

99th
ANNUAL REPORT
2014-2015



THE INDUSTRIAL & PRUDENTIAL
INVESTMENT COMPANY LIMITED

Company Information

Directors : A. V. SETALVAD (DIN: 00056124) (*Chairman*)
A. R. BROACHA (DIN: 00056291)
ANISH K. MODI (DIN: 00031232)
BINAISHA R. SUNDARAM (DIN: 06637130)
GAURAV SWARUP (DIN: 00374298) (*Managing Director*)

Executives : ARUN K. SINGHANIA (*Chief Financial Officer*)
HIRAK GHOSH (*Company Secretary*)

Bankers : DEUTSCHE BANK
BANK OF INDIA
ICICI BANK LIMITED

Auditors : V.S. SOMANI & CO.
Chartered Accountants

Registered Office : 125, MAKER CHAMBERS III,
NARIMAN POINT,
MUMBAI - 400 021.
TEL.: 22854243
Email: indpru@vsnl.net
Website: <http://industrialprudential.com>
CIN: L65990MH1913PLC000374

Registrars & Transfer Agents : LINK INTIME INDIA PVT. LTD.
C-13, PANNALAL SILK MILLS COMPOUND,
L.B.S. MARG, BANDUP (WEST),
MUMBAI-400 078.
TEL.: 25946970
Email-Id: rnt.helpdesk@linkintime.co.in
CIN: U67190MH1999PTC118368

Notice to the Shareholders

NOTICE is hereby given that the Ninety-ninth Annual General Meeting of **THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED** will be held at Bajaj Bhavan, Ground Floor, (Kamalnayan Bajaj Hall), 220, Nariman Point, Mumbai – 400 021, on Monday, August 31, 2015 at 3.00 p.m. to transact the following items of business:

1. To receive, consider and adopt:
 - (a) The Audited Financial Statements of the Company for the financial year ended March 31, 2015, 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, 2015.
2. To declare a dividend.
3. To appoint a Director in place of Mr. Gaurav Swarup (DIN 00374298), who retires by rotation and, being eligible, offers himself for re-appointment.
4. To ratify appointment of M/s. V. S. Somani & Co., Chartered Accountants, as Statutory Auditors in accordance with the first proviso to section 139(1) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and to fix their remuneration for the financial year ending 31st March, 2016.

SPECIAL BUSINESS

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

“RESOLVED that pursuant to the provisions of Sections 149, 150 and 152 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 Act”), read with Schedule IV to the Act, Ms. Binaisha Sundaram (DIN: 06637130) who had been appointed as a director retiring by rotation, on 22nd April, 2015 to fill the causal vacancy caused by resignation of Mr. Vikram Swarup (Din: 00163543), be and is hereby confirmed and classified as an Independent Director of the Company to hold office for a term up to five consecutive years commencing from August 31, 2015.”

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

“RESOLVED that pursuant to Section 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment & Remuneration) Rules, 2014, the Company do appoint

- (a) Mr. Gaurav Swarup, Managing Director of Paharpur Cooing Towers Limited (PCTL), holding company, as the Managing Director of the Company with effect from 30th March, 2015.
- (b) Mr. Swarup will not draw any remuneration (except sitting fees for attending the Board Meetings and other Committee Meetings and all out of pocket expenses properly incurred by him) from the Company as the Managing Director.
- (c) The period of appointment of Mr. Swarup will be concurrent with his tenure as Managing Director of PCTL, i. e. up to 31st January, 2017.

NOTES:

- I. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 and the Rules made; notifications, circulars and orders issued from time to time thereunder (collectively referred to as “the Act”) in respect of business under Items Nos. 4, 5 and 6 of the Notice, is annexed hereto. The relevant details as required under clause 49 of the Listing Agreement entered into with the Bombay Stock Exchange Limited (BSE), of persons seeking appointment/re-appointment as Directors under Items No. 3, 5 & 6 of the Notice, are also annexed.

Notice to the Shareholders — contd.

