Market sell			01 Mar 2019	-21810	0	0
	At the end of the year					0	0

v. INDEBTEDNESS

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

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

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 Managing Director	Total Amount
		G Swarup	
1	Gross salary	NIL	NIL
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL
2	Stock Option	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission	NIL	NIL
	- as % of profit	NIL	NIL
	- Others, specify...	NIL	NIL
5	Others, please specify - sitting fees	67,500	67,500
	Total (A)	67,500	67,500
	Ceiling as per the Act	within limit	within limit

B. Remuneration to other directors

Particulars of Remuneration	Name of Directors					Total Amount
	A K Modi Non-Executive Independent	Probir Roy Non-Executive Independent	Debanjan Mandal Non-Executive Independent	Varun Swarup Non-Executive	Devina Swarup Non-Executive	
Independent Directors						
Fee for attending board/ committee meetings	37500	112500	112500	-	-	262500
Commission	150000	150000	150000	-	-	450000
Others, please specify	-	-	-	-	-	-
Total B(1)	187500	262500	262500	-	-	712500
Other Non-executive directors						
Fee for attending board/ committee meetings	-	-	-	60000	120000	180000
Commission	-	-	-	150000	150000	300000
Others, please specify	-	-	-	-	-	-
Total B(2)	-	-	-	210000	270000	480000
Total (B)=(1+2)	187500	262500	262500	210000	270000	1192500
Total Managerial Remuneration						
Commission to NED	-	-	-	-	-	750000
Overall Ceiling as per the Act	-	-	-	-	-	863360

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

SI No	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CFO	CS	Total
1	Gross salary	NIL	NIL	650064	NIL
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL
	Stock Option	NIL	NIL	NIL	NIL
	Sweat Equity	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL
	- as % of profit	NIL	NIL	NIL	NIL
	- Others, specify...	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL
	Total	NIL	NIL	650064	NIL

5. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	None	None	None	None	None
Punishment	None	None	None	None	None
Compounding	None	None	None	None	None
A. DIRECTORS					
Penalty	None	None	None	None	None
Punishment	None	None	None	None	None
Compounding	None	None	None	None	None
B. OTHER OFFICERS IN DEFAULT					
Penalty	None	None	None	None	None
Punishment	None	None	None	None	None
Compounding	None	None	None	None	None

EXPENDITURE ON CSR ACTIVITIES FOR 2018-19

S. No.	Particulars	Remarks
1.	A brief outline of the Company's CSR policy, including overview of projects or programs laid down in Schedule VII of the Act is proposed to be undertaken and reference to the web-link to the CSR policy and projects or programs.	To achieve one or more activities or programs laid down in Schedule VII of the Act in general and promotion of education, health care, sanitation and rural development in particular
2.	Composition of CSR committee	Constituted on 11.02.2015 Members: Mr. Probir Roy Mr. Gaurav Swarup Ms. Devina Swarup
3.	Average net profits of the company for the last three financial years (calculated in accordance of the provisions of Section 198)	₹ 743 lakh
4.	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	₹ 14.86 lakh
5.	Details of CSR spent during the financial year: (a) Total amount to be spent for the financial year ended 31.03.2019 (b) Amount unspent till date (c) Manner in which the amount spent during the financial year is detailed below	(a) ₹ 40.75 lakh (including 25.50 lakh of previous years) (b) 15.50 lakh

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR project or activity Identified	Sector in which the project is covered (as per schedule VII)	Projects or programs (1) Local area or other (2) Specify state and district where the projects or programs was undertaken	Amount outlay (budget) project or programs wise (Amount Rs.)	Amount spent on the project or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1.	Project of School building at Gopalpur, WB	(ii) promoting education	(1) Other (2) Gopalpur	25,25,000	(1) 15,25,000 (2) NIL	15,25,000	Through Vivekanand Vidya Vikash Parishad
2.	Project of School building at Kedarpur, WB	(ii) promoting education	(1) Other (2) Kedarpur	28,75,000	(1) 10,00,000 (2) NIL	25,25,000	Through Vivekanand Vidya Vikash Parishad

6. Reason for not spending is given in the Board's Report

7. Implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Kolkata
Date: 3rd May, 2019

Gaurav Swarup
Member of CSR Committee

Independent Auditors' Report

To the Members of INDUSTRIAL AND PRUDENTIAL INVESTMENT COMPANY LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Industrial and Prudential Investment Company Limited ("the Company"), which comprise the balance sheet as at March 31, 2019, the statement of profit and loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes for the year ended on that date (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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 March 31, 2019, its profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Based on the audit procedure performed including assessment of risk of material misstatement we have not come across any material Key Audit Matters that are required to be communicated in accordance with the standard.

Information Other than the Financial Statements and Auditors' Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis Report and Business Responsibility Report, but does not include standalone financial statements and our auditors' report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financials statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report with respect to the above.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), Profit or Loss (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.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 with reference to financial statements, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant

Independent Auditors' Report

doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.; and

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors' Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

Further to our comments in the annexure referred to in the paragraph above, as required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid 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 March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act; and

- f) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal control over financial reporting; and

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

- i. the Company does not have any pending litigations which would impact its financial position in its financial statements;
- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.; and
- iii. The unclaimed dividend for the year 2010-11 amounting to Rs 676 thousand in HDFC Bank which was not transferred to the Investor Education and Protection Fund (IEPF) by the Company within its due date of i.e. September 4, 2018, has since been transferred to IEPF on April 9, 2019.

With respect to the reporting under section 197(16) of the Act to be included in the Auditors' Report, in our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its Director's during the current year is in accordance with the provisions of section 197 of the Act and is not in excess of the limit laid down therein.

For Lodha & Co,
Chartered Accountants
Firm's ICAI Registration No: 301051E

Place: Kolkata
Date: 3rd May, 2019

Prashant Khandelwal
Partner
Membership No: 056652

Independent Auditors' Report

Annexure "A" To The Auditors' Report Of Even Date:

(Annexure referred to in paragraph 1 to 'Report on Other Legal and Regulatory Requirement' Section of our report of even date)

- i) a. The Company has maintained proper records showing full particulars, including quantitative details and situations of fixed assets.
- b. As explained to us, Physical Verification of Fixed Asset was conducted by the management during the year. No material discrepancies were noticed on such physical verification.
- c. As explained to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company as disclosed in Note 2.6. of the financial statements.
- ii) The Company is in the business of investing activity and consequently, does not hold any inventory. Therefore, the provisions of clause 3(ii) of the said Order are not applicable to the Company.
- iii) The Company has not granted any loans secured or unsecured to companies, firms or parties covered in the register maintained under Section 189 of the Act. Accordingly, clause 3 (iii) of the Order is not applicable to the Company.
- iv) This being Investment Company, clause(iv) of the Order is not applicable to the Company.
- v) The Company has not accepted any deposits from public. Therefore, the provision for compliance with respect to the directives issued by Reserve Bank of India and the provision of Sections 73 to 76 of the Act and rules framed thereunder are not applicable to the Company.
- vi) The Central Government has not specified the maintenance of cost records under section 148(1) of the Act for any of the product and services of the Company.
- vii) a. According to the information and explanations given to us, during the year, the Company has generally been regular in depositing excepting as given below, undisputed statutory dues including Provident Fund, Investor Education Protection Fund (IEPF), Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Goods and Service Tax, Service tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues as applicable to it.

Statement of Arrears of Statutory Dues Outstanding for More than 6 months are as follows

Name of the Statute	Nature of the Dues	Amount (₹)	Period to which the amount relates	Due Date	Date of Payment	Remarks, if any
IEPF	Unclaimed Dividend	676000	F.Y. 2010-11	04/09/2018	09/04/2019	Nil

- b. According to the records made available to us and the information and explanations given by the management, there are no dues of Income Tax, Service Tax, Cess and other statutory dues which have not been deposited on account of any dispute.
- viii) The Company has not taken any loans from any banks or financial institutions and has not issued any debentures.
- ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and has not availed any Term Loans.

- x) During the course of our examination of books of account carried out in accordance with generally accepted auditing practices in India, we have neither come across any incidence of fraud by the Company or on the Company by its officers or employees nor have we been informed of any such cases by the management.
- xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 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 Section 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. Therefore, the compliance of requirements of Section 42A of the Act are not applicable.
- xv) According to the information and explanations given to us and as represented to us by the management 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, paragraph 3(xv) of the Order is not applicable.
- xvi) The Company is registered under section 45-IA of the Reserve Bank of India Act 1934 and the certificate has been obtained.

For Lodha & Co,

Chartered Accountants

Firm's ICAI Registration No: 301051E

Place: Kolkata

Date: 3rd May, 2019

Prashant Khandelwal

Partner

Membership No: 056652

Independent Auditors' Report

Annexure "B" To The Independent Auditors' Report

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Industrial and Prudential Investment Company Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls with reference to Financial Statements

The Company's management is responsible for establishing and maintaining internal financial controls with reference to financial statements 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls with reference to financial statements 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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, for disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, 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 Lodha & Co,
Chartered Accountants
Firm's ICAI Registration No: 301051E

Place: Kolkata
Date: 3rd May, 2019

Prashant Khandelwal
Partner
Membership No: 056652

Balance Sheet as at 31st March 2019

Balance Sheet as at 31st March 2019

In ₹ thousand

Particulars	Note No.	As at 31.03.2019		As at 31.03.2018	
I. EQUITY AND LIABILITIES					
(1) SHAREHOLDERS' FUNDS					
(a) Share Capital	2.1	1,74,56		1,74,56	
(b) Reserves and Surplus	2.2	40,94,60		36,73,64	
			42,69,16		38,48,20
(2) CURRENT LIABILITIES					
(a) Trade payables	2.3				
Total Outstanding dues of micro enterprises and small enterprises.		-		-	
Total Outstanding dues of creditors other than micro enterprises and small enterprises		11,47		12,14	
(b) Other Current Liabilities	2.4	1,23,53		78,26	
(c) Short-term provisions	2.5	15,50		25,50	
			1,50,50		1,15,90
TOTAL			44,19,66		39,64,10
II. ASSETS					
(1) NON-CURRENT ASSETS					
(a) Fixed assets	2.6				
(i) Tangible assets		37		45	
(b) Non-Current Investments	2.7	40,30,59		37,91,23	
(c) Other Non Current assets	2.8	7		7	
			40,31,03		37,91,75
(2) CURRENT ASSETS					
(a) Cash and Cash equivalents	2.9	1,35,97		1,19,19	
(b) Short-term loans and advances	2.10	2,51,35		53,16	
(c) Other Current assets	2.11	1,31		-	
			3,88,63		1,72,35
TOTAL			44,19,66		39,64,10

Significant Accounting Policies (Note No. 1) and other Notes form an integral part of the Financial Statements

As per our report attached.

For and on behalf of the Board of Directors

For Lodha & Co

Chartered Accountants

Firm's ICAI Registration No: 301051E

Prashant Khandelwal

Partner

Membership No: 056652

Gaurav Swarup

Chairman & Managing Director

Devina Swarup

Director

Place: Kolkata

Date: 3rd May, 2019

Arun Kumar Singhania

Chief Financial Officer

Ayan Datta

Company Secretary

Statement of Profit and Loss for the year ended 31st March 2019Statement of Profit and Loss for the year ended 31st March 2019

In ₹ thousand

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
Revenue			
Revenue from Operations	2.12	10,56,39	9,19,47
Other Income	2.13	-	1,05
(I) Total Revenue		10,56,39	9,20,52
Expenses			
Employee Benefits expense		6,28	6,58
Depreciation and amortisation expenses	2.6	8	9
Other expenses	2.14	57,05	57,99
(II) Total Expenses		63,41	64,66
(III) Profit before tax (I-II)		9,92,98	8,55,86
(IV) Tax expenses:			
Current tax		46,00	40,00
Income tax for earlier years		-	(7,92)
Deferred tax		-	-
(V) Profit after Tax		9,46,98	8,23,78
(VI) Earnings per equity share (in ₹)			
Basic and Diluted		54.26	47.20

Significant Accounting Policies (Note No. 1) and other Notes form an integral part of the Financial Statements

As per our report attached.

For and on behalf of the Board of Directors

For Lodha & Co

Chartered Accountants

Firm's ICAI Registration No: 301051E

Prashant Khandelwal

Partner

Membership No: 056652

Place: Kolkata

Date: 3rd May, 2019**Gaurav Swarup**

Chairman & Managing Director

Devina Swarup

Director

Arun Kumar Singhania

Chief Financial Officer

Ayan Datta

Company Secretary

Cash Flow Statement For The Year Ended 31st March 2019

Cash Flow Statement For The Year Ended 31st March 2019

In ₹ thousand

	For the year ended			
	31 st March 2019		31 st March 2018	
A) Cash Flow from operating activities:				
Net Profit before tax		9,92,98		8,55,86
Adjustments for:				
Depreciation	8		9	
Profit on sale of investment	(2,85,79)		(2,31,87)	
Provision for diminution in value of investment	-		(49,98)	
		(2,85,71)		(2,81,76)
Operating profit before working capital changes		7,07,27		5,74,10
Adjustments for changes in working capital				
(Increase)/Decrease in Trade & other receivables	(1,99,50)		(30,60)	
Increase/(Decrease) in trade payables & other liabilities	34,59	(164,91)	(11,37)	(41,97)
		5,42,36		5,32,13
Less: Tax Paid		(46,00)		(44,00)
Net Cash generated from operations		4,96,36		4,88,13
B) Cash flow from Investing activities				
Purchase of Fixed Assets (including Advances)	-		(28)	
Purchase of Investments	(16,04,00)		(5,83,50)	
Sale of Investments	16,50,44	46,44	4,90,28	(93,50)
Net cash generated from/used in investing activities		46,44		(93,50)
C) Cash flow from Financing activities				
Payment of Dividend	(4,36,33)		(4,36,33)	
Payment of Corporate Dividend Tax	(89,69)	(5,26,02)	(88,83)	(5,25,16)
Net cash generated from/used in Financing activities		(5,26,02)		(5,25,16)
Net Increase/(decrease) in cash & cash equivalents(A+B+C)		16,78		(1,30,53)
Opening Cash & Cash Equivalents		1,19,19		2,49,72
Closing Cash & Cash Equivalents (Refer Note No 2.9)		1,35,97		1,19,19
Net Increase/(decrease) in cash & cash equivalents		16,78		(1,30,53)

The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 on "Cash Flow Statements"

Note:

1. Previous year figures have been regrouped wherever necessary.
2. All figures in brackets are outflows.

As per our report attached.

