

REF: INP/20-21/Buyback/Postal_ballot/Intimation

To
Ms. Bhuvana Sriram
Relationship Manager
Corporate Relationship Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400023

Subject: Postal Ballot Notice of Industrial & Prudential Investment Company Limited (*"the Company"*)

Ref: Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (*"SEBI Listing Regulations"*)

Scrip Code: 501298, ISIN: INE620D01011

Dear Madam,

Pursuant to the above referred Regulation, please find enclosed the Notice dated 12th November, 2020 (*"said Notice"*), seeking approval by way of by way of Postal Ballot through remote e-voting for:

- a. Approval for cancellation of forfeited shares and subsequent transfer of Forfeited Share account to Capital Reserve
- b. Approval for Buyback of Equity Shares

The Postal Ballot Notice (*"Notice"*) has been sent on Thursday, November 19, 2020, through electronic mode only, to those Members whose e-mail IDs are registered with the Company/Link Intime India Private Limited (*"RTA"*)/ Depositories as on Thursday, November 12, 2020 (*"cut-off date"*).

The requirement of sending physical copies of the Notice has been dispensed with vide the MCA circulars.

The e-copy of the Notice is also available on the website of the:

- a) Company at www.industrialprudential.com;
- b) Stock Exchange i.e. BSE Limited ('BSE') at www.bseindia.com; and
- c) RTA at <https://instavote.linkintime.co.in>

The remote e-voting period will commence on Saturday, November 21, 2020 at 9.00 a.m. and end on Sunday, December 20, 2020 at 5.00 p.m. The remote e-voting shall be disabled for voting thereafter by the RTA.

The results shall be declared on or before Tuesday, December 22, 2020 and will be displayed along with the Scrutiniser's Report on the website of the Company i.e. www.industrialprudential.com, RTA i.e. <https://instavote.linkintime.co.in>; and Stock Exchange i.e. BSE Limited at www.bseindia.com.

Thanking You,

Yours faithfully,

For INDUSTRIAL & PRUDENTIAL INVESTMENT CO. LTD.



Ayan Datta
Company Secretary

Encl: As above.

20/11/2020



INDUSTRIAL AND PRUDENTIAL INVESTMENT COMPANY LIMITED

CIN: L65990WB1913PLC218486

Registered Office: Paharpur House, 8/1/B, Diamond Harbour Road, Kolkata 700027

Telephone No. 033 40133000; E -mail id: contact@industrialprudential.com

Website: www.industrialprudential.com

NOTICE OF POSTAL BALLOT

[Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014]

Dear Member(s),

NOTICE is hereby given, pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ("**the Act**") read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 ("**the Rules**"), Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), General Circulars No.14/2020 dated April 8, 2020, No. 17/2020 dated April 13, 2020, No. 20/2020 dated 5th May, 2020, No 22/2020 dated 15th June, 2020 and No 33/2020 dated 28th September, 2020 (the "**MCA Circulars**") and any other applicable laws and regulations, to transact business of buyback of shares of the Company by the members of the Industrial and Prudential Investment Company Limited ("**the Company**") by passing resolutions through postal ballot ("**Postal Ballot**") only through remote e-voting.

In view of the current extraordinary circumstances due to COVID-19 pandemic requiring social distancing, Ministry of Corporate Affairs, Government of India (the "**MCA**") in terms of the MCA Circulars, has advised the companies to take all decisions requiring members' approval, other than items of ordinary business or business where any person has a right to be heard, through the mechanism of postal ballot / e-voting in accordance with the provisions of the Act and Rules made thereunder, without holding a general meeting that requires physical presence of members at a common venue. MCA has clarified that for companies that are required to provide e-voting facility under the Act, while they are transacting any business(es) only by postal ballot up to 31st December, 2020, the requirements provided in Rule 20 of the Rules as well as the framework provided in the MCA Circulars will be applicable mutatis mutandis.

ELECTRONIC COPY OF POSTAL BALLOT NOTICE

1. In compliance with the MCA Circulars, notice is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories. Hard copy of notice along with Postal Ballot Forms and pre-paid business reply envelope will not be sent to the members for this Postal Ballot and members are required to communicate their assent or dissent through the remote e-voting system only.
2. Members may note that the notice will also be available on the Company's website contact@industrialprudential.com, website of the Stock Exchange, i.e. BSE Limited at www.bseindia.com and website of Link Intime India Private Limited ("**LIPL**") i.e. <https://instavote.linkintime.co.in>

REGISTER TO RECEIVE COMMUNICATIONS ELECTRONICALLY

1. Shareholders holding shares in Physical Mode: Register/ update their email ID, Mobile number and Bank Account details by sending a request letter duly signed by the Shareholder(s) mentioning the Name of the Company, Folio number, Bank Account Details, self-attested copy of PAN card and cancelled cheque leaf. In case the cancelled cheque leaf does not bear the Shareholders name, please attach a copy of the bank passbook statement, duly self-attested to the Company at contact@industrialprudential.com or the RTA at rnt.helpdesk@linkintime.co.in.
2. Shareholders holding shares in Dematerialised Mode: Register/ update their email ID, Mobile number and Bank Account details with their respective Depository Participant.
3. Members who have not registered / updated their e-mail ID or mobile number with the Company but wish to receive all communication from the Company electronically may register / update their e-mail ID and mobile number on contact@industrialprudential.com

STATEMENT UNDER SECTION 102 & 110 OF THE ACT

The Explanatory Statement in terms of the provisions of Section 102(1) and 110 of the Act, which sets out details relating to special businesses to be transacted at the meeting forms part of this notice.

REMOTE E-VOTING

Pursuant to Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, Regulation 44 of SEBI Listing Regulations and the MCA Circulars, the Company is pleased to provide the facility to the Members to exercise their right to vote, on the resolutions proposed to be passed by Postal Ballot, by electronic means.

The Company has engaged the services of LIPL to provide the remote e-voting facility on InstaVote. Shareholders are requested to read the instructions in the Notes under the section "Remote E-Voting: Procedure" in this notice to cast their vote electronically.

The Company has appointed Mr Mayur Mehta (Membership No. A3132), Practicing Company Secretary as the Scrutinizer to conduct the Postal Ballot and remote e-voting process in a fair and transparent manner.

REMOTE E-VOTING: IMPORTANT DATES

Cut-off date

[for determining the Members entitled to vote on the resolution set forth in this Notice] : Thursday, November, 12th, 2020

Remote e-voting period [During this period, members of the Company as on the cut-off date may cast their vote by remote e-voting]	Commence from	: 9:00 a.m., Saturday, November, 21st, 2020
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	End at	: 5.00 p.m., Sunday, December, 20th, 2020 [The remote e-voting module shall be disabled for voting thereafter by LIPL]
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URL for remote e-voting : <https://instavote.linkintime.co.in>

VOTING RESULTS

The Scrutiniser will submit his report to the Chairman as nominated by the Board for this purpose after completion of scrutiny of the remote e-voting.