- 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 Thursday, 20th August, 2015 to Monday, 31st August 2015 (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 Monday, 7th September, 2015 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 19th August, 2015;
 - (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 19th August, 2015.
- V. Pursuant to Section 124 of the said Act, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the unpaid Dividend Account of the Company shall be transferred to the Fund established by the Government of India under Section 125 of the Act. All shares in respect of which such unpaid or unclaimed dividend has been transferred shall also be transferred by the Company in the name of Investor Education and Protection Fund.
- VI. Pursuant to the provisions of Section 205C of the Companies Act, 1956 (which are still applicable as the relevant sections under the Act, are yet to be notified), the Company has transferred on due dates, the unpaid or unclaimed dividend amount for the financial year ended March 31, 2008 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 has uploaded the details of unpaid and unclaimed amounts lying with the Company on September 24, 2014 (date of the last Annual General Meeting) on the website of the Company (<http://industrialprudential.com>), as also on the website of the Ministry of Corporate Affairs (www.mca.gov.in).
- VII. Corporate Members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the relevant Board Resolution together with their respective specimen signatures authorising their representative(s) to attend and vote on their behalf at the Meeting.
- VIII. The Securities and Exchange Board of India (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 form should submit their PAN to the Registrar/ Company.
- IX. Members who have not yet encashed their dividend warrant(s) for the financial year ended 31st March, 2008 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,

Notice to the Shareholders — contd.

- 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 the Company's Registrars and Transfer Agents, Link Intime (India) Private Limited (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 form 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 form 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 2014-15 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(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 99th Annual General Meeting (hereinafter for brevity sake referred to as 99th 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 Participants(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 99th AGM of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent in the permitted mode.
 - XVII. Members may also note that the Notice of the 99th AGM and the Annual Report for 2014-15 will also be available on the Company's website <http://industrialprudential.com> for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Mumbai for inspection during normal business hours on working days. 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: indpru@vsnl.net.
 - XVIII. Voting through electronic means:
 1. 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, the Company is pleased to provide its members the facility of 'remote e-voting' (e-voting from a place other than venue of the 99th AGM) to exercise their right to vote at the 99th AGM. The business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL).
 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 99th 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 99th 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 99th AGM in a fair and transparent manner.

Notice to the Shareholders — contd.

4. The instructions to members for voting electronically are as under:-

- I. The voting period begins on Friday, 28th August, 2015 at 10.00 a.m. and ends on Sunday, 30th August, 2015 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. 24th August, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 p.m. on 30th August, 2015.
- II. Members holding shares in physical or in demat form as on 24th August, 2015 shall only be eligible for e-voting.
- III. The shareholders should log on to the e-voting website www.evotingindia.com.
- IV. Click on Shareholders.
- V. Now Enter your User ID;
- VI.
 - a. For CDSL: 16 digits beneficiary ID;
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID;
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- VII. Next enter the Image Verification as displayed and Click on Login.
- VIII. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- IX. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio 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. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id/ folio number in the Dividend Bank details field as mentioned in instruction (v).

- (IX) After entering these details appropriately, click on "SUBMIT" tab.
- (X) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

Notice to the Shareholders — contd.

- (XI) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (XII) Click on the EVSN and select the Company's name.
- (XIII) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES
- (XIV) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (XV) After selecting the Resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (XVI) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (XVII) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (XVIII) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (XIX) Note for Non-Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (XX) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

By Order of the Board of Directors

A. V. SETALVAD
Chairman

Registered Office:

125, Maker Chambers III,
Nariman Point, Mumbai-400 021.

Mumbai, May 28, 2015.

Notice to the Shareholders — contd.

**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. 4,5 and 6 of the accompanying Notice:

Item 4

The explanatory statement for this item is provided though strictly not required as per Section 102 of the Act.

In accordance with Section 139 of the Act, the Company at the annual general meeting held on 24th September, 2014 appointed M/s. V S Somani & Co., Chartered Accountants, the existing statutory auditors (being a sole proprietary firm) for a period of three years. The appointment was to be ratified at by members at every annual general meeting thereafter.

In view of the above, it is proposed to ratify appointment of M/s. V. S. Somani & Co., Chartered Accountants, statutory auditors in accordance with the first proviso to section 139(1) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and to fix their remuneration for the financial year ending 31st March, 2016.

In accordance with provisos of Section 139 of the Act, the Board of Directors has received consent and certificates of eligibility and compliance of criteria under Section 141 of the Act from M/s. V S Somani & Co.

Based on the recommendation of the Audit Committee, the Board of Directors recommend to the members to ratify the appointment of the existing statutory auditors M/s. V S Somani & Co., Chartered Accountants and fix their remuneration as mentioned in Item No 4 of the Notice.

None of the Directors or relatives of directors is concerned or interested in the Resolution at Item No. 4 of the Notice.

Documents referred to above are open for inspection by members at the Registered Office of the Company during normal business hours on any working day except Saturday.