For and on behalf of the Board of Directors

For Lodha & Co

Chartered Accountants

Firm's ICAI Registration No: 301051E

Prashant Khandelwal

Partner

Membership No: 056652

Place: Kolkata

Date: 3rd May, 2019

Gaurav Swarup

Chairman & Managing Director

Devina Swarup

Director

Arun Kumar Singhania

Chief Financial Officer

Ayan Datta

Company Secretary

1. Notes forming part of the financial statements for the year ended 31st March 2019**SIGNIFICANT ACCOUNTING POLICIES**

(a) The Company is a Non-Banking Finance Company (NBFC) having the registered office at Paharpur House 8/1/B, Diamond Harbour Road, Kolkata - 700027, engaged in the business of acquiring, selling and maintaining investments. This has been registered with the Reserve Bank of India (RBI) as a Non-Banking Finance Company (NBFC) and is therefore governed by directions and laws issued for NBFC by RBI.

(b) Basis of Preparation

"The financial statements have been prepared in conformity with Generally Accepted Accounting Principles to comply in all material respects the Accounting Standards ('AS') notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the guidelines issued by the Reserve Bank of India ('RBI' as applicable to a Non-Banking Finance Company ('NBFC')). The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current as per the criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of the business carried out by the company, operating cycle has been considered to be twelve months for the purpose of current/non-current classification of its assets and liabilities."

(c) Property Plant and Equipment

Fixed assets are stated at cost less depreciation. Cost comprises the cost of acquisition and any other cost attributable to bringing the asset to the condition for its intended use.

(d) Depreciation

Depreciation is provided on the written down value method over the useful life of the asset as prescribed in Schedule II of the Companies Act, 2013.

(e) Investments

(i) Investments maturing within twelve months from the date of acquisition and investments made with the specific intention to dispose off within twelve months from the date of acquisition are classified as short-term/current investments and are carried at their cost or market value/net realisable value, whichever is lower.

(ii) Investments other than short-term/current investments are carried at their cost of acquisition. Long-term investments maturing within twelve months from the close of the year (i.e. current maturities) are reclassified as current investments. Provision for diminution in value of long term investments, if any, is made if, in the opinion of the Management, such diminution is other than temporary.

(f) Revenue Recognition

Dividend Income from Investment is recognised when right to receive the payment is established. Interest income is accounted on accrual basis. Insurance claim are being accounted on cash basis.

(g) Retirement Benefits

Gratuity liabilities, as applicable is provided on estimated basis.

(h) Taxes on Income:

Provision for taxation is made on the basis of the taxable profits computed for the current accounting period in accordance with the Income Tax Act, 1961. Deferred tax resulting from timing differences between book profits and tax profits is accounted for at the current rate of tax or the substantively enacted rate of tax to the extent the timing differences are

Notes forming part of the financial statements

expected to crystallise in assets or liabilities with reasonable certainty. However, deferred tax asset arising on account of unabsorbed depreciation and business losses are recognised only if there is virtual certainty supported by convincing evidence that there would be adequate future taxable income against which the same can be realised/set off.

(i) Provisions and Contingent Liabilities:

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a realisable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2. Notes On Financial Statements For The Year Ended 31st March 2019

2.1 SHARE CAPITAL

In ₹ thousand

Particulars	As at	
	31 st March 2019	31 st March 2018
Authorised Capital 20,00,000 (Previous Year 20,00,000) Equity Shares of ₹ 10 each	2,00,00	2,00,00
	2,00,00	2,00,00
Issued, Subscribed and Paid-up 17,45,340 (Previous Year 17,45,340) Equity shares of ₹ 10 each fully paid up	1,74,53	1,74,53
Forfeited Shares	3	3
	1,74,56	1,74,56

a) Reconciliation of the number of shares outstanding

Particulars	31 st March 2019		31 st March 2018	
	No of Shares	Amount	No of Shares	Amount
As at the beginning of the year	17,45,340	174,53	17,45,340	174,53
As at the end of the year	17,45,340	1,74,53	17,45,340	1,74,53

b) Terms and Right attached to equity shareholders

The Company has only One class of Equity Share having par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The Share holders have all other right as available to equity Shareholders as per the provisions of the Companies Act, 2013, read together with the Memorandum and Articles of Association of the Company, as applicable.

c) Holding Company

In accordance with Section 2(87) (i) of the Companies Act, 2013 Paharpur Cooling Towers Limited is a Holding Company as it is deemed to control the Composition of the Board of Directors.

d) Name of the Shareholder holding more than 5 % Equity Shares

Name of the Shareholder	31 st March 2019		31 st March 2018	
	No of Shares	In %	No of Shares	In %
Paharpur Cooling Towers Limited	7,46,901	42.79	7,46,901	42.79
Melvin Powell Vanaspati & Engineering Industries Limited	1,54,800	8.87	1,54,800	8.87
Paharpur Corporation Limited	1,91,550	10.97	1,91,550	10.97

Notes on financial statements

In ₹ thousand

2.2 RESERVES AND SURPLUS

Particulars	As at	
	31 st March 2019	31 st March 2018
Capital Reserve	65	65
General Reserve		
At the beginning of the year	5,27,64	5,27,64
At the end of the year	5,27,64	5,27,64
Special Reserve (In terms of Section 45-IC of Reserve Bank of India Act, 1934)		
At the beginning of the year	15,29,86	13,65,10
Add: Transferred from Surplus	1,89,40	1,64,76
At the end of the year	17,19,26	15,29,86
Surplus		
At the beginning of the year	16,15,49	14,81,63
Add: Profit for the year as per Statement of Profit and Loss	9,46,98	8,23,78
Less: Amount transferred to Special Reserve	1,89,40	1,64,76
Less: Final Dividend @ ₹ 25 per share	4,36,33	4,36,33
Less: Tax on Final Dividend	89,69	88,83
At the end of the year	18,47,05	16,15,49
At the end of the year	40,94,60	36,73,64

2.3 TRADE PAYABLES

Particulars	As at	
	31 st March 2019	31 st March 2018
Sundry Creditors - goods and services	11,47	12,14
	11,47	12,14

Disclosure of Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" (the Act). There are no delays in payment made to such suppliers. There is no amount outstanding as at the Balance Sheet date.

Notes on financial statements

2.4 OTHER CURRENT LIABILITIES

In ₹ Thousand

Particulars	As at	
	31 st March 2019	31 st March 2018
Unclaimed Dividend	98,09	77,41
Tax Deducted at Source	44	85
Earnest Money Deposit	25,00	-
	1,23,53	78,26

2.5 SHORT TERM PROVISIONS

In ₹ Thousand

Particulars	As at	
	31 st March 2019	31 st March 2018
Provision towards Corporate Social Responsibility	15,50	25,50
	15,50	25,50

2.6 Fixed Assets

In ₹ Thousand

Description	Gross Block				Depreciation / Amortisation				Net Block	
	Cost As On 1 st April, 2018	Additions	Sales / Adjustments	Cost As On 31 st March 2019	Upto 31 st March, 2018	For The Year	Sales / Adjust- ments	Upto 31 st March, 2019	As On 31 st March, 2019	As On 31 st March, 2018
1	2	3	4	5	6	7	8	9	10	11
Tangible Assets										
Building	1,52	-	-	1,52	1,33	2	-	1,35	17	19
Furniture And Fixtures	3,80	-	-	3,80	3,80	-	-	3,80	-	-
Office Equipments	1,17	-	-	1,17	1,17	-	-	1,17	-	-
Others - Computers	5,81	-	-	5,81	5,55	6	-	5,61	20	26
Sub-Total	12,30	-	-	12,30	11,85	8	-	11,93	37	45
Intangible Assets										
Computer Software	2,02	-	-	2,02	2,02	-	-	2,02	-	-
Sub-Total	2,02	-	-	2,02	2,02	-	-	2,02	-	-
Grand Total	14,32		-	14,32	13,87	8	-	13,95	37	45
Previous Year	14,04	28	-	14,32	13,78	9	-	13,87	45	
Note : Building Includes Rupees Two Hundred Fifty (Previous Year Rupees Two Hundred Fifty) being the cost of shares in co-operative society.										

Notes on financial statements

2.7 Non -Current Investments (Fully Paid Up Except Otherwise Stated)					
					In ₹ Thousand
	Face Value	As At 31 st March 2019		As At 31 st March 2018	
		Number	Value	Number	Value
(I) In Equity Shares					
Quoted					
(A) Associate					
KSB Pumps Limited	10	71,40,000	1,74,01	71,40,000	1,74,01
Total (A)			1,74,01		1,74,01
(B) Others					
ACC Limited	10	7,000	4,38	7,000	4,38
Amara Raja Batteries Limited	1	1,05,000	10,04	1,05,000	10,04
Ashok Leyland Limited	1	-	-	27,000	20,05
BASF India Limited	10	10,000	32,03	10,000	32,03
BEML Limited	10	-	-	8,500	18,77
Bharat Electronics Limited	1	99,000	11,96	99,000	11,96
Bharat Forge Limited	2	32,000	13,83	32,000	13,83
Bharti Airtel Limited	5	-	-	17,500	22,74
Bosch Limited	10	2,000	11	2,000	11
BSE Limited	2	6,750	30,78	6,750	30,78
Century Textiles & Industries Limited	10	4,500	23,94	4,500	23,94
Dr Reddy's Laboratories Limited	5	4,000	20,29	4,000	20,29
Gail (India) Limited	10	50,666	43,22	38,000	43,22
GE T&D India Limited	2	50,000	7,88	50,000	7,88
HDFC Bank Limited	2	2,000	21,96	2,000	21,96
Hindustan Unilever Limited	1	73,000	1,91	73,000	1,91
Infosys Limited	5	8,64,000	21,11	4,32,000	21,11
ITC Limited	1	27,000	11,27	27,000	11,27
Monsanto India Limited	10	1,600	6,73	1,600	6,73
Nestle India Limited	10	14,000	1,78	14,000	1,78
Orient Refractories Limited	10	90,000	4,01	90,000	4,01
Piramal Enterprises Limited	2	20,500	15,57	20,500	15,57
Reliance Industries Limited	10	32,000	14,55	32,000	14,55
Siemens Limited	2	25,000	1,95	25,000	1,95
State Bank Of India	1	38,000	21,56	38,000	21,56
Sun Pharmaceutical Industries Limited	1	8,000	32,24	8,000	32,24
Tata Consultancy Services Limited	1	28,000	66,71	14,000	66,71
Tata Motors Limited	2	21,100	8,83	21,100	8,83
Tata Motors Limited -New NPP	2	41,500	40,05	41,500	40,05
Tata Steel Limited	10	12,600	36,82	12,600	36,82
Tech Mahindra Limited	5	12,000	19,43	12,000	19,43
The Great Eastern Shipping Company Limited	10	30,400	50,57	30,400	50,57
The Karur Vysya Bank Limited	2	2,44,200	60,23	2,22,000	60,23

Notes on financial statements

The Tata Power Company Limited	1	2,70,000	28,84	2,70,000	28,84
Timken India Limited	10	7,000	14,33	7,000	14,33
Titan Company Limited	1	3,10,500	49,94	3,10,500	49,94
Vedanta Limited	10	-	-	4,400	14,84
Zee Entertainment Enterprises Limited	1	20,808	7,99	20,808	7,99
Total			7,36,85		8,13,24
Less: Provision For Diminution In Value Of Investments			-		-
Total (B)			7,36,85		8,13,24
Unquoted (C) In Subsidiary					
New Holding And Trading Company Limited	100	5,025	3	5,025	3
Total (C)			3		3
(D) In Others					
Niyuprene Plastics Company Limited	10	1,000	-	1,000	-
Siltronics India Limited (In Liquidation)	10	30	-	30	-
Chennai Super Kings Cricket Limited (Refer Note No. 2.7.1)	0.1	26,000	-	-	-
Total (D)			-		-
Total (I)			9,10,89		9,87,28
(II) In Preference Shares					
Quoted					
6% Zee Entertainment Enterprises Limited (Redeemable On 14 th March 2022)	10	43,696	-	43,696	-
7.50% Vedanta Limited Issuance On 27 th October 2018)	10	-	-	17,600	-
Total (ii)			-		-
(III) In Debentures					
Quoted					
NTPC Limited - Sr-54 8.49% Non Convertible (Redeemable On 25 th March 2025)	12.5	21,000	-	21,000	-
Total (iii)			-		-
(IV) In Mutual Fund					
Aditya Birla Sun Life Equity Hybrid 95 Fund - Growth Regular Plan	10	30,067	1,66,56	30,067	1,66,56
DSP Focus Fund - Regular Plan Growth	10	7,32,837	1,25,00	7,32,837	1,25,00
DSP Equity And Bond Fund Regular Plan Growth	10	1,18,760	1,40,00	1,18,760	1,40,00
Franklin India Equity Hybrid Fund - Growth	10	1,08,369	1,00,00	1,08,369	1,00,00
HDFC Hybrid Equity Fund - Regular Plan Growth	10	5,52,551	2,00,00	5,52,551	2,00,00
HDFC Liquid Fund - Direct Plan -Growth Option	10	8,522	3,00,00	-	-
ICICI Prudential Equity And Debt Fund - Growth	10	2,11,874	1,89,60	2,11,874	1,89,60