The results shall be declared on or before Tuesday, 22nd December, 2020 and will be displayed along with the Scrutiniser's Report:

- (i) at the Registered Office of the Company;
- (ii) on the website of the Company i.e. www@industrialprudential.com;
- (iii) on the website of LIPL i.e. <https://instavote.linkintime.co.in>.; and
- (iv) communicated to BSE Limited, thereby enabling them to disseminate the same on their respective websites.

The Board of Directors of the Company now propose to obtain the consent of the members by way of Postal Ballot for the matters as considered in the Resolutions appended below. The Explanatory Statement pursuant to Section 102 of the Act pertaining to the said Special Businesses setting out material facts and the reasons for the Special Businesses are also annexed.

You are requested to peruse the proposed Resolutions along with the respective Explanatory Statement and thereafter record your assent or dissent by means of remote e-voting facility provided by the Company.

Item 1 Approval for cancellation of forfeited shares

To consider and, if thought fit, to pass the following resolution as a Ordinary Resolution:

RESOLUTION: Approval for cancellation of forfeited shares and subsequent transfer of Forfeited Share account to Capital Reserve

“RESOLVED THAT pursuant to the Articles of Association of the Company and provisions of Section 61(1)(e) and any other applicable provisions, of the Companies Act, 2013, Rules made thereunder and Circulars, Notifications and Orders issued thereunder (hereinafter collectively referred to as ‘the Act’) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) and subject to other permissions and approvals, if any, as may be required, consent of the Company be and is hereby accorded to the cancellation of equity shares issued out of the authorised share capital of the Company, which were forfeited by the Company, and which have neither been re-issued nor have been taken up or agreed to be taken up by any person and the amount of issued share capital be and is hereby diminished by an amount of Rs. 3,322/- (Rupees Three thousand Three Hundred Twenty Two only) being the amount paid up on the forfeited shares so cancelled.

“RESOLVED FURTHER THAT an amount of Rs. 3,322 standing to the credit of Forfeited Shares Account which was created prior to the year 1931 by forfeiting the shares for non- payment of calls be transferred to Capital Reserve Account

“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.

Item 2 Approval for Buyback of Equity Shares

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Article 56 of the Articles of Association of the Company and the provisions of Sections 68, 69, 70 and 110 and all other applicable provisions, if any, of the Companies Act, 2013, as amended (**“Companies Act”**), the Companies (Share Capital and Debentures) Rules, 2014 (**“Share Capital Rules”**), the Companies (Management and Administration) Rules, 2014 (**“Management Rules”**) to the extent applicable, and in compliance with Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (**“Buyback Regulations”**), the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (**“Listing Regulations”**) including any amendments, statutory modifications or re-enactments for the time being in force, and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications, if any, as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions and sanctions, which may be agreed by the Board of Directors of the Company (hereinafter referred to as the **“Board”**, which expression shall include any Committee constituted by the Board to exercise its powers, including the powers conferred by this resolution) and on the terms and conditions set out in the explanatory statement (which may be modified based on regulatory requirements), the approval of the shareholders be and is hereby accorded for the buyback by the Company of up to 69,500 (Sixty Nine thousand Five Hundred) fully paid-up equity shares of Rs. 10/- (Rupees Ten only) each of the Company (**“Equity Shares”**) representing 3.98 % of the total issued and paid-up Equity Share capital of the Company at a price of Rs. 1,200/- (Rupees One Thousand Two Hundred Only) per Equity Share (**“Buyback Price”**) payable in cash for an aggregate amount of up to Rs. 8,34,00,000/- (Rupees Eight crores and Thirty four Lakhs only) (**“Buyback Size”**), which represent up to 24.99% and up to 4.97% of the aggregate fully paid-up Equity Share capital and free reserves as per the latest available audited standalone and consolidated financial statements for the financial year ended March 31, 2020 respectively (the **“Audited Financial Statements”**), which is within the statutory limit of 25% of the fully paid-up Equity Share capital and free reserves as

per the Audited Financial Statements, out of the free reserves of the Company and/or such other permitted source by the Buyback Regulations or the Companies Act, on a proportionate basis through the “tender offer” route as prescribed under the Buyback Regulations, (“**Tender Offer**”) from all of the shareholders who hold Equity Shares as of the record date (“**Record Date**”) (“**Buyback**”) (“**Buyback**”) and the Buyback Size does not include transaction costs viz. brokerage, applicable taxes inter- alia including Buyback taxes, securities transaction tax, GST, stamp duty, expenses incurred or to be incurred for the Buyback like filing fees payable to the Securities and Exchange Board of India (“**SEBI**”), advisors/ legal fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses, etc. The Buyback period shall commence from the date of passing of special resolution by postal ballot until the last date on which the payment of consideration for the Equity Shares bought back by the Company is made (“**Buyback Period**”), in accordance with, and compliance, with the provisions contained in the Buyback Regulations, the Companies Act, Share Capital Rules, the Management Rules and the Listing Regulations.

“RESOLVED FURTHER THAT all of the shareholders of the Company will be eligible to participate in the Buyback including promoters and promoter group of the Company and their associates who hold Equity Shares as of the record date, persons in control (including such persons acting in concert) who hold Equity Shares as of the record date.

“RESOLVED FURTHER THAT as required by Regulation 6 of the Buyback Regulations, the Company may buy back Equity Shares from existing members holding Equity Shares of the Company on a proportionate basis under the tender offer route through stock exchange mechanism, provided that 15% of the number of Equity Shares which the Company proposes to buy back or the number of Equity Shares that the small shareholders are entitled to as per the shareholding of small shareholders as on the record date, whichever is higher, shall be reserved for Small Shareholders, as defined in the Buyback Regulations (“**Small Shareholders**”).

“RESOLVED FURTHER THAT the Company, to the extent legally permissible, shall implement the Buyback using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, including any amendments or statutory modifications for the time being in force.

“RESOLVED FURTHER THAT the Buyback would be subject to the conditions of maintaining minimum public shareholding requirements as specified in Regulation 38 of the Listing Regulations.

“RESOLVED FURTHER THAT the amount required by the Company for the Buyback is intended to be met out of the Company’s free reserves and/or such other sources as may be permitted by law through Tender Offer route as required by the Buyback regulations and the Companies Act and on such terms and conditions as the Board may decide from time to time at its absolute discretion

“RESOLVED FURTHER THAT the Buyback from the shareholders who are residents outside India including Foreign Corporate Bodies (including erstwhile Overseas Corporate Bodies), Foreign Institutional Investors/Foreign Portfolio Investors, Non-Resident Indians, shareholders of foreign nationality, shall be subject to such approvals, if any and to the extent required from the concerned authorities including approvals from the Reserve Bank of India (“**RBI**”) under the Foreign Exchange Management Act, 1999 and the rules and regulations framed thereunder, and that such approvals shall be required to be taken by such non-resident shareholders.