Item 5

Under Section 161 of the Act, and Article 115 of the Articles of Association of the Company, Ms. Binaisha Sundaram, was appointed on 22nd April 2015, as a Director to fill a casual vacancy caused by the resignation of Mr. Vikram Swarup. In accordance with Section 161 of the Act, Ms. Binaisha, holds office only till the date up to which Mr. Vikram Swarup in whose place she was appointed would have held office, namely till the date of the Annual General Meeting to be held in the year 2017.

Pursuant to second proviso to section 149(1) of the Act, and clause 49(II)(A)(1) of the Listing Agreement, the Company has appointed Ms. Binaisha Sundaram, woman director, on 22.04.2015, i.e. after the close of the financial year ended 31.03.2015.

Ms. Binaisha meets all the criteria of an independent director in accordance with section 149 of the Act and clause 49 II B of the Listing Agreement with the BSE.

Ms. Binaisha has given a declaration to the Board of Directors that she meets the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the Board of Directors, she fulfils the conditions specified in the Act and the Rules made thereunder for appointment as an Independent Director and she is independent of the management.

The Nomination and Remuneration Committee has recommended to change her designation from Non-Executive director to Independent Director from August 31, 2015 up to August 30, 2020.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the confirmation of Ms. Binaisha as an Independent Director is now being placed before the Members for their approval as set out in Item No 5 of the Notice.

Notice to the Shareholders — contd.

Save as Ms. Binaisha, none of the Directors or relatives of directors is concerned or interested in the Resolution at Item No. 5 of the Notice.

Documents referred to above or 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 Ms. Binaisha –

Ms. Binaisha is multidimensional professional and leader with a defined track record of success in launching new brands at all levels. She has very wide experience of working with corporates. She is Master of Management Studies and has post graduate diploma in Personnel Management.

Item 6

In accordance with section 203 of the Act, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, the Company being a listed company is required to have whole time Key Managerial Personnel. In compliance of the same the Board of Directors, subject to approval of Members, has appointed Mr. Gaurav Swarup as Managing Director of the Company from 30th March, 2015.

Appointment of Mr. Swarup is governed by section 203(3) of the Act. According to the said section, a whole-time Key Managerial Personnel can hold office simultaneously in the holding as well as in a subsidiary company. The Company is subsidiary of Paharpur Cooling Towers Limited (PCTL) pursuant to section 2(87) (i) read with Explanation (b) of the Act. As per the aforesaid provision, PCTL controls the composition of the Board of Directors of the Company. Mr. Swarup is also Managing Director of PCTL.

Terms of appointment of Mr. Swarup as Managing Director are as per the resolution set out at Item 6, of the Notice. Mr. Swarup will not draw any remuneration as Managing Director. His appointment will be concurrent with his tenure as Managing Director of PCTL, i.e. up to 31.01.2017. Necessary returns have been filed with the MCA 21 in accordance with the Act.

The Nomination and Remuneration Committee has recommended the appointment of Mr. Swarup as Managing Director.

Mr. Swarup holds 1200 number of equity shares (0.20 %) in the Company.

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

Save as Mr. Swarup none of the Directors or relatives of directors is concerned or interested in the Resolution at Item No. 6 of the Notice.

Documents referred to above or 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. Gaurav Swarup

Mr. Swarup is a B.E. engineering and MBA from Harvard University, USA. He has vast experience in business management in general and engineering in particular. He is managing director of Paharpur Cooling Towers Limited, the Company's holding company.

By Order of the Board of Directors

A. V. SETALVAD

Chairman

Registered Office:

125, Maker Chambers III,
Nariman Point, Mumbai-400 021.

Mumbai, May 28, 2015.

Notice to the Shareholders — contd.

ANNEXURE

Details of Directors seeking appointment/re-appointment at the annual general meeting

Sr. No.	Particulars	Mr. Gaurav Swarup	Mrs. Binaisha Sundaram
1.	Date of Birth	21st November, 1956	11 th May 1967
2.	Date of Appointment	17th April, 1990	22 nd April 2015
3.	Qualifications	B.E., MBA (Harvard)	Master of Management Studies and Post Graduate in personnel management.
4.	Expertise in specific functional areas	Vast experience in engineering industry.	Multidimensional professional and leader
5.	Directorships held in other companies (excluding foreign companies)	<ol style="list-style-type: none"> 1. Paharpur Cooling Towers Ltd. (Managing Director) 2. Swadeshi Polytex Ltd 3. KSB Pumps Limited 4. Upper Ganges Sugar And Industries Limited 5. Til Limited 6. Medica Synergie Private Limited 7. Garima Pvt Ltd 8. Graphite India Limited 9. The Plastics Export Promotion Council 10. Harvard Business School Club Of India. 11. Floeter India Retort – Pouches Private Limited 	None
6.	Memberships/ Chairmanships of committees of other companies (includes only Audit Committee and Shareholders/ Investors Grievance Committee)	Member in six committees Chairman of four committees	None
7.	Number of Shares held in the Company	1200	Nil

Directors' Report for the Year Ended 31st March, 2015

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 31st March, 2015.