Notes on financial statements

IL & FS Milestone Fund - II	1000	104	1,04	104	1,04
IDFC Dynamic Equity Fund Regular Plan-Growth	10	-	-	13,97,436	1,50,00
JM Mutual Fund - G-Sec Fund- Regular Plan Growth	10	2,72,977	1,08,50	2,72,977	1,08,50
Kotak Standard Multicap Fund - Regular Plan	10	5,50,758	1,25,00	5,50,758	1,25,00
Kotak Equity Arbitrage Fund - Direct Plan Fortnight Dividend	10	4,21,414	1,00,00	4,21,414	1,00,00
Kotak Liquid Direct Plan Growth	10	18,358	6,94,00	-	-
L&T Hybrid Equity Fund - Growth	10	-	-	4,82,393	1,00,00
Reliance Equity Hybrid Fund Dividend Plan	10	10,59,073	1,80,00	10,59,073	1,80,00
Reliance Mutual Fund ETF - Liquid Bees	10	0	-	0	-
Reliance Pharma Fund - Dividend Plan Dividend Payout*	10	-	-	62,468	25,00
Reliance Liquid Fund- Treasury Plan-Direct Growth Plan-Growth Option	10	9,448	4,00,00	9,448	4,00,00
SBI Equity Hybrid Fund Regular Growth	10	2,92,634	2,90,00	2,92,634	2,90,00
Tata Hybrid Equity Fund Regular Plan Growth	10	-	-	1,16,481	2,00,00
UTI Equity Fund - Regular Dividend Plan	10	-	-	43,765	33,25
UTI Hybrid Equity Fund - Regular Plan Growth	10	-	-	1,30,507	1,70,00
Total (IV)			31,19,70		28,03,95
Total (I+II+III+IV)			40,30,59		37,91,23
Aggregate Amount Of Quoted Investments					
- Equity			9,10,86		9,87,25
- Preference Shares			-		-
- Debentures			-		-
			9,10,86		9,87,25
Aggregate Amount Of Market Value Quoted Investments					
- Equity			671,85,06		723,46,98
- Preference Shares			2,43		5,07
- Debentures			2,65		2,68
			671,90,14		723,54,73
Aggregate Amount Of Unquoted Investments					
- Equity			3		3
- Mutual Fund			31,19,70		28,03,95
			31,19,73		28,03,98
Net Asset Value Of Mutual Fund			37,57,79		34,08,75

2.7.1. India Cement Limited has allotted the equity shares of Chennai Super Kings Cricket Limited (CSKCL), free of cost, distributed by India Cements Shareholders Trust in the ratio of ₹ 0.01 each of CSKCL for every equity share of ₹ 10 each held in India Cement Limited as on the record date i.e October 9, 2015.

Notes on financial statements

In ₹ thousand

2.8 OTHER NON CURRENT ASSETS

Particulars	As at	
	31 st March 2019	31 st March 2018
Security deposit	7	7
	7	7

2.9 CASH AND CASH EQUIVALENTS

In ₹ thousand

Particulars	As at	
	31 st March 2019	31 st March 2018
Cash and Cash Equivalents		
In current account with Banks	38,03	41,92
Earmarked balance with Banks in Dividend Accounts	97,94	77,27
	1,35,97	1,19,19

2.10 SHORT TERM LOANS AND ADVANCES

In ₹ thousand

Particulars	As at	
	31 st March 2019	31 st March 2018
UNSECURED (CONSIDERED GOOD)		
Advance Income Tax (Net of Provision)	32,30	17,05
MAT Credit Entitlement	46	46
Others	2,18,59	35,65
	2,51,35	53,16

2.10.1. Entitlement credit in respect of Minimum Alternate Tax (MAT) amounting to ₹ 46,00 thousand (Previous year ₹ 46,00 thousand) has not been recognised in these financial statements considering the concept of prudence and convincing evidence of realisation thereof during the specified period.

2.11 OTHER CURRENT ASSETS

In ₹ thousand

Particulars	As at	
	31 st March 2019	31 st March 2018
UNSECURED (CONSIDERED GOOD)		
Dividend Receivable	69	-
Prepaid Expenses	62	-
	1,31	-

Notes on financial statements

In ₹ thousand

2.12 REVENUE FROM OPERATIONS

Particulars	For the year ended	
	31 st March 2019	31 st March 2018
Dividend Income		
- Long Term	7,70,38	6,32,46
Interest Income on debenture	22	22
Profit on sale of Long Term Investments	2,85,79	2,31,87
Provision for diminution in the value of Investments written back	-	49,98
Sale of right entitlements (Refer Note No: 2.12.1)	-	4,94
	10,56,39	9,19,47

2.12.1: Rs NIL (Previous Year represents proceeds from sale of entitlements of equity shares in The Indian Hotels Company Limited and Tata Steel Limited).

2.13 OTHER INCOME

In ₹ thousand

Particulars	For the year ended	
	31 st March 2019	31 st March 2018
Miscellaneous Income	-	1,05
	-	1,05

2.14 OTHER EXPENSES

In ₹ thousand

Particulars	For the year ended	
	31 st March 2019	31 st March 2018
Repair & Maintenance	2,40	2,34
Rates & Taxes	3,25	2,88
Directors' Fees	5,10	2,15
Commission to Directors	7,50	6,00
Corporate Social Responsibility	15,25	13,25
Service charges and fees	12,37	12,90
Printing & Stationery	3,29	2,32
Miscellaneous expenses (Refer Note No 2.21)	7,89	16,15
	57,05	57,99

Note No 2.15: Contingent Liabilities and commitments (to the extent not provided for)

Claim against the Company not acknowledged as debt: NIL

Note No 2.16: Proposed Dividend

In respect of the year ended March 31, 2019, the Board of Directors has proposed a final dividend of ₹ 25.00 per share be paid on fully paid equity shares. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend to be paid is ₹ 4,36,33 thousand and the dividend distribution tax thereon amounts to ₹ 89,69 thousand.

Note No 2.17: Segment Reporting

The investment activity is considered as a single activity in accordance with the Accounting Standard (AS-17) "Segment Reporting"

Note No 2.18: Related Party Disclosure

A. Name of the related party and nature of relationship where control exists:

Name of the Related Party	Nature of Relationship
Paharpur Cooling Towers Limited	Holding Company
New Holding & Trading Company Limited	Subsidiary Company
Key Management Personnel	Mr Gaurav Swarup – Chairman & Managing Director Mr A K Singhania – Chief Finance Officer Mr Ayan Datta – Company Secretary
Mrs. Gyan Mahendra Swarup	Relatives of Key Management Personnel
Mrs Bindu Swarup	
Mrs Parul Swarup	
Mr Vikram Swarup	
Ms Devina Swarup	
Mr Varun Swarup	
KSB Pumps Limited	Associate Company
Paharpur Corporation Limited	Enterprises over which Key Management
Melvin Powell Vanaspati & Engineering Industries Limited.	Personnel having significant influence

Notes on financial statements

B. Related Party Transactions:

(In ₹ thousand)

Nature of Transaction	Holding Company	Subsidiary Company	Key Management Personnel	Relatives of Key Management Personnel	Associates Company	Enterprise over which Key Management Personnel having significant influence	Total
Dividend Paid	1,86,73 (1,86,73)	- (-)	90 (90)	9,94 (9,94)	- (-)	86,59 (86,59)	2,84,16 (2,84,16)
Dividend Received	- (-)	- (-)	- (-)	- (-)	4,28,40 (3,92,70)	- (-)	4,28,40 (3,92,70)
Director Sitting Fees	- (-)	- (-)	68 (20)	180 (50)	- (-)	- (-)	248 (70)
Director Commission	- (-)	- (-)	- (-)	300 (94)	- (-)	- (-)	300 (94)

Notes:

- There is no provision for doubtful debts as at the end of the year in respect of related parties.
- There are no amounts written off or written back during the year in respect of debts due from or to related parties.
- Figures within brackets represents figures of previous year.

Note No 2.19: Earning per Share

- The amount used as the numerator in calculating basic and diluted earnings per share is the Net Profit for the year disclosed in the Statement of Profit and loss.
- The weighted average number of equity shares used as denominator in calculating both basic and diluted earnings per share is 17,45,340 (Previous Year 17,45,340)

Note No 2.20: Corporate Social Responsibility

As per Section 135 of the Companies Act 2013, company is required to spend at least 2 percent of the average net profits made during the three immediately preceding financial years in Corporate Social Responsibility (CSR) projects. Accordingly, the company provides for the expenditure on CSR based on the amount determined as above as per the provisions of Section 135 of the Companies Act 2013. The accumulated unspent amount during the year are carried forward and are spent upon selection of the suitable project.

- Gross amount required to be spent by the company during the year: ₹ 40,75 thousand (including ₹ 25,25 thousand lying unspent from earlier years).
- Amount spent during the year to support projects of school at Gopalpur by Vivekananda VidyaVikash Parishad ₹ 15,25 thousand and Kedarpur ₹10,00 thousand.

Notes on financial statements

(In ₹ thousand)

Particulars	31st March 2019			31st March 2018		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
Construction/acquisition of any asset	-	-	-	-	-	-
On purpose other than above	25,25	15,50	40,75	10,00	15,25	25,25
Total	25,25	15,50	40,75	10,00	15,25	25,25

Note No 2.21: Auditors' remuneration includes (excluding GST):

(In ₹ thousand)

Particulars	31st March 2019	31st March 2018
Audit Fees	₹ 2,00	₹ 2,00
Other services (Limited Review and other certification)	₹ 1,20	₹ 98
Total	₹ 3,20	₹ 2,98

Note No 2.22

The shareholders of the Company in its Annual General Meeting held on 3rd August, 2018 have approved the scheme of amalgamation of its wholly owned subsidiary, New Holding and Trading Company Limited with effect from 1st April, 2018. Pending approval from statutory and other authorities in terms of Section 233 of the Companies Act, 2013, no effect of the scheme has been carried out.

Note No 2.23

Previous year's figures have been regrouped wherever necessary, to conform, to current year's classification.

As per our report attached.

For and on behalf of the Board of Directors

For Lodha & Co

Chartered Accountants

Firm's ICAI Registration No: 301051E

Prashant Khandelwal

Partner

Membership No: 056652

Place: Kolkata

Date: 3rd May, 2019

Gaurav Swarup

Chairman & Managing Director

Devina Swarup

Director

Arun Kumar Singhania

Chief Financial Officer

Ayan Datta

Company Secretary

Schedule to the Balance Sheet of NBFC

Investor group-wise classification of all investment (current and long term) in shares and securities (both quoted and unquoted)			
Please see Note 3 below			
	Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
(7)	1. Related Parties**	-	-
	(a) Subsidiaries	4,90,96	3
	(b) Companies in the same group	-	-
	(c) Other related parties	490,69,65	1,74,01
	2. Other than related parties	218,78,28	38,56,55
	TOTAL	714,38,89	40,30,59
(8)	Other information		
	(i) Gross Non-Performing Assets		
	(a) Related parties	NIL	NIL
	(b) Other than related parties		
	(ii) Gross Non-Performing Assets	NIL	NIL
	(a) Related parties		
	(b) Other than related parties	NIL	NIL
(iii) Assets acquired in satisfaction			

Notes:

- As defined in Paragraph 2(1) (xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break unfair value/NAV in respect of unquoted investments should be disclosed in respective of whether they are classified as long term or current in column (5) above.

For and on behalf of the Company

Place: Kolkata
Date: 3rd May, 2019

Chairman & Managing Director

Statement of Net Owned Funds as on 31st March, 2019

	₹ In Thousands
i Paid-up Equity Capital	1,74,56
ii Free Reserves	23,74,69
iii Total (i + ii)	25,49,25
iv Accumulated balance of loss	-
v Deferred Revenue Expenditure	-
vi Other intangible assets	-
vii Total (iv + v + vi)	-
viii Owned Funds (iii – vii)	25,49,25
ix Investment in shares of:	
a. Subsidiaries	3
b. Companies in the same Group	-
c. Other non-banking financial companies	-
x The book value of debentures, bonds, outstanding loans and advances made to and deposits with:	
a. Subsidiaries	-
b. Companies in the same Group	-
xi Total {ix (a) + ix (b) + ix (c) + x (a) + (b)}	3
xii Amount of item xi in excess of 10% of item viii above	-
xiii Net Owned Funds (viii-xi)	25,49,22

As per our report attached.

For Lodha & Co

Chartered Accountants

Firm's ICAI Registration No: 301051E

Prashant Khandelwal

Partner

Membership No: 056652

Place: Kolkata

Date: 3rd May, 2019

For and on behalf of the Board of Directors

Gaurav Swarup

Chairman & Managing Director

Devina Swarup

Director

Independent Auditors' Report

To the Members of Industrial And Prudential Investment Company Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Industrial And Prudential Investment Company Limited (hereinafter referred to as "the Holding Company") and its wholly owned subsidiary New Holding and Trading Company Limited and its Associate Company KSB Pumps Ltd (Holding Company together with its wholly owned Subsidiary and Associate is referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss and the Consolidated Statement of the Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Accounting Standards ('AS') notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, the consolidated profit and its consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of the Subsidiary, New Holding and Trading Company Limited, whose financial statements reflect total assets of Rs.491.96 Lakhs as at March 31, 2019, total revenues of Rs.26.50 Lakhs and Net Cash Flows amounting to Rs.25.86 Lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include the Group's share on net profit of Rs.1530.90 Lakhs for year ended 31 December 31, 2018, as considered in the Consolidated Financial Statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amount and disclosures included in respect of the subsidiary and associate, and our report in terms of Sub-Section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid Subsidiary and Associate, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the consolidated financial statements certified by the Management.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Based on the audit procedure performed including assessment of risk of material misstatement we have not come across any material Key Audit Matters that are required to be communicated in accordance with the standard.