“RESOLVED FURTHER THAT the Board be and is hereby authorised to give effect to the aforesaid resolutions, including but not limited to finalizing the terms of the Buyback like record date, entitlement ratio, determination of the Buyback Size, time frame for completion of Buyback; appointment of merchant banker, brokers, lawyers, depository participants, escrow agents, bankers, advisors, registrars, scrutinizers, consultants/ intermediaries/ agencies, as may be required, for the implementation of the Buyback; preparing, finalizing, signing and filing of the public announcement, the draft letter of offer/letter of offer with SEBI, the Stock Exchanges where the Equity Shares are listed and other appropriate authorities and to make all necessary applications to the appropriate authorities for their approvals including but not limited to approvals as may be required from the SEBI and RBI; and initiating all necessary actions for preparation and issue of various documents including public announcement, draft letter of offer, letter of offer, opening, operation and closure of necessary accounts including escrow account, special payment account with the bank, entering into

escrow agreements as required under the Buyback Regulations, filing of declaration of solvency, obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law, extinguishing Equity Shares bought back by the Company, and filing such other undertakings, agreements, papers, documents and correspondence, under the Common Seal of the Company, as may be required to be filed in connection with the Buyback with SEBI, RBI, Stock Exchange, Registrar of Companies, Depositories and/or other regulators and statutory authorities as may be required from time to time.

“RESOLVED FURTHER THAT nothing contained herein shall confer any right on the part of any shareholders to offer and/or any obligation on the part of the Company or the Board to Buyback any shares, and/or impair any power of the Company or the Board to terminate any process in relation to such Buyback, if so permissible by law.

“RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board is hereby empowered and authorised on behalf of the Company to accept and make any alteration(s), modification(s) to the terms and conditions as it may deem necessary, concerning any aspect of the Buyback, in accordance with the statutory requirements as well as to give such directions as may be necessary or desirable, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as the Board and/or any person authorised by the Board may, in its/his/her absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters consequential to the Buyback without seeking any further consent or approval of the shareholders or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution.

By Order of the Board

For Industrial And Prudential Investment Company Limited

Ayan Datta

Company Secretary

Date: 12th November, 2020

Place: Kolkata

NOTES FOR MEMBERS' ATTENTION

1. STATEMENT UNDER SECTION 102 & 110 OF THE ACT

The Explanatory Statement in terms of the provisions of Section 102(1) and 110 of the Act, which sets out details relating to special businesses to be transacted at the meeting forms part of this notice.

2. The notice is being sent to the shareholders of the Company whose names appear on the Register of Members/List of Beneficial Owners as received from the Depositories as on November 12, 2020 ("cut-off date"). A person who is not a member as on the cut-off date should treat this notice for information purposes only.

3. AUTHORISED REPRESENTATIVE

Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to vote through remote e-voting on its behalf.

The said Resolution/Authorization shall be sent to the Scrutiniser by e-mail through its registered e-mail ID to Mr Mayur Mehta at mayur2753@gmail.com with a copy marked to the Company Secretary at contact@industrialprudential.com, not later than Sunday, December, 20, 2020 by 5.00 p.m.

4. DOCUMENTS OPEN FOR INSPECTION

All documents referred to in the notice will be available for electronic inspection without any fee by the Members from the date of dispatch of this notice up to Sunday, December, 20, 2020.

Members seeking to inspect such documents can send an e-mail at contact@industrialprudential.com

5. REMOTE E-VOTING: PROCEDURE

<u>Step no</u>	<u>For first time users of Insta Vote or shareholders holding shares in physical mode</u>	<u>For shareholders holding shares in demat form and existing user of Insta Vote</u>
1	Open the internet browser and launch the URL: https://instavote.linkintime.co.in	
2	Click on "Sign Up" under 'SHARE HOLDER' tab and register with the following details: -	
	A. User ID: Enter your User ID	
	(i) For members holding shares in demat account held with CDSL	: 16 digits beneficiary ID, (Skip step)
	(ii) For members holding shares in demat account held with NSDL	: 8 Character DP ID followed by 8 digit client ID,
	(iii) For members holding shares in physical form	EVENT number (200388) followed by the Folio number registered with the Company
	B. Permanent Account Number (PAN): Enter your 10-digit PAN (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable)	
	C. Date of Birth (DOB) / Date of Incorporation (DOI): Enter the DOB / DOI (As recorded with your DP / Company - in DD/MM/YYYY format)	

	D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/ Company.		
	(i) Holding shares in demat account held with CDSL :	Shall provide either 'C' or 'D', above	
	(ii) Holding shares in demat account held with NSDL	Shall provide 'D' above	
	(iii) Holding shares in physical form but have not recorded 'C' and 'D' above	Shall provide their folio number in 'D' above	
3	Set the password of your choice [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].		(Skip step)
4	Click on 'confirm' and your password will be generated.		(Skip step) [Use your existing password]
5	Then click on 'Login' under the Shareholder tab.		
6	Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'		
7	After successful login, you will be able to see the notification for e-voting.		
8	Select 'View' icon and the e-voting page will appear.		
9	Refer to the Resolution description and cast your vote by selecting your desired option 'Favour / Against'. (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).		
10	After selecting the desired option i.e. Favour / Against, 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.		
11	Once the vote on a resolution is cast by the member, such member shall not be allowed to change it subsequently.		

REMOTE E-VOTING : POINTS TO REMEMBER

1. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <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 Scrutiniser to verify the same.
2. If you have forgotten the password:
 - Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
 - Enter User ID, select Mode and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'.
3. In case shareholders/ members is having valid e-mail address, Password will be sent to his/ her registered e-mail address.
4. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
5. During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "EVENT".
6. Shareholders/ members holding multiple folios/demat account shall choose the voting process separately for each of the folios/ demat account.

In case shareholders/ members have any queries regarding e-voting, they may refer the Frequently Asked Questions ('FAQs') and InstaVote e-voting manual available at <https://instavote.linkintime.co.in>, under Help section or send an e-mail to enotices@linkintime.co.in or contact on :- Tel: 022 4918 6000.

6. OTHER INFORMATION RELATED TO E-VOTING

- a. A person, whose name is recorded in the register of members or in the register of beneficial owners of the Company, as on the cut-off date i.e. Thursday, 12th November, 2020 only shall be entitled to avail the facility of remote e-voting. A person who is not a member as on the cut-off date should treat this notice for information purposes only.
- b. Voting rights of the members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Thursday, 12th November, 2020.
- c. Every client ID no./folio no. will have one vote, irrespective of number of joint holders.
- d. The members may also update their mobile number and e-mail ID in the user profile details of their respective client ID no./folio no., which may be used for sending future communication(s).
- e. The resolution, if passed by the requisite majority shall be deemed to have been passed on Sunday, December, 20, 2020 i.e., the last date specified for receipt of votes through the remote e-voting process.