FINANCIAL RESULTS

Particulars	Rs in lakhs	
	Year ended 31.03.2015	Year ended 31.03.2014
Income	780.29	266.20
Expenditure		
(a) Expenses	64.68	50.31
(b) Provision for diminution in Long Term Investments	3.98	17.17
(c) Provision for Corporate Social Responsibility	10.00	—
Profit before taxation	701.63	198.72
Provision for taxation		
Current tax		
— For the year	45.00	5.10
— Minimum Alternate Tax credit	—	(5.10)
— Relating to earlier years	0.42	—
	45.42	—
Net Profit after taxation	656.21	198.72
Add: Balance brought forward from Balance Sheet	979.63	1,215.27
	1,635.84	1,413.99
Profit for appropriation		
Appropriation		
Dividend	319.98	319.98
Tax on Proposed Dividend	65.14	54.38
Special Reserve (in terms of Section 45-IC of RBI Act, 1934)	132.00	40.00
General Reserve	—	20.00
Depreciation as per Schedule II for earlier years	0.24	—
Balance carried to Balance Sheet	1,118.48	979.63
Balance carried to Balance Sheet	1,118.48	979.63
	1,635.84	1,413.99

DIVIDEND

Directors recommend dividend of Rs 55 per share (previous year Rs 55 per share).

HOLDING COMPANY

Paharpur Cooling Towers Limited (PCTL) controls the composition of the Board of Directors of the Company. Consequently PCTL 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.

Directors' Report for the Year Ended 31st March, 2015

DIRECTORS

Mr. Gaurav Swarup (DIN 00374298) retires by rotation and being eligible offers himself for re-appointment.

During the year Mr. Vikram Swarup (DIN 00163543) resigned on 12.11.2014. The Board of Directors wishes to place on record its appreciation of service rendered by Mr. Swarup as a Director.

In accordance with Article 115 of the Articles of Association of the Company and section 161 of the Act, Ms. Binaisha Sundaram (DIN 06637130) was appointed as a woman director on 22.04.2015 to fill the casual vacancy caused by the resignation of Mr. Vikram Swarup. Ms. Binaisha would hold office only till the date up to which Mr. Vikram Swarup in whose place she was appointed would have held office, namely till the annual general meeting to be held in the year 2017.

On recommendation of the Nomination and Remuneration Committee, at the ensuing annual general meeting it is proposed to confirm the appointment of Ms. Binaisha Sundaram as an independent director in terms of section 149 of the Act, from 31.08.2015 up to 30.08.2020. Ms. Binaisha Sundaram is an independent director in compliance with clause 49 of the Listing Agreement with the Bombay Stock Exchange. She meets criteria of Independent director in accordance with section 149 of the Act. Pursuant to section 149 read with section 152 of the Act, she has to be confirmed as an independent director for a period of five years.

KEY MANAGERIAL PERSONNEL

The Board of Directors has appointed the following Key Managerial Personnel (KMP) on 30.03.2015.

- Mr. Gaurav Swarup, Managing Director.
- Mr. A. K. Singhanian, Chief Financial Officer.
- Mr. Hirak Ghosh, Company Secretary.

All the above are also KMP of the PCTL. Therefore their appointment is covered by section 203(3) of the Act. Appointment of Mr. G Swarup as Managing Director is subject to approval of members at the ensuing annual general meeting. Tenure of Mr. Swarup is concurrent with his tenure as Managing Director in PCTL, i.e. up to 30.01.2017.