Information Other than the Financial Statements and Auditors' Report Thereon

- The Group's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis Report and Business Responsibility Report, but does not include consolidated financial statements and our auditors' report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report with respect to the above.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the state of affairs (consolidated financial position), Profit or Loss (consolidated financial performance) and consolidated 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.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 with reference to financial statements, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditors' Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud

or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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;

- Obtain an understanding of internal financial controls with reference to financial statements relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which companies are incorporated in India, has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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 of the aforesaid consolidated financial statements;
- b) In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the Other Auditor;
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) In our opinion, the Consolidated Balance Sheet, Consolidated Statement of Profit and loss and Consolidated Cash Flow Statement comply with the Accounting Standards specified under section 133 of the Act;
- e) On the basis of the written representations received from the directors of the Holding Company and the subsidiary company incorporated in India, as on March 31, 2019, taken on record by the Board of Directors of the Company and the subsidiary company incorporated in India, none of the directors of the company and its subsidiary company incorporated in India is disqualified as on March 31, 2019, from being appointed as a director in terms of section 164 (2) of the Act; and
- f) With respect to the adequacy of the Internal Financial Controls with reference to financial statements of the Holding Company, Subsidiary Company and Associate Company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g) With respect to the other matters to be included in the Auditors' 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 which would impact the Consolidated Financial Position of the Group;
 - ii. The Group does not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses; and
 - iii. The unclaimed dividend for the year 2010-11 amounting to Rs 676 thousand in HDFC Bank which was not transferred to the Investor Education and Protection Fund (IEPF) by the Holding Company within its due date of i.e. September 4, 2018, has since been transferred to IEPF on April 9, 2019.

With respect to the reporting under section 197(16) of the Act to be included in the Auditors' Report, in our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its Director's during the current year is in accordance with the provisions of section 197 of the Act and is not in excess of the limit laid down therein.

For Lodha & Co,
Chartered Accountants
Firm's ICAI Registration No: 301051E

Place: Kolkata
Date: 3rd May, 2019

Prashant Khandelwal
Partner
Membership No: 056652

Industrial And Prudential Investment Company Limited

“Annexure A” referred to in our report of even date

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls with reference to financial statements of Industrial And Prudential Investment Company Limited (herein referred to as “the Holding Company”) and Subsidiary Company and its Associate Company incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls with reference to financial statements

The respective Board of Directors of the holding company and Subsidiary Company incorporated in India are responsible for establishing and maintaining internal financial controls with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements 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 Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, both applicable to an audit of Internal Financial Controls with reference to financial statements and, both issued by the ICAI. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors’ judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements.

A company’s internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated

financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to financial statements 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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements.

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 Holding Company and its Subsidiary Company incorporated in India ,have in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, 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 Lodha & Co

Chartered Accountants
Firm's ICAI Registration No: 301051E

Place: Kolkata
Date: 3rd May, 2019

Prashant Khandelwal

Partner
Membership No: 056652

Consolidated Balance Sheet

Consolidated Balance Sheet as at 31st March 2019

In ₹ thousand

Particulars	Note No.	As at 31.03.2019		As at 31.03.2018	
I. EQUITY AND LIABILITIES					
(1) SHAREHOLDERS' FUNDS					
(a) Share Capital	2.1	1,74,56		1,74,56	
(b) Reserves and Surplus	2.2	210,94,72		196,51,33	
			212,69,28		198,25,89
(2) CURRENT LIABILITIES					
(a) Trade payables	2.3				
Total Outstanding dues of micro enterprises and small enterprises.					
Total Outstanding dues of creditors other than micro enterprises and small enterprises		11,79		12,51	
(b) Other Current Liabilities	2.4	1,23,53		78,26	
(c) Short-term provisions	2.5	15,50		25,50	
			1,50,82		1,16,27
			214,20,10		199,42,16
II. ASSETS					
(1) NON-CURRENT ASSETS					
(a) Fixed assets	2.6				
(i) Tangible assets		37		45	
(b) Non-Current Investments	2.7	209,50,65		197,14,78	
(c) Other Non Current assets	2.8	7		7	
			209,51,09		197,15,30
(2) CURRENT ASSETS					
(a) Cash and Cash equivalents	2.9	2,16,35		1,73,70	
(b) Short-term loans and advances	2.10	2,51,35		53,16	
(c) Other Current assets	2.11	1,31		-	
			4,69,01		2,26,86
			214,20,10		199,42,16

Significant Accounting Policies (Note No. 1) and other Notes form an integral part of the Consolidated Financial Statements

As per our report attached.

For and on behalf of the Board of Directors

For Lodha & Co

Chartered Accountants

Firm's ICAI Registration No: 301051E

Prashant Khandelwal

Partner

Membership No: 056652

Gaurav Swarup

Chairman & Managing Director

Devina Swarup

Director

Place: Kolkata

Date: 3rd May, 2019

Arun Kumar Singhania

Chief Financial Officer

Ayan Datta

Company Secretary

Consolidated Statement of Profit and Loss

Consolidated Statement of Profit and Loss for the year ended 31st March 2019

In ₹ thousand

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
Revenue			
Revenue from Operations	2.12	6,38,90	5,33,71
Other Income	2.13	-	1,05
(I) Total Revenue		6,38,90	5,34,76
Expenses			
Employee Benefits expense		6,28	6,58
Depreciation and amortisation expenses	2.6	8	9
Other expenses	2.14	57,64	59,06
(II) Total Expenses		64,00	65,73
(III) Profit before tax (I-II)		5,74,90	4,69,03
(IV) Tax expenses:			
Current tax		46,00	40,00
Income tax for earlier years		-	(7,92)
Deferred tax		-	-
(V) Profit after Tax		5,28,90	4,36,95
Add: Share of Profit in respect of investment in Associate Company	2.26	15,30,90	15,58,39
Profit for the Year		20,59,80	19,95,34
Earnings per equity share (in ₹) Basic and Diluted		118.01	114.32

Significant Accounting Policies (Note No. 1) and other Notes form an integral part of the Consolidated Financial Statements

As per our report attached.

For and on behalf of the Board of Directors

For Lodha & Co

Chartered Accountants

Firm's ICAI Registration No: 301051E

Prashant Khandelwal

Partner

Membership No: 056652

Place: Kolkata

Date: 3rd May, 2019

Gaurav Swarup

Chairman & Managing Director

Devina Swarup

Director

Arun Kumar Singhania

Chief Financial Officer

Ayan Datta

Company Secretary

Consolidated Cash Flow

Consolidated Cash Flow Statement for The Year Ended 31st March 2019

In ₹ thousand

		For the year ended			
		31 st March 2019		31 st March 2018	
A)	Cash Flow from operating activities:				
	Net Profit before tax		5,74,90		4,69,03
	Adjustments for:				
	Depreciation	8		9	
	Profit on sale of investment	(2,85,79)		(2,31,87)	
	Provision for diminution in value of investment	-		(49,98)	
	Share of Profit received from associate	4,44,00		4,07,00	
			1,58,29		1,25,24
	Operating profit before working capital changes		7,33,19		5,94,27
	Adjustments for changes in working capital				
	(Increase)/Decrease in Trade & other receivables	(1,99,51)		(29,92)	
	Increase/(Decrease) in trade payables & other liabilities	34,55	(1,64,96)	(11,79)	(41,71)
			5,68,23		5,52,56
	Less: Tax Paid		(46,00)		(44,00)
	Net Cash generated from operations		5,22,23		5,08,56
B)	Cash flow from Investing activities				
	Purchase of Fixed Assets (including Advances)	-		(28)	
	Purchase of Investments	(16,04,00)		(5,89,12)	
	Sale of Investments	16,50,44	46,44	4,90,29	(99,11)
	Net cash generated from/used in investing activities		46,44		(99,11)
C)	Cash flow from Financing activities				
	Payment of Dividend	(4,36,33)		(4,36,33)	
	Payment of Corporate Dividend Tax	(89,69)	(5,26,02)	(88,83)	(5,25,16)
	Net cash generated from/used in Financing activities		(5,26,02)		(5,25,16)
	Net Increase/(decrease) in cash & cash equivalents(A+B+C)		42,65		(1,15,71)
	Opening Cash & Cash Equivalents		1,73,70		2,89,41
	Closing Cash & Cash Equivalents (Refer Note 2.9)		2,16,35		1,73,70
	Net Increase/(decrease) in cash & cash equivalents		42,65		(1,15,71)

Significant Accounting Policies (Note No. 1) and other Notes form an integral part of the Consolidated Financial Statements

As per our report attached.

For and on behalf of the Board of Directors

For Lodha & Co

Chartered Accountants

Firm's ICAI Registration No: 301051E

Prashant Khandelwal

Partner

Membership No: 056652

Gaurav Swarup

Chairman & Managing Director

Devina Swarup

Director

Place: Kolkata

Date: 3rd May, 2019

Arun Kumar Singhania

Chief Financial Officer

Ayan Datta

Company Secretary

1. Notes forming part of the financial statements for the year ended 31st March 2019**SIGNIFICANT ACCOUNTING POLICIES**

(a) The Consolidated Financial Statements comprise the financial statement of the Industrial & Prudential Investment Company Limited, its wholly owned subsidiary “New Holding and Trading Company Limited” and its Associate Company “KSB Pumps Ltd”. which are incorporated in India.

(b) Basis of Preparation

The consolidated financial statements have been prepared in conformity with Generally Accepted Accounting Principles to comply in all material respects the Accounting Standards ('AS') notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the guidelines issued by the Reserve Bank of India ('RBI') as applicable to a Non-Banking Finance Company ('NBFC'). The consolidated financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current as per the criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of the business carried out by the company, operating cycle has been considered to be twelve months for the purpose of current non-current classification of its assets and liabilities.

(c) The financial statements of the Company and its subsidiary company have been consolidated on a line-by-line basis in accordance with the Accounting Standard 21 on “Consolidated Financial Statements” notified under section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014 by adding together the book value of items of assets, liabilities, income and expenses after eliminating intra-group balances and intra-group transactions resulting in unrealised profits or unrealised cash losses.

(d) The financial statements of the Company and its associate Company have been consolidated in accordance with AS-23 “Accounting for Investments in Associates in Consolidated Financial Statements.” notified under section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014

(e) Property Plant and Equipment

Fixed assets are stated at cost less depreciation. Cost comprises the cost of acquisition and any other cost attributable to bringing the asset to the condition for its intended use.

(f) Depreciation

Depreciation is provided on the written down value method over the useful life of the asset as prescribed in Schedule II of the Companies Act, 2013.

(g) Investments

(i) Investments maturing within twelve months from the date of acquisition and investments made with the specific intention to dispose off within twelve months from the date of acquisition are classified as short-term/current investments and are carried at their cost or market value net realisable value, whichever is lower.

ii) Investments other than short-term/current investments are carried at their cost of acquisition. Long-term investments maturing within twelve months from the close of the year (i.e. current maturities) are reclassified as current investments. Provision for diminution in value of long term investments, if any, is made if, in the opinion of the Management, such diminution is other than temporary.

Notes forming part of the financial statements

(h) **Revenue Recognition**

Dividend Income from Investment is recognised when right to receive the payment is established. Interest income is accounted on accrual basis. Insurance claim are being accounted on cash basis.

(i) **Retirement Benefits**

Gratuity liabilities, as applicable is provided on estimated basis.

(j) **Taxes on Income:**

Provision for taxation is made on the basis of the taxable profits computed for the current accounting period in accordance with the Income Tax Act, 1961. Deferred tax resulting from timing differences between book profits and tax profits is accounted for at the current rate of tax or the substantively enacted rate of tax to the extent the timing differences are expected to crystallise in assets or liabilities with reasonable certainty. However, deferred tax asset arising on account of unabsorbed depreciation and business losses are recognised only if there is virtual certainty supported by convincing evidence that there would be adequate future taxable income against which the same can be realised/set off.