7. CORRESPONDENCE

Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to the Company or RTA, quoting their folio number or DP ID - client ID, as the case may be.

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESSES PURSUANT TO SECTIONS 102 AND 110 OF THE COMPANIES ACT, 2013

Item 1 Approval of transfer of Forfeited share account to Capital Reserve

The Company was incorporated on 26th August, 1913 under the Indian Companies Act, 1913, with the name Industrial and Prudential Assurance Company Limited. Since incorporation the Company was carrying on the business of life insurance. In the year 1956 the life insurance business was nationalised and Life Insurance Corporation of India (LIC) was established. The records of the Company were handed over to the LIC in the year 1956-57.

At the time of restructuring in 1958 the forfeited shares were not cancelled. From the available records the shares were forfeited much before 1931 for non-payment of calls. The Company does not have details of the number of shares forfeited as well as the names of members as the matter being over 80 years old.

The Directors are of the opinion that the cancellation of equity shares issued out of the authorised share capital of the Company, which were forfeited by the Company, and which have neither been re-issued nor have been taken up or agreed to be taken up by any person and the amount of issued share capital be and is hereby diminished by an amount of Rs. 3,322/- (Rupees Three thousand Three Hundred Twenty Two only) being the amount paid up on the forfeited shares so cancelled.

The Board of Directors recommend passing the ordinary resolution at item 1 of the notice.

None of the directors or their relatives or KMPs or their relatives are in any deemed to be concerned or interested in the passing of this resolution.

Item 2 Approval for Buyback of Equity Shares

The Board of Directors of the Company at its meeting held on 12th November 2020 ("**Board Meeting**") has, subject to the approval of the shareholders of the Company by way of special resolution through postal ballot/e-voting and subject to such approvals of statutory, regulatory or governmental authorities as may be required under applicable laws, approved the buyback of fully paid-up Equity Shares of face value of Rs. 10/- (Ten Rupees only) each ("**Equity Shares**") up to 69,500 (Sixty Nine thousand Five Hundred) Equity Shares, on a proportionate basis through the tender offer route through the Stock Exchange mechanism in accordance with the Companies Act, 2013 (the "**Act**"), the Companies (Share Capital and Debentures) Rules, 2014 ("**Share Capital Rules**"), Companies (Management and Administration) Rules, 2014 ("**Management Rules**"), (to the extent applicable), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended from time to time, (the "**Buyback Regulations**"), read with the Securities and Exchange Board of

India Circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with Circular FD/DCR2/CIR/P/2016/131 dated December 9, 2016, as amended from time to time, (“SEBI Circular”), at a price of Rs.1200/- (Rupees one thousand two hundredonly) per Equity Share payable in cash for an aggregate consideration of up to Rs. 8,34,00,000/- (Rupees eight crore thirty four lakhs only) (“Offer Size”) excluding transaction costs viz. brokerage, applicable taxes such as Buyback tax, securities transaction tax, Goods and Service Tax (GST), stamp duty, expenses incurred or to be incurred for the Buyback like filing fees payable to SEBI, advisors/legal fees, public announcement publication expenses, printing and dispatchexpenses and other incidental and related expenses, etc. (the “Buyback”). The Buyback is within 25% of the aggregate of paid up capital and free reserves of the Company as per the latest Audited Financial Statements available on the date of the Board Meeting recommending the proposal of Buyback. The Offer Size of the Buyback constitutes up to 24.99% and 4.97 % of the aggregate fully paid-up Equity Share capital and free reserves as per the latest audited standalone and consolidated financials of the Company for the financial year ended March 31, 2020,

Since the Buyback constitutes more than 10% of the total paid-up equity capital and free reserves of the Company, in terms of Section 68(2)(b) of the Act, it is necessary to obtain the consent of the shareholders of the Company, for the Buyback by way of a special resolution. Further, as per Section 110 of the Act read with Rule 22(16)(g) of the Rules, the consent of the shareholders of the Company to the Buyback can be obtained by means of postal ballot. Accordingly, the Company is seeking your consent for the aforesaid proposal as contained in the resolution appended to this Postal Ballot Notice. Certain figures contained in this Postal Ballot Notice, including financial information, have been subject to rounding-off adjustments. All decimals have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

Requisite details and material information relating to the Buyback are given below:

(a) Date of the Board meeting at which the proposal for Buyback was approved by the Board of Directors of the Company

12th November, 2020.

(b) Necessity for the Buyback

The Buyback is being proposed by the Company to service the equity more efficiently. Additionally, the Company’s management strives to increase equity shareholders value and the Buyback would result in amongst other things:

- a) The Buyback is being done to return surplus funds, after taking into account the strategic and operational cash needs of the Company in the short to medium term
- b) The Buyback may help in improving earnings per share, return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders’ value;
- c) The Buyback gives an option to the equity shareholders, who can either (i) choose to participate and get cash in lieu of Equity Shares to be accepted under the Buyback; or (ii) choose to not participate and enjoy a resultant increase in their percentage shareholding, post the Buyback, without additional investment;
- d) The Buyback, which is being implemented through the Tender Offer as prescribed under the Buyback Regulations, shall be from its existing securities holders on a proportionate basis in accordance with the provisions of Securities and Exchange Board Of India (Buy-Back Of Securities) Regulations, 2018:

Provided that fifteen per cent of the number of securities which the company proposes to buy-back or number of securities entitled as per their shareholding, whichever is higher, shall be reserved for small shareholders.

The Company believes that this reservation for Small Shareholders would benefit a large number of public shareholders, who would get classified as Small Shareholder.

(c) Maximum number of securities that the Company proposes to Buyback

The Company proposes to Buyback up to 69,500 (Sixty Nine thousand Five Hundred) fully paid-up Equity Shares of face value of Rs. 10/- (Rupees Ten only) each aggregating up to 3.98 % of the total issued and paid up Equity Share capital of the

Company from the Equity Shareholders of the Company as on the Record Date for an amount not exceeding Rs. 8,34,00,000/- (Rupees Eight crores and Thirty four Lakhs only)

(d) Buyback price and the basis of arriving at the Buyback price

The Equity Shares of the Company are proposed to be bought back at a price of Rs. 1,200/- (Rupees One Thousand Two hundred Only) per Equity Share. The Buyback Price has been arrived at after considering various factors including, but not limited to, the trends in the volume weighted average price and closing price of the Equity Shares on the BSE

The Buyback Price represents:

- i. Premium of 27.61% over the closing price of the Equity Shares on BSE, as on 9th November, 2020 being the date on which the Company intimated to the Stock Exchanges of the date of the meeting of the Board of Directors wherein the proposal of Buyback was considered.
- ii. Premium of 40.83 % over the volume weighted average market price of the Equity Shares on BSE, during the two weeks preceding the date of intimation to the Stock Exchanges of the date of the meeting of the Board of Directors wherein the proposal of Buyback was considered.
- iii. Premium of 41.91% over the volume weighted average market price of the Equity Shares on BSE, during the one month preceding the date of intimation to the Stock Exchanges of the date of the meeting of the Board of Directors wherein the proposal of Buyback was considered.
- iv. Premium of 41.26% over the volume weighted average market price of the Equity Shares on BSE during the two months preceding the date of intimation to the Stock Exchanges of the date of the meeting of the Board of Directors wherein the proposal of Buyback was considered.