In compliance with the Act and Listing Agreement with the BSE 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.	Secretarial Audit Report Refer Para on qualification in the Secretarial Report	C
4.	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	D
5.	Extract of Annual Return in Form MGT 9	E
6.	Corporate Social Responsibility report in accordance with Section 135 of the Act read with the Rules	F
7.	Financial Summary/Highlights	G
8.	Consolidated Financial Statement	H

Directors' Report for the Year Ended 31st March, 2015

NUMBER OF MEETINGS OF THE BOARD

During the financial year under review the Board of Directors met five times. The details are given in the Corporate Governance Report (Annexure A). All suggestions of the Audit Committee have been accepted by the Board.

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, 2015 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; and
- (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.

AUDIT COMMITTEE

Members of the Audit Committee are Mr. A R Broacha, Mr. A K Modi and Mr. A V Setalvad. Details of the said committee are set out in the Corporate Governance Report (Annexure A).

A STATEMENT OF DECLARATION BY INDEPENDENT DIRECTORS

Mr. A R Broacha 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 Act, and clause 49 of the Listing Agreement.

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

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

With regard to remuneration, except Mr. G Swarup all the directors are non-executive director. Mr. Swarup will not draw any remuneration after 30.03.2015, the date of his appointment as KMP. Directors are paid sitting fee as well as commission based on the net profits of the Company. Mr. Gaurav Swarup has been paid commission based on profits for his tenure as non-executive director. The members have approved payment of commission within the limit laid down in the Act.

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 C).

Directors' Report for the Year Ended 31st March, 2015

Observations in the Report

- a. "The Company has appointed Ms Binaisha Sundaram, woman director, in accordance with second proviso to section 149(1) of the Companies Act, 2013 and clause 49(II)(A)(1) of the Listing Agreement with BSE on 22.04.2015, i.e. after the close of the financial year ended 31.03.2015. The BSE has proposed penalty of Rs. 50,000 pursuant to directive of Securities Exchange Board of India."
- b. "Penalty of Rs. 4961 paid to the BSE for late filing of shareholding pattern as at 31.03.2014 under clause 35 of the listing agreement."

Explanation

- a. The Board of Directors had made intensive search for a suitable woman candidate who could be inducted as an independent woman director before 31.03.2015. Like many other corporates, the Company faced difficulty in selection of suitable candidate and therefore there was delay in the appointment.
- b. There has been administrative delay.

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 Nos 7 and 9 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, Key Managerial Personnel 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.

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/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.

Directors' Report for the Year Ended 31st March, 2015

CORPORATE SOCIAL RESPONSIBILITY

In accordance with the Section 135 of the Act read with the Companies (Corporate Social Responsibilities) Rules, 2014, the Corporate Social Responsibility Committee was constituted during the year.

As recommended by the CSR committee the Board has adopted CSR policy which is available on the Website of the Company.

The budgeted expenditure of Rs. 10 lakhs as recommended by the CSR Committee has been provided in the accounts for the year ended 31.03.2015. It is proposed to contribute to Jnana Prabodhini Shivapradesh, NGO for a project of setting up a small hostel facility for girls as Velhe in the state of Maharashtra. During the year the money could not be spent as the project identified by the Board of Directors needed funds for the financial year 2015-16.

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

Save as mentioned under the Secretarial Audit Report above, 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 only two male employees of the Company. Further non-executive directors are paid commission related to profits and fees. The Managing Director has been appointed on 30.03.2015 and he is not to be paid remuneration.

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

AUDITORS' REPORT

There are no qualification or adverse remarks in the Auditor's Report.

AUDITORS

In accordance with Section 139 of the Act, the Company at the Annual General Meeting held on 24th September, 2014 appointed M/s. V S Somani & Co., Chartered Accountants, the existing statutory auditors (being a sole proprietary firm) for a period of three years. The appointment was to be ratified by members at every annual general meeting thereafter.

Directors' Report for the Year Ended 31st March, 2015

In accordance with provisions of Section 139 of the Act, the Board of Directors has received consent and certificates of eligibility and compliance of criteria under Section 141 of the said Act from M/s. V S Somani & Co., Chartered Accountants, Mumbai. Members are requested to ratify the appointment of the existing statutory auditors M/s. V S Somani & Co., Chartered Accountants, and fix their remuneration.

On behalf of the Board of Directors

A. V. SETALVAD

Chairman

Registered Office:

125, Maker Chambers III,
Nariman Point, Mumbai-400 021.

Mumbai, May 28, 2015.