(k) **Provisions and Contingent Liabilities:**

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a realisable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Notes forming part of the consolidated financial statements

2.1 SHARE CAPITAL

In ₹ thousand

Particulars	As at	
	31 st March 2019	31 st March 2018
Authorised Capital 20,00,000 (Previous Year 20,00,000) Equity Shares of ₹ 10 each	2,00,00	2,00,00
	2,00,00	2,00,00
Issued, Subscribed and Paid-up 17,45,340 (Previous Year 17,45,340) Equity shares of ₹ 10 each fully paid up	1,74,53	1,74,53
Forfeited Shares	3	3
	1,74,56	1,74,56

a) Reconciliation of the number of shares outstanding

Particulars	31 st March 2019		31 st March 2018	
	No of Shares	Amount	No of Shares	Amount
As at the beginning of the year	17,45,340	174,53	17,45,340	174,53
As at the end of the year	17,45,340	1,74,53	17,45,340	1,74,53

b) Terms and Right attached to equity shareholders

The Company has only One class of Equity Shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The Share holders have all other right as available to equity Shareholders as per the provisions of the Companies Act, 2013, read together with the Memorandum and Articles of Association of the Company , as applicable.

c) Holding Company

In accordance with Section 2(87) (i) of the Companies Act, 2013 Paharpur Cooling Towers Limited is a Holding Company as it is deemed to control the Composition of the Board of Directors.

d) Name of the Shareholder holding more than 5 % Equity Shares

Name of the Shareholder	31 st March 2019		31 st March 2018	
	No of Shares	In %	No of Shares	In %
Paharpur Cooling Towers Limited	7,46,901	42.79	7,46,901	42.79
Melvin Powell Vanaspati & Engineering Industries Limited	1,54,800	8.87	1,54,800	8.87
Paharpur Corporation Limited	1,91,550	10.97	1,91,550	10.97

Notes forming part of the consolidated financial statements

In ₹ thousand

2.2 RESERVES AND SURPLUS

Particulars	As at	
	31 st March 2019	31 st March 2018
Capital Reserve	65	65
General Reserve		
At the beginning of the year	6,48,94	6,48,94
At the end of the year	6,48,94	6,48,94
Special Reserve		
(In terms of Section 45-IC of Reserve Bank of India Act, 1934)		
At the beginning of the year	16,27,48	14,60,87
Add: Transferred from Surplus	1,98,97	1,66,61
At the end of the year	18,26,45	16,27,48
Surplus		
At the beginning of the year	173,74,26	161,53,55
Add: Profit for the year as per Statement of Profit and Loss	20,59,80	19,95,34
Less: Amount transferred to Special reserve	1,98,97	1,66,61
Less: Final Dividend paid @ ` 25 per share	4,36,33	4,36,33
Less: Tax on Final Dividend	89,69	88,83
Less: Tax on Final Dividend received from Associate	90,39	82,86
At the end of the year	186,18,68	173,74,26
At the end of the year	210,94,72	196,51,33

2.3 TRADE PAYABLES

In ₹ thousand

Particulars	As at	
	31 st March 2019	31 st March 2018
Sundry Creditors - goods and services	11,79	12,51
	11,79	12,51

Disclosure of Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" (the Act). There are no delays in payment made to such suppliers. There is no amount outstanding as at the Balance Sheet date.

Notes forming part of the consolidated financial statements

2.4 OTHER CURRENT LIABILITIES

In ₹ Thousand

Particulars	As at	
	31 st March 2019	31 st March 2018
Unclaimed Dividend	98,09	77,41
Tax Deducted at Source	44	85
Earnest Money Deposit	25,00	-
	1,23,53	78,26

2.5 SHORT TERM PROVISIONS

In ₹ Thousand

Particulars	As at	
	31 st March 2019	31 st March 2018
Provision towards Corporate Social Responsibility	15,50	25,50
	15,50	25,50

2.6 Fixed Assets

In ₹ Thousand

Description	Gross Block				Depreciation / Amortisation				Net Block	
	Cost As On 1 st April, 2018	Additions	Sales / Adjustments	Cost As On 31 st March 2019	Upto 31 st March, 2018	For The Year	Sales / Adjust- ments	Upto 31 st March, 2019	As On 31 st March, 2019	As On 31 st March, 2018
1	2	3	4	5	6	7	8	9	10	11
Tangible Assets										
Building	1,52	-	-	1,52	1,33	2	-	1,35	17	19
Furniture And Fixtures	3,80	-	-	3,80	3,80	-	-	3,80	-	-
Office Equipments	1,17	-	-	1,17	1,17	-	-	1,17	-	-
Others - Computers	5,81	-	-	5,81	5,55	6	-	5,61	20	26
Sub-Total	12,30	-	-	12,30	11,85	8	-	11,93	37	45
Intangible Assets										
Computer Software	2,02	-	-	2,02	2,02	-	-	2,02	-	-
Sub-Total	2,02	-	-	2,02	2,02	-	-	2,02	-	-
Grand Total	14,32		-	14,32	13,87	8	-	13,95	37	45
Previous Year	14,04	28	-	14,32	13,78	9	-	13,87	45	
Note : Building Includes Rupees Two Hundred Fifty (Previous Year Rupees Two Hundred Fifty) Being The Cost Of Shares In Co-Operative Society.										

Notes forming part of the consolidated financial statements

2.7 Non -Current Investments (Fully Paid Up Except Otherwise Stated)		In ₹ Thousand			
		As at 31st March 2019		As at 31st March 2018	
	Face Value	Number	Value	Number	Value
(I) In Equity Shares					
(A) Quoted - Associates					
Ksb Pumps Limited					
Cost Of Acquisition:	10	74,00,000	2,84,09	74,00,000	2,84,09
Add: Share of profit till date	2.7.2		165,09,20		155,12,68
Total (A)			167,93,29		157,96,77
(B) Quoted - Others					
ACC Limited	10	7,000	4,38	7,000	4,38
Amara Raja Batteries Limited	1	1,05,000	10,04	1,05,000	10,04
Ashok Leyland Limited	1	-	-	27,000	20,05
BASF India Limited	10	10,800	41,24	10,800	41,24
BEML Limited	10	-	-	8,500	18,77
Bharat Electronics Limited	1	99,000	11,96	99,000	11,96
Bharat Forge Limited	2	32,000	13,83	32,000	13,83
Bharti Airtel Limited	5	-	-	17,500	22,74
Bosch Limited	10	2,000	11	2,000	11
BSE Limited	2	6,750	30,78	6,750	30,78
Century Textiles & Industries Limited	10	4,500	23,94	4,500	23,94
Dr Reddy's Laboratories Limited	5	4,000	20,29	4,000	20,29
Gail (India) Limited	10	50,666	43,22	38,000	43,22
GE T&D India Limited	2	50,000	7,88	50,000	7,88
HDFC Bank Limited	2	2,000	21,96	2,000	21,96
Hindustan Unilever Limited	1	73,000	1,91	73,000	1,91
Infosys Limited	5	9,02,400	52,57	4,51,200	52,57
ITC Limited	1	27,000	11,27	27,000	11,27
Monsanto India Limited	10	1,600	6,73	1,600	6,73
Nestle India Limited	10	14,000	1,78	14,000	1,78
Orient Refractories Limited	10	90,000	4,01	90,000	4,01
Piramal Enterprises Limited	2	20,500	15,57	20,500	15,57
Reliance Industries Limited	10	32,000	14,55	32,000	14,55
Siemens Limited	2	25,000	1,95	25,000	1,95
State Bank of India	1	71,000	39,47	71,000	39,47
Sun Pharmaceutical Industries Limited	1	8,000	32,24	8,000	32,24
Tata Consultancy Services Limited	1	28,000	66,71	14,000	66,71
Tata Motors Limited	2	21,100	8,83	21,100	8,83
Tata Motors Limited -New Npp	2	41,500	40,05	41,500	40,05
Tata Steel Limited	10	20,587	52,22	20,587	52,22
Tech Mahindra Limited	5	12,000	19,43	12,000	19,43
The Great Eastern Shipping Company Limited	10	30,400	50,57	30,400	50,57

Notes forming part of the consolidated financial statements

(Fully Paid Up Except Otherwise Stated)		In ₹ Thousand			
		As at 31st March 2019		As at 31st March 2018	
	Face Value	Number	Value	Number	Value
The Karur Vysya Bank Limited	2	2,44,200	60,23	2,22,000	60,23
The Tata Power Company Limited	1	2,70,000	28,84	2,70,000	28,84
Timken India Limited	10	7,000	14,33	7,000	14,33
Titan Company Limited	1	3,10,500	49,94	3,10,500	49,94
Vedanta Limited	10	-	-	4,400	14,84
Zee Entertainment Enterprises Limited	1	20,808	7,99	20,808	7,99
Total			8,10,82		8,87,22
Less: Provision For Diminution In Value Of Investments			-		-
Total (B)			8,10,82		8,87,22
(C) Unquoted					
Niyuprene Plastics Company Limited	10	1,000	-	1,000	-
Siltronics India Limited (In Liquidation)	10	30	-	30	-
Chennai Super Kings Cricket Limited (Refer Note No: 2.7.1)	0.01	26,000	-	-	-
Total (C)			-		-
Total (I)			176,04,11		166,83,99
(II) In Preference Shares					
6% Zee Entertainment Enterprises Limited (Redeemable On 14 th March 2022)	10	43,696	-	43,696	-
7.50% Vedanta Limited (Redeemable After 18 Month From The Date Of Issuance On 27 th October 2018)	10	17,600	-	17,600	-
Total (II)			-		-
(III) In Debentures					
NTPC Limited - Sr-54 8.49% Non Convertible (Redeemable On 25 th March 2025)	12.5	21,000	-	21,000	-
Total (III)			-		-
(IV) In Mutual Fund					
Aditya Birla Sun Life Equity Hybrid 95 Fund - Growth Regular Plan	10	30,067	1,66,56	30,067	1,66,56
DSP Focus Fund - Regular Plan Growth	10	7,32,837	1,25,00	7,32,837	1,25,00
DSP Equity And Bond Fund Regular Plan Growth	10	1,18,760	1,40,00	1,18,760	1,40,00
Franklin India Equity Hybrid Fund - Growth	10	1,08,369	1,00,00	1,08,369	1,00,00
HDFC Hybrid Equity Fund - Regular Plan Growth	10	5,52,551	2,00,00	5,52,551	2,00,00
HDFC Liquid Fund - Direct Plan -Growth Option	10	8,522	3,00,00	-	-
ICICI Prudential Equity And Debt Fund - Growth	10	2,11,874	1,89,60	2,11,874	1,89,60
IL & FS Milestone Fund - II	1000	104	1,04	104	1,04
IDFC Dynamic Equity Fund Regular Plan-Growth	10	-	-	13,97,436	1,50,00
JM Mutual Fund - G-Sec Fund- Regular Plan Growth	10	4,02,216	1,59,87	4,02,216	1,59,87

Notes forming part of the consolidated financial statements

(Fully Paid Up Except Otherwise Stated)		In ₹ Thousand			
		As at 31st March 2019		As at 31st March 2018	
	Face Value	Number	Value	Number	Value
Kotak Standard Multicap Fund - Regular Plan	10	5,50,758	1,25,00	5,50,758	1,25,00
Kotak Equity Arbitrage Fund - Direct Plan Fortnight Dividend	10	4,21,414	1,00,00	4,21,414	1,00,00
Kotak Liquid Direct Plan Growth	10	18,358	6,94,00	-	-
L&T Hybrid Equity Fund - Growth	10	-	-	4,82,393	1,00,00
Reliance Equity Hybrid Fund Dividend Plan	10	10,59,073	180,00	10,59,073	180,00
Reliance Mutual Fund Etf - Liquid Bees	10	0	-	0	-
Reliance Pharma Fund - Dividend Plan Dividend Payout*	10	-	-	62,468	25,00
Reliance Liquid Fund- Treasury Plan-Direct Growth Plan-Growth Option	10	9,448	4,00,00	9,448	4,00,00
SBI Equity Hybrid Fund Regular Growth	10	2,92,634	290,00	2,92,634	2,90,00
Tata Hybrid Equity Fund Regular Plan Growth	10	29,404	50,00	1,45,885	2,50,00
UTI Equity Fund - Regular Dividend Plan	10	-	-	43,765	33,25
UTI Hybrid Equity Fund - Regular Plan Growth	10	1,00,427	1,25,47	2,30,934	2,95,47
			33,46,54		30,30,79
Total (I+II+III+IV)			209,50,65		197,14,78
Aggregate Amount Of Quoted Investments					
- Equity			176,04,10		166,83,99
- Preference Shares			-		-
- Debentures			-		-
			176,04,10		166,83,99
Aggregate Amount Of Market Value Quoted Investments					
- Equity			694,16,85		747,81,64
- Preference Shares			2,43		5,07
- Debentures			2,65		2,68
			694,21,93		747,89,39
Aggregate Amount Of Unquoted Investments					
- Equity			-		-
- Mutual Fund			33,46,54		30,30,79
			33,46,54		30,30,79
Net Asset Value Of The Mutual Fund			40,64,09		37,03,60

2.7.1. India Cement Limited has allotted The Equity Shares Of Chennai Super Kings Cricket Limited (CSKCL), free of cost, distributed by India Cements Shareholders Trust in the ratio of ₹ 0.01 each of CSKCL for every Equity Share of ₹10 each held in India Cement Limited as on the record date i.e October 9, 2015.

2.8 Other Non Current Assets

In ₹ thousand

Particulars	As at	
	31 st March 2019	31 st March 2018
Security deposit	7	7
	7	7

Notes forming part of the consolidated financial statements

2.9 Cash And Cash Equivalents

In ₹ thousand

Particulars	As at	
	31 st March 2019	31 st March 2018
Cash and Cash Equivalents		
In current account with Banks	1,18,41	96,43
Earmarked balance with Banks in Dividend Accounts	97,94	77,27
	2,16,35	1,73,70

2.10 Short Term Loans And Advances

In ₹ thousand

Particulars	As at	
	31 st March 2019	31 st March 2018
UNSECURED (CONSIDERED GOOD)		
Advance Income Tax (Net of Provision)	31,62	16,37
MAT Credit Entitlement	1,14	1,14
Others	2,18,59	35,65
	2,51,35	53,16

2.10.1. Entitlement credit in respect of Minimum Alternate Tax (MAT) amounting to ₹ 46,00 thousand (Previous year ₹ 46,00 thousand) has not been recognised in these financial statements considering the concept of prudence and convincing evidence of realisation thereof during the specified period.