(e) Maximum amount required under the Buyback and its percentage of the total paid up capital and free reserves

The maximum amount required for Buyback will not exceed Rs. 8,34,00,000/- (Rupees Eight crores and Thirty four Lakhs only), excluding transaction costs viz. brokerage, applicable taxes inter alia including Buyback taxes, securities transaction tax, GST, stamp duty, expenses incurred or to be incurred for the Buyback like filing fees payable to the SEBI, advisors/legal fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses, etc.

The maximum amount mentioned aforesaid is 24.99% and 4.97% of the aggregate of the fully paid-up equity share capital and free reserves as per the latest audited standalone and consolidated financial statements of the Company which is within the prescribed limit of 25%.

The funds for the implementation of the proposed Buyback will be sourced out of the free reserves of the Company or such other source as may be permitted by the Buyback Regulations or the Companies Act. The funds borrowed if any shall not be utilized for the purpose of Buyback. The Company shall transfer from its free reserves, a sum equal to the nominal value of the Equity Shares so bought back to the Capital Redemption Reserve Account and details of such transfer shall be disclosed in its subsequent audited Financial Statements

(f) Method to be adopted for the Buyback

The Buyback shall be on a proportionate basis through the tender offer route, as prescribed under the Buyback Regulations, to the extent permissible, and the "Mechanism for acquisition of shares through Stock Exchanges" as prescribed under the SEBI Circular. The Buyback will be implemented in accordance with the Act, Rules, to the extent applicable, the Buyback Regulations and on such terms and conditions as may be deemed fit by the Company.

As required under the Buyback Regulations, the Company will announce a record date for the Buyback for determining the names of the shareholders holding Equity Shares of the Company who will be eligible to participate in the Buyback ("Eligible Shareholder(s)"). Subject to the approval of the special resolution under this Postal Ballot Notice and subject to SEBI's comments on the draft letter of offer, Eligible Shareholders will receive a letter of offer along with a tender/offer form indicating their entitlement.

The Equity Shares to be bought back is divided in two categories:

- (i) Reserved category for small shareholders; and
- (ii) General category for all other shareholders.

As defined in Regulation 2(i)(n) of the Buyback Regulations, a "small shareholder" is a shareholder who holds equity shares having market value, on the basis of closing price on Stock Exchange having highest trading volume

as on record date, of not more than Rs. 2,00,000/- (Rupees Two Lakhs only).

In accordance with Regulation 6 of the Buyback Regulations, 15% of the number of Equity Shares which the Company proposes to buyback or such number of Equity Shares entitled as per the shareholding of small shareholders as on the record date, whichever is higher, shall be reserved for the small shareholders as part of this Buyback.

Based on the holding on the record date, the Company will determine the entitlement of each Eligible Shareholder to tender their shares in the Buyback. This entitlement for each Eligible Shareholder will be calculated based on the number of Equity Shares held by the respective shareholder as on the record date and the ratio of the Buyback applicable in the category to which such shareholder belongs. In accordance with Regulation 9(ix) of the Buyback Regulations, in order to ensure that the same shareholders with multiple demat accounts/folios do not receive a higher entitlement under the Small Shareholder category, the Company will club together the equity shares held by such shareholders with a common Permanent Account Number (PAN for determining the category (Small Shareholder or General) and entitlement under the Buyback. In case of joint shareholding, the Company will club together the equity shares held in cases where the sequence of the PANs of the joint shareholders is identical. In case of physical shareholders, where the sequence of PANs is identical, the Company will club together the equity shares held in such cases. Similarly, in case of physical shareholders where PAN is not available, the Company will check thesequence of names of the joint holders and club together the equity shares held in such cases where the sequence of name of joint shareholders is identical. The shareholding of institutional investors like mutual funds, pension funds/trusts, insurance companies etc., with common PAN will not be clubbed together for determining the category and will be considered separately, where these equity shares are held for different schemes and have a different demat account nomenclature based on information prepared by the Registrar and Transfer Agent as per the shareholder records received from the Depositories.

Shareholders' participation in Buyback will be voluntary. Eligible Shareholders holding Equity Shares of the Company can choose to participate and get cash in lieu of shares to be accepted under the Buyback or they may choose not to participate.

Eligible Shareholders holding Equity Shares of the Company may also accept a part of their entitlement. Eligible Shareholders holding equity shares of the Company also have the option of tendering additional shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other shareholders, if any.

The maximum tender under the Buyback by any Eligible Shareholder cannot exceed the number of Equity Shares held by the shareholder as on the record date.

The Equity Shares tendered as per the entitlement by Eligible Shareholders holding Equity Shares of the Company as well as additional shares tendered, if any, will be accepted as per the procedure laid down in Buyback Regulations. The settlement of the tenders under the Buyback will be done using the "Mechanism for acquisition of shares through Stock Exchange" notified under the SEBI Circular.

As per the proviso to regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (notified by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018), effective from April 1, 2019, transfers of securities of the Company shall not be processed unless the securities are held in the dematerialized form with a depository. Accordingly, the Company will not be able to accept Equity Shares tendered in physical form in the Buyback. Shareholders are advised to approach the concerned depository participant to have their Equity Shares dematerialized before tendering their Equity Shares in the Buyback.

Detailed instructions for participation in the Buyback (tender of Equity Shares in the Buyback) as well as the relevant time table will be included in the letter of offer to be sent to the Eligible Shareholder(s).

(g) Time limit for completing the Buyback

Subject to receipt of regulatory consents and approvals, if any, the Buyback is proposed to be completed within One year from the date of passing of special resolution detailed in this Postal Ballot Notice.