DISCLOSURE UNDER CLAUSE 32 AND DECLARATION UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF CONDUCT

A. DISCLOSURE UNDER CLAUSE 32

Sr. No.	Disclosure of loans/advances/investments/outstanding during the year	As at 31st March, 2015 Rupees	Maximum amount during the year Rupees
1.	Loans and advances in the nature of loans to subsidiary	NIL	NIL
2.	Loans and advances in the nature of loans to associate	NIL	NIL
3.	Loans and advances in the nature of loans where there is (a) No repayment schedule or repayment beyond seven years (b) No interest or interest below section 372A of the Companies Act, 1956 by the name and amount		
4.	Loans and advances in the nature of loans to firms/companies in which directors are interested	NIL	NIL

B. In accordance with Clause 49 sub Clause-ID of the Listing Agreement with the Stock Exchange, 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, 2015.

On behalf of the Board of Directors

A. V. SETALVAD

Chairman

Mumbai, May 28, 2015.

ANNEXURE A

Report on Corporate Governance

A. MANDATORY REQUIREMENTS

1. A Brief Statement on 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 four 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 24.09.2014
Mr. A V Setalvad	Chairman NED	5	Yes
Mr. A R Broacha	NED I	5	Yes
Mr. G Swarup	NED	1	—
Mr. V Swarup Up to 12.11.2014	NED	1	—
Mr. A K Modi	NED I	4	—

NED — Non-Executive Director

NED I — Non-Executive Director – Independent

(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 other Boards @	No. of Memberships in other Board Committees #	No. of Chairmanships in other Board Committees #
Mr. A V Setalvad	2	None	None
Mr. A R Broacha	2	1	None
Mr. G Swarup	14	6	4
Mr. A K Modi	5	None	None

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

Memberships in Committees other than Audit Committee/ Shareholder Grievance Committee/ Remuneration Committee/ Management Committee/Share Transfer Committee of public limited companies and all Committees of private limited/foreign companies are excluded in the above table.

Report on Corporate Governance

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

Sr. No.	Date
1.	28.05.2014
2.	13.08.2014
3.	12.11.2014
4.	11.02.2015
5.	20.02.2015

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

In Compliance with the Companies Act, 2013 and clause 49 of the Listing Agreement with the Bombay Stock Exchange Limited (BSE) with regard to Corporate Governance the Board of Directors have appointed the following Key Managerial Personnel (KMP) w.e.f. 30.03.2015

- (a) Mr G. Swarup – *Managing Director*
- (b) Mr. A. K. Singhania – *Chief Financial Officer*
- (c) Mr. Hirak Ghose – *Company Secretary*

These KMPs are already 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.

3. 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 Listing Agreement with the BSE and the applicable Section of the Companies Act, 2013.

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

Names of the Members	Composition	No. of Meetings attended
Mr. A R Broacha, <i>Chairman</i>	NED I	5
Mr. A K Modi	NED I	4
Mr. A V Setalvad	NED	5

Report on Corporate Governance

(iii) Details of Audit Committee Meetings held during the year under review:

Sr. No.	Date
1.	28.05.2014
2.	13.08.2014
3.	12.11.2014
4.	11.02.2015
5.	20.02.2015

4. Nomination and Remuneration Committee

(i) Brief Description of Terms of Reference

The Nomination and Remuneration Committee has the power to perform the role and functions laid down in the clause 49 of the Listing Agreement with the BSE and Section 178 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014.

(ii) Composition, name of members and Chairperson

Names of the Members	Composition
Mr. G. Swarup, <i>Chairman</i>	NED
Mr. A K Modi	NED I
Mr. A R Broacha	NED I

(iii) Attendance during the year

One meeting was held on 11.04.2014 during the financial year ended 31.03.2015 and the same was attended by all the members.

(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. The members have approved payment of commission within the limit laid down in the Companies Act, 2013.

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

All the Directors are non-executive except Mr. G Swarup, Managing Director w.e.f. 30.03.2015. The Directors are paid sitting fees as well as commission based on the net profits of the Company within the limit approved by the members.

Report on Corporate Governance

Payments made/payable for the period from 01.04.2014 to 31.03.2015 is as under:

Rs.'000s

Name of the Directors	Commission	Sitting fees
Mr. A V Setalvad	1,30,000	48,000
Mr. A R Broacha	1,30,000	50,500
Mr. G Swarup	1,30,000	5,000
Mr. V Swarup (up to 12.11.2014)	80,000	2,000
Mr. Anish Modi	1,30,000	16,000

Mr. G Swarup has been appointed as the Managing Director from 30.03.2015. The commission is being paid for his tenure as non-executive director. He will not draw remuneration as a Managing Director for the next year. The Chief Financial Officer and Company Secretary are not paid any remuneration from the Company.