2.11 Other Current Assets

In ₹ thousand

Particulars	As at	
	31 st March 2019	31 st March 2018
UNSECURED (CONSIDERED GOOD)		
Dividend Receivable	69	-
Prepaid Expenses	62	-
	1,31	-

2.12 Revenue From Operations

In ₹ thousand

Particulars	For the year ended	
	31 st March 2019	31 st March 2018
Dividend Income		
- Long Term	3,52,88	2,46,70
Interest Income on debenture	22	22
Profit on sale of Long Term Investments	2,85,79	2,31,87
Provision for diminution in the value of Investments written back	-	49,98
Sale of right entitlements (Refer Note No: 2.12.1)	-	4,94
	6,38,90	5,33,71

2.12.1: Rs NIL (previous year represents proceeds from sale of entitlements of equity shares in The Indian Hotels Company Limited and Tata Steel Limited.)

Notes forming part of the consolidated financial statements

2.13 Other Income

Particulars	For the year ended	
	31 st March 2019	31 st March 2018
Miscellaneous Income	-	1,05
	-	1,05

2.14 Other Expenses

Particulars	For the year ended	
	31 st March 2019	31 st March 2018
Repair & Maintenance	2,40	2,34
Rates & Taxes	3,25	2,88
Directors' Fees	5,28	2,35
Commission to Directors	7,50	6,00
Corporate Social Responsibility	15,25	13,25
Service charges and fees	12,46	12,93
Printing & Stationery	3,29	2,32
Miscellaneous expenses	8,21	16,99
	57,64	59,06

Notes forming part of the consolidated financial statements

Note No 2.15: Contingent Liabilities and commitments (to the extent not provided for)

Claim against the Company not acknowledged as debt: NIL

Note No 2.16: Proposed Dividend

In respect of the year ended March 31, 2019, the Board of Directors has proposed a final dividend of ₹ 25.00 per share be paid on fully paid equity shares. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend to be paid is ₹ 4,36,33 thousand and the dividend distribution tax thereon amounts to ₹ 89,69 thousand.

Note No 2.17: Segment Reporting

The investment activity is considered as a single activity in accordance with the Accounting Standard (AS-17) "Segment Reporting"

Note No 2.18 Related Party Disclosure

A. Name of the related party and nature of relationship where control exists:

Name of the Related Party	Nature of Relationship
Paharpur Cooling Towers Limited	Holding Company
New Holding & Trading Company Limited	Subsidiary Company
Key Management Personnel	Mr Gaurav Swarup –Chairman & Managing Director Mr A K Singhania – Chief Finance Officer Mr Ayan Datta – Company Secretary
Mrs. Gyan Mahendra Swarup	Relatives of Key Management Personnel
Mrs Bindu Swarup	
Mrs Parul Swarup	
Mr Vikram Swarup	
Ms Devina Swarup	
Mr Varun Swarup	
KSB Pumps Limited	Associate Company
Paharpur Corporation Limited	Enterprises over which Key Management
Melvin Powell Vanaspati & Engineering Industries Limited.	Personnel having significant influence

Notes forming part of the consolidated financial statements

B. Related Party Transactions:

In ₹ thousand

Nature of Transaction	Holding Company	Subsidiary Company	Key Management Personnel	Relatives of Key Management Personnel	Associates Company	Enterprise over which Key Management Personnel having significant influence	Total
Dividend Paid	1,86,73 (1,86,73)	- (-)	90 (90)	9,94 (9,94)	- (-)	86,59 (86,59)	2,84,16 (2,84,16)
Dividend Received	- (-)	- (-)	- (-)	- (-)	4,44,00 (4,07,00)	- (-)	4,44,00 (4,07,00)
Director Sitting Fees	- (-)	- (-)	68 (20)	198 (64)	- (-)	- (-)	266 (84)
Director Commission	- (-)	- (-)	- (-)	300 (94)	- (-)	- (-)	300 (94)

Notes:

- There is no provision for doubtful debts as at the end of the year in respect of related parties.
- There are no amounts written off or written back during the year in respect of debts due from or to related parties.
- Previous year figures are shown within brackets.

Note No 2.19: Earning per Share

- The amount used as the numerator in calculating basic and diluted earnings per share is the Net Profit for the year disclosed in the Profit and loss account.
- The weighted average number of equity shares used as denominator in calculating both basic and diluted earnings per share is 17,45,340 (Previous Year 17,45,340)

Note No 2.20: Corporate Social Responsibility

As per Section 135 of the Companies Act 2013, company is required to spend at least 2 percent of the average net profits made during the three immediately preceding financial years in Corporate Social Responsibility (CSR) projects. Accordingly, the company provides for the expenditure on CSR based on the amount determined as above as per the provisions of Section 135 of the Companies Act 2013. The accumulated unspent amount during the year are carried forward and are spent upon selection of the suitable project.

- Gross amount required to be spent by the company during the year: ₹ 40,75 thousand (including ₹ 25,50 thousand lying unspent from earlier years).
- Amount spent during the year to support project of school at Gopalpur by Vivekananda VidyaVikash Parishad ₹ 25,25 thousand

(In ₹ thousand)

Particulars	Year ended 31st March 2019			Year ended 31st March 2018		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
Construction/acquisition of any asset	-	-	-	-	-	-
On purpose other than above	25,25	15,50	40,75	10,00	15,25	25,25
Total	25,25	15,50	40,75	10,00	15,25	25,25

Notes forming part of the consolidated financial statements

Note No 2.21: Auditor remuneration includes:

In ₹ thousand

Particulars	31 st March 2019	31 st March 2018
Audit Fees	₹ 2,20	₹ 2,20
Other services (Limited Review and other certification)	₹ 1,20	₹ 98
Total	₹ 3,40	₹ 3,18

Note No 2.22

The Consolidated financial statements have been prepared in accordance with the Accounting Standard (AS-21) on "Consolidated Financial Statements". The subsidiary considered in the Consolidated Financial Statement is:

In ₹ thousand

Name of the Company	Country of Incorporation	% of voting power held	
		As at 31 st March 2019	As at 31 st March 2018
New Holding And Trading Company Limited	India	100	100

Note No 2.23

Additional information as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/ Associates/ Joint Ventures

In ₹ thousand

Particulars	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount (in ₹ thousand)	As % of consolidated profit or loss	Amount (in ₹ thousand)
Parent				
Industrial And Prudential Investment Company Limited	18.73	39,85,03	25.18	5,18,60
Subsidiary – Indian				
New Holding And Trading Company Limited	2.31	4,90,96	0.50	10,30
Associate- Indian				
(Investment as per equity method) - KSB Pumps Limited	78.97	167,93,29	74.32	15,30,90
Total	100.00	212,69,28	100.00	20,59,80

Note No 2.24

- In accordance with provisions of Section 2(6) of the Companies Act, 2013, KSB Pumps Limited is an Associate Company. Financial Statements as on and for the year ended 31st December, 2018 has been considered for consolidation in these accounts. There are no significant events or transactions between the company and its associate that have occurred subsequent to this and date till 31st March, 2019 which require any adjustments.
- The investment in associate is accounted for in accordance with AS-23 "Accounting for Investment in Associates in Consolidated Financial Statements". The details of associates ownership interest etc are as given below:

Notes forming part of the consolidated financial statements

(In ₹ thousand)

Particulars	31 st March 2019	31 st March 2018
Name of Associate and Country of Incorporation	KSB Pumps Limited, India	
Ownership Interest (including of Subsidiary)	21.26%	21.26%
Original Cost of investment	2,84,09	2,84,09
Capital Reserve	22,26,75	22,26,75
Share of accumulated profit as at year end.	165,09,20	155,12,68
Carrying Cost of Investments	167,93,29	157,96,77

- c) The financial statements of the Associate for the year ended 31st December, 2018 have been prepared which complies in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. The following adjustment has been carried out to arrive at the profit for the purpose of consolidation.

Particulars	In Million
Total Income of Associate as per financial statements	725.23
Less : Fair value gains on derivatives not designated as hedges	5.13
	(A) 720.10
Investment in Associate	(B) 21.26%
Share of Profit in respect of Investment in Associate Company (A*B)	153.09
Share of Profit in respect of Investment in Associate Company (In ₹ thousand)	1,53,090

Note No 2.25

Share of Profit in respect of investment in Associate Company includes dividend of ₹4,44,00 thousand received against the said investment.

Note No 2.26

The shareholders of the Company in its Annual General Meeting held on 3rd August, 2018 have approved the scheme of amalgamation of its wholly owned subsidiary, New Holding and Trading Company Limited with effect from 1st April, 2018. Pending approval from statutory and other authorities in terms of Section 233 of the Companies Act, 2013, no effect of the scheme has been carried out.

Note No 2.27

Previous year's figures have been regrouped wherever necessary, to conform, to current year's classification.

As per our report attached.

For and on behalf of the Board of Directors

For Lodha & Co

Chartered Accountants

Firm's ICAI Registration No: 301051E

Prashant Khandelwal

Partner

Membership No: 056652

Place: Kolkata

Date: 3rd May, 2019

Gaurav Swarup

Chairman & Managing Director

Devina Swarup

Director

Arun Kumar Singhania

Chief Financial Officer

Ayan Datta

Company Secretary

COMPANY INFORMATION

Directors	MS. DEVINA SWARUP (DIN 06831620) MR. VARUN SWARUP (DIN 02435858) MR. SIDDHARTH SWARUP (DIN 07204764)
Bankers	DEUTSCHE BANK
Auditors	C. M. GABHAWALA & CO. Chartered Accountants
Registered Office	Paharpur House, 8/1/B Diamond Harbour Road, Kolkata 700 027. Tel No 40133000 Email: contact@industrialprudential.com Website: www.industrialprudential.com CIN:U65990WB1981PLC218505

To

The Shareholders,

Your directors have pleasure in submitting the ANNUAL REPORT relating to the affairs of the Company together with the Audited Financial Statements of the Company for the year ended 31st March, 2019.

FINANCIAL RESULTS

₹ in thousand

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Income	26.50	21.24
Expenses	0.59	1.05
Profit before taxation	25.91	20.19
Provision for taxation	-	-
Net Profit after taxation	25.91	20.19
Special Reserve (in terms of Section 45-IC of RBI Act, 1934)	5.18	4.04

HOLDING COMPANY

The Company is wholly owned subsidiary of Industrial and Prudential Investment Co. Ltd.

DIRECTORS

There has been no change in Directors during the year.

Ms. Devina Swarup, retires by rotation at the ensuing annual general meeting. She being, eligible offers herself for re-appointment. The members are requested to re-appoint her.

EXTRACT OF ANNUAL RETURN

The extract of annual return as at 31st March, 2019 in Form MGT 9 is available for inspection at the Registered Office of the Company.

NUMBER OF MEETINGS OF THE BOARD

During the financial year under review the Board of Directors met four times.

REORGANISATION OF SHARE CAPITAL

During the year as approved by the members at the annual general meeting held on 22nd May 2018 the authorised share capital of the Company was reorganised. There is now only one type of share capital i.e. equity shares.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) and sub-section (5) of the Act, your Directors confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- (b) Appropriate accounting policies have been selected and applied consistently and that the judgements and estimates made are reasonable and prudent so as to give a true and fair view of the affairs of the Company for the year ended March 31, 2019 and of the profit for the year under review.
- (c) proper and sufficient care have been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (d) the annual accounts have been prepared on a 'going concern' basis.
- (e) there is proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

COMPLIANCE OF SECRETARIAL STANDARDS

The Board of Directors has devised proper systems commensurate with the size and operations to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating adequately.

POLICY ON DIRECTORS' APPOINTMENT, REMUNERATION AND CRITERIA OF INDEPENDENCE OF DIRECTORS

All the Directors are non- executive directors. Directors are paid sitting fees, for attending meetings of the Board and Committees thereof.

AUDITORS' REPORT

The same is attached to the financial statement. There are no qualifications, reservations or adverse remarks in the Auditors' Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company's principal business is dealing in investments and securities and it is registered as NBFC with the Reserve Bank of India. As nothing in section 186 except sub section (1) of the Act applies, in accordance with section 186(11) details are not required to be given. However, note 2.5 of the attached financial statement gives details of the same.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

There are no material related party transactions during the year under review with the promoters, directors, and their relatives. Therefore, no details are required to be disclosed in the Form AOC 2.

MATERIAL CHANGES AND FINANCIAL COMMITMENTS, IF ANY,

No material changes and financial commitments have occurred between the end of the financial year of the Company to which the balance sheet relates and the date of this Report.

DISCLOSURE OF REMUNERATION VIS A VIS EMPLOYEES

No disclosure is required to be made as the Company has no employee.

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

There are no particulars to be disclosed with regard to

- conservation of energy,
- technology absorption and
- foreign exchange earnings and outgoings

RISK MANAGEMENT

The principal business of the company is dealing in investments and securities which are subject to market risks. The Board of Directors takes policy decision on deployment of funds of the Company in securities market based on investment climate and economic conditions in the country and movement in the stock markets. The investment portfolio is periodically reviewed by the Board of Directors and cautious approach is a key note of the policy to mitigate the risks.

FINANCIAL SUMMARY /HIGHLIGHTS

Financial Summary/ Highlights for the last three years is enclosed. (Annexure)

CHANGE IN BUSINESS

There has been no change in the nature of business of the Company.

AMALGAMATION WITH HOLDING COMPANY

Subject to various approvals, members of the Company at the annual general meeting held on 22nd May 2018 sanctioned a scheme of amalgamation of the Company with its holding company viz., Industrial And Prudential Investment Co Ltd. The

Scheme is to be effective from 1st April, 2018. The Company has yet to receive approvals of the Reserve Bank of Indian and the Regional Director of the Eastern Region.

DEPOSITS

The Company had no deposits at the beginning of the Financial Year. It has not accepted any deposits from its members/ directors. The Company does not have any outstanding deposits at the end of the Financial Year.