(h) Compliance with Section 68(2)(c) of the Act

The aggregate paid-up share capital and free reserves of the Company is Rs. 3336.67 lakhs and 16771.74 lakhs as per the latest audited standalone and consolidated financial statements for the year ended March 31, 2020 respectively . Under the provisions of the Act, the funds deployed for the Buyback cannot exceed 25% of the

aggregate of the fully paid-up share capital and free reserves of the Company i.e., is Rs. 834.17 lakhs. The maximum amount proposed to be utilized for the Buyback, does not exceed Rs. 8,34,00,000/- (Rupees Eight crores and Thirty four Lakhs only) and is therefore within the limit of 25% of the Company's fully paid-up share capital and free reserves as per the latest Audited Financial Statements (the latest audited balance sheet available as on the date of Board meeting recommending the proposal for the Buyback).

(i) Details of holding and transactions in the shares of the Company

The aggregate shareholding of the (i) promoter and promoter group of the Company (“Promoter and Promoter Group”) and persons in control, (ii) Directors of companies/Trust which are a part of the Promoter and Promoter Group, and (iii) Directors and Key Managerial Personnel of the Company as on the date of the Board meeting and this Postal Ballot Notice, i.e., 12th November, 2020 are as follows:

- (i) Aggregate shareholding of the Promoter and Promoter Group and persons who are in control as on the date of the Board meeting and the date of this Postal Ballot Notice, i.e., 12th November, 2020-

Sr No	Name of the Shareholders	No of Equity Shares held	Percentage Shareholding
1	Vikram Swarup (In the capacity of Trustee of Swarup Family Trust)	27,348	1.57
2	Kevic Anant Setalvad	13,452	0.77
3	Bindu Vikram Swarup	9,000	0.52
4	Gaurav Swarup	3,600	0.21
5	Parul Swarup	3,414	0.20
6	Paharpur Cooling Towers Limited	7,46,901	42.79
7	Paharpur Corporation Limited	1,91,550	10.97
8	Melvin Powell Vanaspati & Engg. Industries Ltd.	1,54,800	8.87
	Total	1150065	65.89

- (ii) Aggregate shareholding of the Directors of companies/trust which are a part of the Promoter and Promoter Group, as on the date of the Board meeting and the date of this Postal Ballot Notice, i.e, 12th November, 2020-

Sr No	Name of the Company/ Trust	Name of the Director/ Trustees	No of Equity Shares held in Industrial & Prudential Investment Company Ltd	Percentage Shareholding
1	Paharpur Cooling Towers Limited	Directors		
		Satya Brata Ganguly	0	0
		Ratanlal Gaggar	0	0
		Sumit Mazumder	0	0
		Vikram Swarup*	27,348	1.57
		Gaurav Swarup	3,600	0.21
		Gyan Mahendra Swarup	0	0
		KMP		
		Arun Kumar Singhania (CFO)	0	0
		Shilpishree Choudhary (CS)	0	0

2	Paharpur Corporation Limited	Directors		
		Arun Kumar Singhania	0	0
		Parul Swarup	3,414	0.20
		Siddharth Swarup	0	0
3	Melvin Powel Vanaspati & Engg. Industries Ltd.	Directors		
		Vikram Swarup*	27,348	1.57
		Varun Swarup	0	0
		Devina Swarup	0	0
4	Swarup Family Trust	Trustees		
		Gyan Mahendra Swarup	0	0
		Vikram Swarup*	27,348	1.57
		Gaurav Swarup	3,600	0.21

*In the capacity of Trustee of Swarup Family Trust

(iii) Aggregate shareholding of the Directors and Key Managerial Personnel of the Company as on the date of the Board meeting and the date of this Postal Ballot Notice, i.e., 12th November, 2020

Sr No	Name of the Director/ KMP	Designation	No of Equity shares held	Percentage of Shareholding
1	Mr. Gaurav Swarup	Chairman and Managing Director	3,600	0.21
2	Mr. Arun Kumar Singhania	CFO - KMP	0	0
3	Mr. Ayan Datta	CS - KMP	0	0

(iv) Aggregate shares purchased or sold by the Promoter and Promoter Group, persons in control, Directors of companies which are a part of the Promoter and Promoter Group and Directors and Key Managerial Personnel of the Company during a period of six months preceding the date of the Board meeting at which the Buyback was approved and the date of this Postal Ballot Notice, i.e.12th November, 2020

a) Aggregate of shares purchased or sold by the Promoter and Promoter Group and persons who are in control:

Sr No	Name of the Shareholder	No of shares acquired/ sold	Nature of Tran.	Max. price per equity share	Date of Max price	Min price per equity share	Date of Min price
NONE							

b) Aggregate shares purchased or sold by the Directors of companies which are part of the Promoter and Promoter Group:

Sr No	Name of the Shareholder	No of shares acquired/ sold	Nature of Tran.	Max. price per equity share	Date of Max price	Min price per equity share	Date of Min price
NONE							

c) Aggregate shares purchased or sold by the Directors and Key Managerial Personnel of the Company:

Sr No	Name of the Shareholder	No of shares acquired/ sold	Nature of Tran.	Max. price per equity share	Date of Max price	Min price per equity share	Date of Min price
NONE							

(j) Intention of Promoter and Promoter Group and persons in control of the Company to participate in the Buyback

In terms of the Buyback Regulations, under the Tender Offer, the Promoters and the Promoter Group and persons in control of the Company have an option to participate in the Buyback. In this regard, the following persons of the Promoter and Promoter Group have expressed their intentions to participate in the Buyback and offer up to an aggregate of 13,452 Equity Shares or such lower number of shares in compliance with the Buyback Regulations

Sr. No	Name of the Promoter/Promoter Group and Persons in Control	No. of Equity Shares held	Maximum Number of Equity Shares intended to tender
1	Kevic Anant Setalvad	13,452	13,452
	Total	13,452	13,452

Details of the date and price of the Equity Shares allotted/credited/transmitted/acquired which are intended to be tendered, are set out as below:

1. Kevic Anant Setalvad -

Date	Nature of Transaction	Number of Equity Shares	Face Value (₹)	Issue/Acquisition Price (₹)	Consideration (₹)
07.07.2015	Transmission of shares through inheritance	4,484	10/-	NA	Nil
29.07.2016	Bonus Issue	8,968	10/-	Nil	Nil
Total		13,452			

(k) Confirmations from Company as per the provisions of Buyback Regulations and Act

- a) all the Equity Shares of the Company are fully paid-up;
- b) the Company shall not issue and allot any Equity Shares or specified securities including by way of bonus, from the date of declaration of results of the postal ballot for special resolution passed by the shareholders approving the proposed Buyback until the date of expiry of the Buyback Period;
- c) the Company, as per the provisions of Section 68(8) of the Act, will not make any further issue of the same kind of shares or other securities including allotment of new shares under Section 62(1)(a) or other specified securities within a period of six months after the completion of the Buyback except by way of bonus shares or equity shares issued in order to discharge subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into Equity Shares (Subsisting Obligations);
- d) the Company shall not raise further capital for a period of one year from the expiry of the Buyback period, except in discharge of its Subsisting Obligations;
- e) the Company shall not buyback locked-in Equity Shares and non-transferable Equity Shares until the pendency of the lock-in or till the Equity Shares become transferable;
- f) the Company shall not buyback its Equity Shares from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback;
- g) there are no defaults subsisting in the repayment of any deposits (including interest payable thereon), redemption of debentures or preference shares, payment of dividend or repayment of any term loans to any financial institution or banks (including interest payable thereon);
- h) the Company shall not use borrowed funds, directly or indirectly, whether secured or unsecured, of any form and nature, from banks and financial institutions for paying the consideration to the equity shareholders who have tendered their Equity Shares in the Buyback;