5. Shareholders' Grievance Committee

(i) Composition:

Members of the Committee are:

- (a) Mr. A R Broacha, Chairman (NED –I)
- (b) Mr. A V Setalvad

No meeting was held during the year.

(ii) Compliance Officer:

Mr. S V Narkar is a compliance officer.

(iii) Complaints:

22 complaints were received during the year under review. All the complaints have been resolved to the satisfaction of the shareholders. There were no pending transfers as on 31.03.2015.

6. Subsidiary Company

The Company has one non-material unlisted subsidiary, viz. New Holding and Trading Company Limited. Mr A. V. Setalvad and Mr. A. R. Broacha are also the directors of the subsidiary company. Ms. Devina Swarup was appointed on 27.03.2015 as a director of the subsidiary company in place of Mr. Gaurav Swarup.

Report on Corporate Governance

7. General Body meetings

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

Financial Year	Date	Time	Venue
31.03.2012	02.08.2012	3.00 pm	Indian Merchants Chamber, Churchgate Mumbai
31.03.2013	11.09.2013	3.00 pm	Bajaj Bhavan, Nariman Point, Mumbai
31.03.2014	24.09.2014	3.00 pm	Bajaj Bhavan, Nariman Point, Mumbai

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

Meetings:

Financial Year	Special Resolution Passed
31.03.2012	None
31.03.2013	None
31.03.2014	None

- (iii) Postal Ballot:

No resolution was required to be passed by means of a postal ballot during the last year.

8. 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 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 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) The Company has complied with the requirements of regulatory authorities on capital markets except in the following cases

For late filing of Shareholding pattern under clause 35 for the quarter ended 31.03.2014. Penalty paid Rs. 4961 on 15.05.2014

Post Balance Sheet event

The Company has appointed Ms Binaisha Sundaram, woman director, in accordance with the second proviso to section 149(1) of the Companies Act, 2013 and clause 49(II)(A)(1) of the Listing Agreement with the BSE on 22.04.2015, i.e. after the close of the financial year ended 31.03.2015. The BSE has proposed penalty of Rs. 50,000 pursuant to directive of Securities Exchange Board of India.

- (v) With regard to compliance with the non-mandatory requirements the same have been disclosed separately.

Report on Corporate Governance

- (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.

9. Means of Communication

(i) Quarterly Results	Published in the newspapers every quarter
(ii) Newspapers wherein results normally published	(i) Free Press Journal (ii) Navshakti (Marathi)
(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

10. General Shareholder Information

AGM: Date, Time and Venue	On Monday, 31 st August, 2015 at 3.00 pm at Bajaj Bhavan, Ground floor, (Kamalnayan Bajaj Hall) 220 Nariman Point, Mumbai
Financial Year	The financial year under review covers the period 1 st April, 2014 to 31 st March, 2015.
Date of Book Closure	From Thursday, 20 th August, 2015 to Monday, 31 st August, 2015 (both days inclusive)
Dividend Payment date	7 th September, 2015 onwards
Listing on Stock Exchanges	1. Bombay Stock Exchange Limited (BSE) 2. The Company has paid the listing fees for the period 1 st April 2015 to 31 st March 2016
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.
Distribution of Shareholding and Share holding pattern as on 31.03.2015	Please see Annexure 'C'

Report on Corporate Governance

Dematerialisation of shares and liquidity	5,20,976 shares were dematerialised as on 31.03.2015, representing 89.55% 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. C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai 400 078 Phone 022-25946970 E-mail: rnt.helpdesk@linkintime.co.in

B. NON-MANDATORY REQUIREMENTS

a. The Board

A non-executive Chairman has been provided with the office at the company's expense and is also allowed reimbursement of expenses incurred in performance of his duties.

b. Shareholders' Rights

Under review

c. Audit Qualifications

The financial statements of the Company are unqualified.

d. Separate Posts of Chairman and CEO

The Company has a separate post of the Chairman and the Managing Director

e. Reporting of Internal Auditor

The Internal Auditor is an employee of the Company and he reports directly to the Audit Committee.

For and on behalf of the Board of Directors

A. V. SETALVAD
Chairman

Mumbai, May 28, 2015.