SIGNIFICANT MATERIAL ORDERS

No significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

INTERNAL FINANCIAL CONTROL

The quality of internal financial procedure and control observed by the management and its officials are commensurate with the size of the operations of the Company.

DISCLOSURE OF REMUNERATION VIS A VIS EMPLOYEES

No disclosure is required to be made pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as there are no employees of the Company.

AUDITORS

In accordance with Section 139 of the said Act read with rules made thereunder, the Company at the annual general meeting held on 24th September, 2014 appointed Messrs. C. M. Gabhawala & Co., Chartered Accountants, (FRN: 102870W) the existing statutory auditors for a period of five years. The Auditors hold office up to the ensuing Annual General Meeting to be held to approve the audited accounts for the year ended 31st March, 2019.

Accordingly in accordance with provisions of Section 139 of the Act, Messrs. C. M. Gabhawala & Co., Chartered Accountants, (FRN: 102870W) the existing statutory auditors are to be re-appointed for a period of five years up to 2023-24. The Board of Directors has received consent and certificates of eligibility and compliance of criteria under Section 141 of the said Act from Messrs. C. M. Gabhawala & Co., Chartered Accountants, Mumbai. Members are requested to re-appoint the existing statutory auditors Messrs. C. M. Gabhawala & Co., Chartered Accountants, and fix their remuneration.

On behalf of the Board of Directors

Place: Mumbai
Date: 3rd May, 2019

Devina Swarup
Chairperson

Financial Summary/Highlights

In ₹ thousand

Particulars	31/03/19	31/03/18	31/03/17
Balance Sheet Items			
Paid-up Capital	5,02	5,02	5,02
Reserve & Surplus	4,85,94	4,60,03	4,39,84
Non-Current Investments	4,10,90	4,10,90	4,05,29
Profit and Loss Accounts			
Revenue from Operations	26,50	21,24	20,56
Expenses	59	1,05	2,48
Profit before tax	25,91	20,19	18,08
Retained Earnings	25,91	20,19	18,08
Earnings per Shares	515.58	401.78	359.78

Auditors report on financial statement

To the Members of New Holding and Trading Company Private Limited.

Report on the standalone Financial Statements

We have audited the accompanying standalone financial statements of New Holding and Trading Company Pvt. Ltd. (the "Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position and financial performance 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 the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India .

This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and Rules made thereunder and the Order issued under section 143(11) of the Act.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the standalone 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 accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the standalone financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2019;
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

(c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of subsection (11) of section 143 of the Act, we give in the "Annexure A" a statement on matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act based on our audit, 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 appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 31st March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018, 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 control over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Restriction on Use:

The report is addressed to and provided to the Board of Directors of the Company in connection with the amalgamation of the wholly owned Subsidiary Company and should not be used by any other person or for any other purpose without our prior written consent.

For, **C. M. Gabhawala & Co.**
FRN: 102870W
Chartered Accountants

Deven Gabhawala
Partner
M. No.100275
Place: Mumbai
Date: 3rd May, 2019

Annexure A to the Independent Auditors' Report

The Annexure referred to in paragraph [1] under Report on Legal and Other Regulatory Requirements of our report of even date.

Re: New Holding & Trading Company Ltd ('the Company').

- 1) The Company does not have any fixed assets. Accordingly paragraphs 3(i)(a), (b) and (c) are not applicable to the company and not commented upon.
- 2) The Company is in the business of rendering services. Accordingly, it does not hold any physical inventories. Thus paragraph 3(ii) of the Order is not applicable and not commented upon.
- 3) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanation given to us, there are no loans, investment, guarantees, and security in accordance with section 185 & 186 of Companies Act, 2013. Thus paragraph 3(iv) of the Order is not applicable to the Company and not commented upon.
- 5) In our opinion and According to the information and explanations given to us, the company has not accepted any deposit within the meaning of section 73 to 76 of the act or any other provision of the companies Act, 2013 and the rules framed there under, hence paragraph 3(v) of the order is not applicable to the company and not commented upon.
- 6) To the best of our knowledge & as explained, the Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the services rendered by the Company.
- 7) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of accounts in respect of undisputed statutory dues including income tax and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of including income tax and other material statutory dues were in arrears as at year end for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, the Company did not have any disputed dues on account of income tax or any material dues.
- 8) The company has not taken any loans from financial Institutions, banks and nor has it issued any debentures, thus the paragraph 3 (viii) of the order is not applicable to the Company and not commented upon.
- 9) According to the information and explanations given by the management, the Company have not raised any money by way of initial public offer or further public offer (including debt instrument), thus reporting under paragraph 3(ix) of the Order is not applicable to the Company and not commented upon.
- 10) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanation given by the management, we report that no fraud by the company or fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- 11) In our opinion and according to the information and explanation given to us, the managerial remuneration has been paid/ provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.

- 12) The company is not a Nidhi Company, thus the paragraph 3(xii) of the Order is not applicable to the Company & hence not commented upon.
- 13) In our opinion and according to information and explanation given to us transaction with related party are in compliance with section 177 & 188 of the Act, where applicable and details have been disclosed in the notes to the financial statements as required by the applicable accounting standards.
- 14) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debenture during the year under review. Thus paragraph 3(xiv) of the Order is not applicable to the Company and not commented upon.
- 15) In our opinion and according to information and explanation given to us the company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of the Act.
- 16) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the registration has been obtained.

For, **C. M. Gabhawala & Co.**

FRN: 102870W

Chartered Accountants

Deven Gabhawala

Partner

M. No.100275

Place: Mumbai

Date: 3rd May, 2019

Annexure B to the Independent Auditor's Report

Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of New Holding and Trading Company Private Limited.

Report on the Internal Financial Controls over Financial Reporting 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 New Holding and Trading Company Private Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide

Reasonable assurance regarding the reliability of financial reporting and the preparation of standalone 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 standalone 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 standalone 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, to the best of our information and according to the explanations given to us, 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 March 31, 2018, 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 ICAI.

For, **C. M. Gabhawala & Co.**
FRN: 102870W
Chartered Accountants

Deven Gabhawala
Partner
M. No.100275
Place: Mumbai
Date: 3rd May, 2019

Balance Sheet as at 31st March 2019Balance Sheet as at 31st March 2019

In ₹ thousand

Particulars	Note No.	As at 31.03.2019		As at 31.03.2018	
I. EQUITY AND LIABILITIES					
(1) SHAREHOLDERS' FUNDS					
(a) Share Capital	2.1	5,02		5,02	
(b) Reserves and Surplus	2.2	4,85,94		4,60,03	
			4,90,96		4,65,05
(2) CURRENT LIABILITIES					
(a) Trade Payables	2.3	32		37	
(b) Short-term Provisions	2.4	68		68	
			1,00		1,05
TOTAL			4,91,96		4,66,10
II. ASSETS					
(1) NON-CURRENT ASSETS					
Non-Current Investments	2.5		4,10,90		4,10,90
			4,10,90		4,10,90
(2) CURRENT ASSETS					
(a) Cash and cash equivalents	2.6	80,38		54,52	
(b) Short-term loans and advances	2.7	68		68	
			81,06		55,20
TOTAL			4,91,96		4,66,10

The accompanying notes form an integral part of these Financial Statements.

As per our report attached.

For **C.M. Gabhawala & Co**
Chartered Accountants
F.R No 102870W

Deven C Gabhawala
Partner
Membership No 100275

Place: Mumbai
Date: 3rd May, 2019

For and on behalf of the Board of Directors

Director Director
Devina Swarup Varun Swarup
DIN 06831620 DIN 02435858

Place: Kolkata
Date: 3rd May, 2019

Statement of Profit and Loss for the year ended 31st March 2019Statement of Profit and Loss for the year ended 31st March 2019

In ₹ thousand

Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
Revenue			
Revenue from Operations	2.8	26,50	21,24
Total Revenue (I)		26,50	21,24
Expenses			
Other expenses	2.9	59	1,05
Total Expenses (II)		59	1,05
Profit before tax (I-II)		25,91	20,19
Tax expense:			
Current tax			
for the year		-	-
Mat Credit Entitlement		-	-
Profit for the year		25,91	20,19
Earnings per equity share (in ₹)			
Basic and Diluted	2.13	515.58	401.78

The accompanying notes form an integral part of these Financial Statements.

As per our report attached.

For **C.M. Gabhawala & Co**
Chartered Accountants
F.R No 102870W

Deven C Gabhawala
Partner
Membership No 100275

Place: Mumbai
Date: 3rd May, 2019

For and on behalf of the Board of Directors

Director Director
Devina Swarup Varun Swarup
DIN 06831620 DIN 02435858

Place: Kolkata
Date: 3rd May, 2019

Cash Flow Statement For The Year Ended 31st March 2019Cash Flow Statement For The Year Ended 31st March 2019

In ₹ thousand

		For the year ended	
		31.03.2019	31.03.2018
A)	Cash Flow from operating activities:		
	Net Profit before tax	25,91	20,19
	Adjustments for:		
	Investment Income	-	-
		-	-
	Operating profit before working capital changes	25,91	20,19
	Adjustments for changes in working capital		
	Increase/(Decrease) in trade payables & other liabilities	-5	26
		25,86	20,45
	Less: Tax Paid	-	-
	Net Cash generated from operations	25,86	20,45
B)	Cash flow from Investing activities		
	Purchase of Investments	-	(5,62)
	Net cash generated from/used in investing activities	-	(5,62)
C)	Cash flow from Financial activities		
	Increase/ (Repayment) of Borrowing	-	-
	Net cash generated from/used in Financial activities	-	-
	Net Increase/(decrease) in cash & cash equivalents (A+B+C)	25,86	14,83
	Opening Cash & Cash Equivalents	54,52	39,69
	Closing Cash & Cash Equivalents (Refer Note 2.6)	80,38	54,52
	Net Increase/(decrease) in cash & cash equivalents	25,86	14,83

Note: The Cash Flow Statement has been prepared under the 'Indirect Method' set out in Accounting Standard 3 (AS-3) "Cash Flow Statement" as prescribed by the Companies (Accounting Standard) Rules, 2006, issued by the Central Government.

This is the Cash Flow Statement referred to in our report of even date

As per our report attached.

For **C.M. Gabhawala & Co**

Chartered Accountants

F.R No 102870W

Deven C Gabhawala

Partner

Membership No 100275

Place: Mumbai

Date: 3rd May, 2019

For and on behalf of the Board of Directors

Director

Devina Swarup

DIN 06831620

Director

Varun Swarup

DIN 02435858

Place: Kolkata

Date: 3rd May, 2019

Notes forming Part of the Financial Statements for the year ended 31st March 2019

1 SIGNIFICANT ACCOUNTING POLICIES

a) The Company is a registered non-banking finance company engaged in the business of investment. The Company is registered with the Reserve Bank of India as a Non-Banking Finance Company (NBFC) with effect from March 11, 1988 with Registration No.13.00331 (consequent upon shifting of registered office from Maharashtra to West Bengal, fresh certificate No. B-05.07039 have been issued by Reserve Bank of India on March 29, 2017) .

(b) Basis of Preparation

The financial statements have been prepared in conformity with generally accepted accounting principles to comply in all material respects the Accounting Standards ('AS') notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the guidelines issued by the Reserve Bank of India ('RBI') as applicable to a Non-Banking Finance Company ('NBFC'). The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current as per the criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of the business carried out by the company, operating cycle has been considered to be twelve months for the purpose of current/non-current classification of its assets and liabilities.

(c) Property, Plant and Equipment

The Company does not have Fixed Assets.

(d) Depreciation

There are no fixed asset hence no depreciation has been provided.

(e) Investments

(i) Investments maturing within twelve months from the date of acquisition and investments made with the specific intention to dispose off within twelve months from the date of acquisition are classified as short-term/current investments and are carried at their cost or market value/net realisable value, whichever is lower.

(ii) Investments other than short-term/current investments are carried at their cost of acquisition. Long-term investments maturing within twelve months from the close of the year (i.e. current maturities) are reclassified as current investments. Provision for diminution in value of long term investments, if any, is made if, in the opinion of the Management, such diminution is other than temporary.

(f) Revenue Recognition

Dividend Income from Investment is recognised when right to receive the payment is established.

Interest income is accounted on accrual basis. Insurance claim are being accounted on cash basis.

(g) Retirement Benefits

Gratuity liabilities, as applicable is provided on estimated basis.

(h) Taxes on Income:

Provision for taxation is made on the basis of the taxable profits computed for the current accounting period in accordance with the Income Tax Act, 1961. Deferred tax resulting from timing differences between book profits and tax profits is accounted for at the current rate of tax or the substantively enacted rate of tax to the extent the timing differences are expected to crystallise in assets or liabilities with reasonable certainty. However, deferred tax asset arising on account of unabsorbed depreciation and business losses are recognised only if there is virtual certainty supported by convincing evidence that there would be adequate future taxable income against which the same can be realised/ set off.