- i) that the Company has been in compliance with Sections 92, 123, 127 and 129 of the Companies Act;
- j) the aggregate amount of the Buyback i.e. up to Rs. 8,34,00,000/- (Rupees Eight crores and Thirty four Lakhs only) does not exceed 25% of the aggregate of the total paid-up capital and free reserves of the Company as per the Audited Financial Statements;
- k) the maximum number of Equity Shares proposed to be purchased under the Buyback (up to 69,500 Equity Shares), does not exceed 25% of the total number of Equity Shares in the paid-up Equity Share capital as per the Audited Financial Statements;
- l) The Company has not undertaken a buyback of any of its securities during the period of one year immediately preceding the date of this Board meeting
- m) the Company shall not make any offer of buyback within a period of one year reckoned from the date of expiry of the Buyback period;
- n) the ratio of the aggregate of secured and unsecured debts (standalone as well as consolidated) owed by the Company shall not be more than twice the paid-up Equity Share capital and free reserves, after the Buyback; and
- o) the Company shall not directly or indirectly purchase its Equity Shares through any subsidiary company including its own subsidiary companies or through any investment company or group of investment companies.
- p) there is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act as on date;
- q) The Buyback shall be completed within a period of 1 year from the date of passing of special resolution by way of postal ballot;
- r) the Company shall not withdraw the Buyback offer after the draft letter of offer is filed with the SEBI or the public announcement of the offer of the Buyback is made, except where any event or restriction may render Company unable to effect Buyback;
- s) the Company is not undertaking the Buyback to delist its equity shares other specified securities from the stock exchanges;
- t) Consideration of the Equity Shares bought back by the Company will be paid only by way of cash.

(I) Confirmations from the Board

The Board of Directors of the Company has confirmed that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion:

- a) Immediately following the date of this board meeting and the date on which the results of the shareholders' resolution will be declared ("Postal Ballot Resolution"), approving the Buyback, there will be no grounds on which the Company could be found unable to pay its debts;
- b) As regards the Company's prospects for the year immediately following the date of this board meeting and the Postal Ballot Resolution that, having regard to the Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the Board meeting and also from the date of the Postal Ballot Resolution;
- c) In forming an opinion as aforesaid, the Board has taken into account the liabilities, as if the Company were being wound up under the provisions of the Companies Act or the Insolvency and Bankruptcy Code, 2016, as applicable (including prospective and contingent liabilities) as amended from time to time.

(m) Report addressed to the Board of Directors by the Company's Auditors on the permissible capital payment opinion formed by Directors regarding insolvency

The Board of Directors

Industrial And Prudential Investment Company Limited

Paharpur House,

8/1/B, Diamond Harbour Road,

Kolkata 700 027, India.

Report on Buy Back of Equity Shares pursuant to the requirements of the Companies Act, 2013 (as amended) (the "Act") and Clause (xi), Schedule I to the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 (as amended) (the "SEBI Buyback Regulations")

Introduction:

1. This report is issued in accordance with the terms of our engagement letter dated October 15, 2020.
2. We have been engaged by Industrial And Prudential Investment Company Limited (the "Company") to perform a reasonable assurance engagement on determination of the amount of permissible capital payment in connection with the proposed buy back by the Company of its equity shares in pursuance of the provisions of Section 68 and 70 of the Act and the SEBI Buyback Regulations.
3. The management of the Company has prepared the accompanying **Annexure A - Statement of permissible capital payment as on 31 March 2020** ('the Statement') pursuant to the proposed buy-back of equity shares approved by the board of directors of the Company ("Board of Directors") in their meeting held on November 12, 2020 in accordance with the provisions of sections 68, 69 and 70 of the Act and the SEBI Buyback Regulations. The Statement contains the computation of amount of permissible capital payment towards buy-back of equity shares in accordance with the requirements of section 68(2) of the Act, Regulation 4(i) of the SEBI Buyback Regulations and based on the latest audited standalone and consolidated financial statements for the year ended 31 March 2020. We have initialled the Statement for the identification purposes only.

Management's Responsibility:

4. The preparation of the Statement in accordance with Section 68 (2) of the Act and in compliance of the SEBI Buyback Regulations, is the responsibility of the Management of the Company, including the computation of the amount of permissible capital payment, the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of the internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
5. The Board of Directors is also responsible to make a full inquiry into the affairs and prospects of the Company and to form an opinion on reasonable grounds that the Company will be able to pay its debts from the date of Board meeting and will not be rendered insolvent within a period of one year from the date of the Board meeting at which the proposal for buyback was approved by the Board of Directors of the Company and in forming the opinion, it has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Act or the Insolvency and Bankruptcy Code 2016. Further, a declaration is required to be signed by at least two directors of the Company in this respect in accordance with the requirements of the section 68 (6) of the Act and the SEBI Buy-back Regulations.

Auditor's Responsibility:

6. Pursuant to the requirement of the SEBI Buyback Regulations, it is our responsibility to provide reasonable assurance that:
 - i) the amount of capital payment for the buy back, as stated in **Annexure A** has been determined considering the Audited Financial Statements for the year ended March 31, 2020, and is within the permissible limit computed in accordance with the provisions of Section 68 of the Act and Regulation 4(i) of the SEBI Buyback Regulations;
 - ii) the Board of Directors in their meeting held on November 12, 2020 have formed their opinion, as specified in Clause (x) of Schedule I of the SEBI Buyback Regulations, on reasonable grounds that the Company having regard to its state of affairs will not be rendered insolvent within a period of one year from the aforesaid date.
7. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence

so as to reduce the engagement risk to an acceptably low level for arriving at positive form of expression of conclusion on the matters mentioned in paragraph 6 above. The procedures selected depend on the auditor's judgment, including the assessment of the risks associated with the assignment. Within the scope of our work, we performed the following procedures:

- i) Examined authorisation for buy back from the Articles of Association of the Company;
 - ii) Examined that the amount of capital payment for the buy-back is within the permissible limit computed in accordance with the provisions of Section 68 of the Act;
 - iii) Examined that the ratio of the secured and unsecured debt owed by the Company is not more than twice the paid-up capital and its free reserves after such buy-back;
 - iv) Examined that all the shares for buy-back are fully paid-up;
 - v) Inquired into the state of affairs of the Company in relation to the audited standalone and consolidated financial statements for the year ended 31 March 2020;
 - vi) Agreed the balance of the Statement of Profit and Loss and General Reserve as at 31 March 2020 as disclosed in the Statement with the audited financial statements;
 - vii) Examined that the amount of capital payment for the buy-back as detailed in the Statement is within the permissible limit computed in accordance with section 68(2) of the Act and Regulation 4(i) of the SEBI Buyback Regulations
 - viii) Examined resolutions passed in the meetings of the Board of Directors. We have not carried out any procedures as regards to the projections approved by the Board of Directors and accordingly do not certify the same;
 - ix) Inquired if the Board of Directors of the Company, in its meeting held on November 12, 2020 has formed the opinion as specified in Clause (x) of Schedule I to the SEBI Buy-back Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the aforesaid date of the board meeting and the date on which the results of the shareholders' resolution with regard to the proposed buy-back will be declared;
 - x) Verified the arithmetical accuracy of the Statement;
 - xi) Examined minutes of the meetings of the Board of Directors;
 - xii) Obtained Directors' declarations for the purpose of buy-back and solvency of the Company; and
 - xiii) Obtained appropriate representations from the management of the Company.
8. The audited financial statements, referred to in paragraph 6 and 7 above, have been audited by us, on which we have issued unmodified audit opinion vide our report dated June 26, 2020. Our audit of these financial statements was conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India (the 'ICAI'). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Such audit was not planned and performed in connection with any transactions to identify matters that maybe of potential interest to third parties.
9. We, having regard to paragraph 7 above, have conducted examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes, issued by the Institute of the Chartered Accountants of India (the ICAI). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
10. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Conclusion:

11. Based on our examination as stated above and the representation, information and explanations given to us, we report that:
- a) the amount of the permissible capital payment towards the proposed buy-back of equity shares as computed in the accompanying Statement, has been determined in accordance with the requirements of section 68(2)

of the Act and Regulation 4(i) of the SEBI Buy-back Regulations based on the audited financial statements for the year ended 31 March 2020;

- b) the Board of Directors, in their meeting held on November 12, 2020, have formed the opinion, as specified in clause (x) of Schedule I of the SEBI Buyback Regulations, on reasonable grounds that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the aforesaid date of the meeting of the Board of Directors; and
- c) we are not aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned therein is unreasonable in the circumstances as at the date of declaration.

Restriction on use:

- Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the provisions of section 68 and other applicable provisions of the Act read with rule 17 of the Companies (Share Capital and Debentures) Rules, 2014 (as amended) and the SEBI Buyback Regulations, pursuant to the proposed buyback of equity shares. Our obligations in respect of this report are entirely separate, and our responsibility and liability is in no way changed by, any other role we may have as auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditors of the Company.
- This report is addressed to and provided to the Board of Directors of the Company solely for the purpose of enabling it to comply with the aforesaid requirements and to include this report, pursuant to the requirements of the SEBI Buy-back Regulations, (a) public announcement to be made to the shareholders of the Company, (b) in the draft letter of offer and the letter of offer to be filed with the Registrar of Companies, Securities and Exchange Board of India, BSE Limited and National Stock Exchange of India Limited, as required by the SEBI Buyback Regulations, the Central Depository Services (India) Limited, National Securities Depository Limited, as applicable and (c) for providing to the manager to the buyback. Accordingly, this report may not be suitable for any other purpose, and therefore, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose for which or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For Lodha & Co.

Chartered Accountants

Firm's Registration Number: 301051E

R. P. Singh

Partner

Membership Number: 052438

Place: Kolkata

Dated: November 12, 2020

UDIN: 20052438AAAADO6404

Annexure A- Statement of permissible capital payment

Computation of amount of permissible capital payment for the buy-back of equity shares in accordance with Section 68 (2) of the Companies Act, 2013 and Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 based on audited standalone and consolidated financial statements as at and for the year ended 31st March, 2020:

Particulars	Standalone		Consolidated	
	Amount (Rs in Lakh)	Amount (Rs in Lakh)	Amount (Rs in Lakh)	Amount (Rs in Lakh)
A. i) Paid up equity share capital as on 31st March, 2020 (1745340 equity shares of face value Rs.10 each)#		1,74.53		1,74.53
Total (A)		1,74.53		1,74.53

Free Reserves as defined under section 2(43) of the Companies Act, 2013 read with Section 68 of the Companies Act, 2013 as on 31st March, 2020:				
General Reserve	5,27.64		6,48.94	
Surplus in Statement of Profit and Loss	26,34.50		159,48.27	
Total Free Reserves(B)(*)		31,62.14		165,97.21
Total (A+B)		33,36.67		167,71.74
Maximum Buyback				
Permissible capital payment towards buy back of equity shares in accordance with Section 68(2) of the Act and Regulation 5(i)(b) of the SEBI Buyback Regulations (10% of the paid-up equity capital and free reserves)		3,33.67		16,77.17
Permissible capital payment towards buy back of equity shares in accordance with Section 68(2) of the Act and Regulation 4 & 5 of the SEBI Buyback Regulations (25% of the paid-up equity capital and free reserves)		8,34.17		41,92.94
Maximum permissible capital payment towards the buyback of equity shares, lowest of permissible capital based on standalone and consolidated financials.		8,34.17		
Amount approved by Board Resolution dated November 12, 2020 subject to shareholders approval		8,34.00		

Equity Share Capital Rs. 1,74.53 lakhs consist of 17,45,340 shares of fully paid equity shares of Rs 10 each. Board of Directors at their meeting held on November 12, 2020 approved the cancellation of forfeited shares amounting to Rs. 3,322.00 and equivalent amount will therefore be credited to capital reserve subject to shareholders approval.

(*) Free Reserves (as per Section 2(43) of the Companies Act, 2013) has been computed after adjusting therefrom change in carrying amount of Investments in Mutual Funds, Preference Shares and Debentures on account of fair valuation as on March 31, 2020, as recognised and included in Surplus in Statement of Profit and Loss i.e. retained earnings.

For Industrial And Prudential Investment Company Limited

Arun Singhania

Chief Financial Officer

Place : Kolkata

Date : November 12, 2020

In the opinion of the Board, the proposal for Buyback is in the interest of the Company and its shareholders holding Equity Shares of the Company. The Directors, therefore, recommend the special resolution as set out in the accompanying notice for approval by the shareholders.

None of the Directors or KMPs of the Company or their respective relatives is in anyway, in concerned or interested, financially or otherwise, either directly or indirectly in passing of the said resolution, save and except to the extent of their interest as shareholders of the Company, as applicable.

By Order of the Board

For Industrial And Prudential Investment Company Limited

Ayan Datta

Company Secretary

Date: 12th November, 2020

Place: Kolkata