(i) Provisions and Contingent Liabilities:

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a realisable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Notes forming Part of the Financial Statements

2. Notes On Financial Statements For The Year Ended 31st March 2019

2.1 Share Capital

Particulars	As at In ₹ thousand	
	March 31, 2019	March 31, 2018
Authorised Capital		
840 Non-Cumulative Redeemable Preference Shares if ₹ 100 each	-	84
10,000 Equity Shares of ₹ 100 each (Previous Year 9035 equity share of ₹ 100 each)	10,00	9,03
125 Unclassified Equity Shares of ₹ 100 each	-	13
	10,00	10,00
Issued, Subscribed and Paid-up		
5,025 (Previous Year 5,025) Equity shares of ₹ 100/- each fully paid up	5,02	5,02
The entire share capital is held by Industrial & Prudential Investment Company Limited and its nominees.		
	5,02	5,02

The Authorised share capital of the Company is ₹10,00,000 (Rupees Ten Lacs) divided into 9,035 (Nine thousand thirty five) equity shares ₹100 (Rupees Hundred) each, 840 (Eight Hundred and forty) 6% Non-Cumulative Redeemable Preference shares of ₹100 (Rupees One Hundred) each and 125 (One Hundred Twenty-five) Unclassified shares of ₹100 (Rupees One Hundred) each was replaced by 10,000 equity shares of Rs. 100 each, by a special resolution passed at the annual general meeting held on 22nd May, 2018

2.2 Reserves And Surplus

Particulars	As at	
	March 31, 2019	March 31, 2018
General Reserve		
At the beginning of the year	1,16,30	1,16,30
Add: Transferred from Surplus	-	-
At the end of the year	1,16,30	1,16,30
Special Reserve		
At the beginning of the year	99,81	95,77
Add: Transferred from Surplus	5,18	4,04
At the end of the year	104,99	99,81
Surplus		
At the beginning of the year	2,43,92	2,27,77
Add: Profit for the year as per Statement of Profit and Loss	25,91	20,19
Less: Amount transferred to Special reserve	5,18	4,04
Less: Interim dividend		
Less: Proposed dividend		
At the end of the year	2,64,65	2,43,92
At the end of the year	4,85,94	4,60,03

Notes forming Part of the Financial Statements

2.3 Trade Payables

In ₹ thousand

Particulars	As at	
	March 31, 2019	March 31, 2018
For Services	32	37
	32	37

2.4 Short Term Provisions

In ₹ thousand

Particulars	As at	
	March 31, 2019	March 31, 2018
Provision for Taxation (Net of Advance Tax)	68	68
	68	68

2.5 Non -Current Investments

(Fully paid up except otherwise stated)

In ₹ thousand

	Face Value	As at March 31, 2019		As at March 31, 2018	
		Number	Value	Number	Value
(A) In Equity Shares					
Quoted					
BASF India Limited	10	800	9,21	800	9,21
Infosys Limited	5	38,400	31,46	19,200	31,46
KSB Pumps Limited	10	2,60,000	1,10,08	2,60,000	1,10,08
State Bank Of India	1	33,000	17,91	33,000	17,91
Tata Steel Limited	10	7,987	15,40	7,987	15,40
Total (Quoted)			1,84,06		1,84,06
(B) Mutual Funds					
Unquoted					
JM G Sec Fund - Regluar Plan Growth	10	1,29,239	51,37	1,29,239	51,37
Tata Hybrid Equity Fund Regular Plan Growth	10	29,404	50,00	29,404	50,00
UTI Hybrid Equity Fund Regular Growth Plan	10	1,00,427	1,25,47	1,00,427	1,25,47
Total (B)			2,26,84		2,26,84
Total (A+B)			4,10,90		4,10,90
Aggregate amount of Quoted Investments					
- Equity Shares			1,84,06		1,84,06
			1,84,06		1,84,06
Aggregate amount of Unquoted Investments					
- In Mutual Funds			2,26,84		2,26,84
			2,26,84		2,26,84
Aggregate amount of Market value of Quoted Investments					
- Equity Shares			22,31,79		24,34,66
			22,31,79		24,34,66

Notes forming Part of the Financial Statements

2.6 Cash and Cash Equivalents

In ₹ thousand

Particulars	As at	
	March 31, 2019	March 31, 2018
Cash and Cash Equivalents		
Balance with Banks	80,38	54,52
	80,38	54,52

2.7 Short Term Loans And Advances

In ₹ thousand

Particulars	As at	
	March 31, 2019	March 31, 2018
UNSECURED (CONSIDERED GOOD)		
MAT Credit Entitlement	68	68
	68	68

2.8 Revenue From Operations

In ₹ thousand

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Dividend Income	26,50	21,24
	26,50	21,24

2.9 Other Expenses

In ₹ thousand

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Director's Sitting Fees	18	20
Auditor Remuneration		
- Audit Fees	24	27
Professional Fees	9	3
Miscellaneous expenses	8	55
	59	1,05

Note No 2.10: Contingent Liabilities and commitments (to the extent not provided for)

Claim against the Company not acknowledged as debt: NIL

Note No 2.11: Segment Reporting

The investment activity is considered as a single activity in accordance with the Accounting Standard (AS-17) "Segment Reporting"

Note No 2.12: Related Party Disclosure**A. Name of the related party and nature of relationship where control exists:**

Name of the Related Party	Nature of Relationship
Industrial and Prudential Investment Company Ltd	Holding Company
Devina Swarup	Director
Varun Swarup	Director
Siddharth Swarup	Director

Notes forming Part of the Financial Statements

B. Related Party Transactions:

In ₹ thousand

Nature of Transaction	Holding Company	Key Management Personnel	Total
Director Sitting Fees	-	18	18
	(-)	(14)	(14)

Note: Figures within brackets represents figures of previous year.

Note No 2.13: Earning per Share

Particulars	March 31, 2019	March 31, 2018
Profit after tax (₹ in thousand)	25,91	20,19
Weighted Average Number of Equity Shares	5,025	5,025
Earnings Per Share Basic and Diluted (in ₹)	515.58	401.78
Face value per Equity Share (in ₹)	100	100

Note No 2.14:

The shareholders of the Company in its Annual General Meeting held on 3rd August, 2018 have approved the scheme of amalgamation with its holding company, Industrial And Prudential Investment Company Limited with effect from 1st April, 2018. Pending approval from statutory and other authorities in terms of Section 233 of the Companies Act, 2013, no effect of the scheme has been carried out.

Note No 2.15

Previous year's figures have been regrouped wherever necessary, to conform, to current year's classification.

As per our report attached.

For **C.M. Gabhawala & Co**

Chartered Accountants

F.R No 102870W

Deven C Gabhawala

Partner

Membership No 100275

Place: Mumbai

Date: 3rd May, 2019

For and on behalf of the Board of Directors

Director

Devina Swarup

DIN 06831620

Director

Varun Swarup

DIN 02435858

Place: Kolkata

Date: 3rd May, 2019

Schedule to the Balance Sheet of NBFC

Schedule to the Balance Sheet of a Non-Banking Financial Company

(as required in terms of Paragraph 9BB of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.

(In ₹ thousand)

	Particulars	Amount Outstanding	Amount Outstanding
(1)	Liabilities side: Loans and advances availed by the NBFCs Inclusive of interest accrued thereon but not paid: (a) Debentures : Secured : Unsecured (other than falling within the meaning of public deposits* (b) Deferred Credits (c) Term Loans (d) Inter-corporate loans and borrowing (e) Commercial Paper (f) Public Deposits* (g) Other Loans (specify nature) * Please see Note 1 below	NIL	NIL
(2)	Break-up of (1)(f) above (Outstanding public deposits inclusive Of interest accrued thereon but net paid): (a) In the form of Unsecured debentures (b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security (c) Other public deposits * Please see Note 1 below	NIL	NIL
(3)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below]: (a) Secured (b) Unsecured	NIL	
(4)	Break-up of Leased Assets and stock on hire and hypothecation loans counting towards (i) Lease assets including lease rentals under sundry debtors; (a) Financial lease (b) Operating lease (ii) Stock on hire including hire charges under sundry debtors: (a) Assets on hire (b) Repossessed Assets (iii) Hypothecation loans counting towards EL/HP activities: (a) Loans where assets have been repossessed (b) Loans other than (a) above	NIL	

Schedule to the Balance Sheet of NBFC

(In ₹ thousand)

	Particulars	Amount Outstanding		
	Break-up of Investments:			
	Current Investments:			
	1. Quoted:			
	(i) Shares: (a) Equity			-
	(b) Preference			-
	(ii) Debentures and Bonds			-
	(iii) Units of mutual funds			-
	(iv) Government Securities			-
	(v) Others (please specify)			-
	2. Unquoted			
	(i) Shares: (a) Equity			-
	(b) Preference			-
	(ii) Debentures and Bonds			-
	(iii) Units of mutual funds			-
	(iv) Government Securities			-
	(v) Others (please specify)			-
(5)	Long Term Investments: (AT COST)			
	1. Quoted:			
	(i) Shares: (a) Equity			1,84,06
	(b) Preference			-
	(ii) Debentures and Bonds			-
	(iii) Units of mutual funds			-
	(iv) Government Securities			-
	(v) Others (please specify)			-
	2. Unquoted:			
	(i) Shares: (a) Equity			-
	(b) Preference			-
	(ii) Debentures and Bonds			-
	(iii) Units of mutual funds			2,26,84
	(iv) Government Securities			-
	(v) Others (please specify)			-
	Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances: Please see Note 2. Below			
		Amount Net of Provision		
	Category	Secured	Unsecured	Total
(6)	1. Related Parties**			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group	-	-	-
	(c) Other related parties	-	-	-
	2. Other than related parties	-	-	-
	TOTAL	-	-	-

Schedule to the Balance Sheet of NBFC

Investor group-wise classification of all investment (current and long term) in shares and securities (both quoted and unquoted) Please see Note 3 below		Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
(7)	1. Related Parties **	-	-
	(a) Subsidiaries	-	-
	(b) Companies in the same group	-	-
	(c) Other related parties	17,86,85	1,10,08
	2. Other than related parties	7,51,25	3,00,82
	Total	25,38,10	4,10,90
	Other information		
(8)	(i) Gross Non-Performing Assets		NIL
	(a) Related parties		
	(b) Other than related parties		
	(ii) Gross Non-Performing Assets		NIL
	(a) Related parties		
	(b) Other than related parties		
	(iii) Assets acquired in satisfaction		NIL

Notes:

- As defined in Paragraph 2(1) (xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break unfair value/NAV in respect of unquoted investments should be disclosed in respective of whether they are classified as long term or current in column (5) above.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 3rd May, 2019Director
Devina Swarup
DIN 06831620Place: Kolkata
Date: 3rd May, 2019

Statement of Net Owned Funds

Statement of Net Owned Funds as on March 31, 2019

₹ In Thousands

i	Paid-up Equity Capital	5,02
ii	Free Reserves	3,80,95
iii	Total (i + ii)	3,85,97
iv	Accumulated balance of loss	-
v	Deferred Revenue Expenditure	-
vi	Other intangible assets	-
vii	Total (iv + v + vi)	-
viii	Owned Funds (iii – vii)	3,85,97
ix	Investment in shares of:	
a.	Subsidiaries	-
b.	Companies in the same Group	-
c.	Other non-banking financial companies	-
x	The book value of debentures, bonds, outstanding loans and advances made to and deposits with:	
a.	Subsidiaries	-
b.	Companies in the same Group	-
xi	Total {ix (a) + ix (b) + ix (c) + x (a) + (b)}	-
xii	Amount of item xi in excess of 10% of item viii above	
xiii	Net Owned Funds (viii-xii)	3,85,97

As per our report attached.

For **C.M. Gabhawala & Co**

Chartered Accountants

F.R No 102870W

Deven C Gabhawala

Partner

Membership No 100275

Place: Mumbai

Date: 3rd May, 2019

For and on behalf of the Board of Directors

Director

Devina Swarup

DIN 06831620

Director

Varun Swarup

DIN 02435858

Place: Kolkata

Date: 3rd May, 2019

Industrial And Prudential Investment Company Limited

CIN: L65990WB1913PLC218486

Paharpur House,

8/1/B Diamond Harbour Road,

Kolkata 700 027.

Tel No 40133000

Dear Sir/ Madam,

Pursuant to the Green Initiative in the Corporate Governance initiated by the Ministry of Corporate Affairs (MCA) vide Circular dated 21/04/2011 we propose to send the Notice/Annual Report/ documents through electronic mode to our shareholders.

This, you will appreciate, would facilitate fast, secured communication and contribute towards improved environment.

To Support this green initiative in full measure, shareholders who have not registered their e-mail addresses, so far, are requested to do so in respect of electronic holding with the Depository through their concerned Participants. Shareholders who hold shares in physical form are requested to fill and send the 'e-Communication Registration Form' to the Company at its Registered Office or to its Registrar & Transfer Agent: Link Intime India Pvt. Ltd., C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400083 Email ID: rnt.helpdesk@linkintime.co.in for sending the future communication through Email.

Please note that, even if you subscribe to the e-mail option, the Company shall furnish, without charge, copy of Notice-Annual Report and other documents upon receipt of a requisition from you, at anytime, as a Shareholder of the Company.

We are sure you would join the Company in making the "Green Initiative" of MCA a grand success.

Thanking you,

Kolkata

Date: 3rd May, 2019

For and on behalf of the Company,

AYAN DATTA

Company Secretary

E-COMMUNICATION REGISTRATION FORM



To,
Link Intime India Private Limited,
Unit: Industrial And Prudential Investment Co. Ltd.
C-101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai 400083

Dear Sir/Madam,

Re.: Green initiative in Corporate Governance

I agree to receive all documents like notices, annual reports etc. Form the Company in electronic mode. Please register my e-mail id in your records for sending all the notices/ documents etc. Through e-mail.

Folio No./DPID & Client ID :

Name of 1st Registered Holder :

Name of Joint Holder(s) :

Registered Address :

E-Mail ID :

Date: Signature of the 1st Shareholder

Note:

1. Shareholders are requested to inform the Company as and when there are any changes in the e-mail address. Unless the E-mail ID given is changed by you, by sending another communication in writing, the Company will continue to send notices/documents to you on the above mentioned e-mail ID.
2. If shares are held electronic mode, kindly register your e-mail ID with your DP.