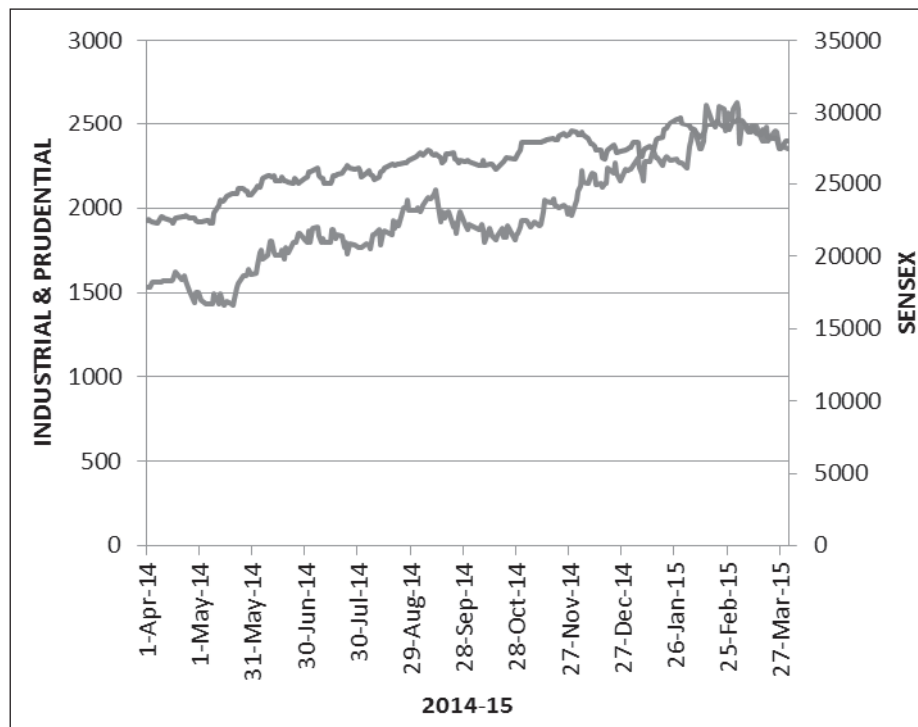
Report on Corporate Governance

ANNEXURE A

Price and volume of shares traded

Month/Year	BSE Ltd.		
	High (Rs.)	Low (Rs.)	Volume traded
2014			
April	1638	1485	624
May	1640	1489	1518
June	1850	1601	2153
July	1970	1825	3260
August	2170	1765	926
September	2190	2135	3431
October	1996	1902	918
November	2100	1900	1420
December	2345	2099	2604
2015			
January	2367	2311	1573
February	2834	2240	5047
March	2780	2265	6120

ANNEXURE B



Report on Corporate Governance

ANNEXURE C

Distribution of shareholding as on 31st March, 2015

Number of shares held	Members		Shares	
	Number	%	Number	%
1-500	1528	94.95	80633	13.86
501-1000	35	2.18	25158	4.32
1001-2000	23	1.43	32274	5.55
2001-3000	7	0.43	16536	2.84
3001-4000	6	0.38	21246	3.65
4001-5000	4	0.25	17760	3.05
5001-10000	3	0.19	23756	4.09
10001 and above	3	0.19	364417	62.64
TOTAL	1609	100.00	581780	100.00

Shareholding pattern as on 31st March, 2015

Category	No. of Members	No. of Shares held	% to the Capital
Indian Promoters	8	383355	65.89
Foreign Promoters	—	—	—
Mutual Funds & UTI	—	—	—
Banks, Financial Institutions and Insurance Companies	1	400	0.07
Foreign Institutional Investors	—	—	—
Private Corporate Bodies	38	14821	2.55
Indian Public/ Trust	1533	181351	31.17
Foreign Nationals/ NRIs	29	1853	0.32
TOTAL	1609	581780	100.00

Corporate Governance Compliance Certificate

Registration No. : L65990MH1913PLC000374

Nominal Capital : Rs. 1,00,00,000

Paid-up Capital : Rs. 58,17,800

To:

The Members,

M/S. THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED.

I have examined all relevant records of The Industrial and Prudential Investment Company Limited (the Company) for the purpose of certifying compliance of the Conditions of Corporate Governance Clause 49 of the Listing Agreement with Bombay Stock Exchange Limited for the financial year 1st April, 2014 to 31st March, 2015. 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 Listing Agreement, *except with regard to non- appointment of at least one woman director as at 31st March, 2015, as required under clause 49(II)(A)(1) of the Listing Agreement. However, the Board of Directors has appointed woman director on 22nd April, 2015.*

Based on the representation received from the Company and certified by the Registrar and Transfer Agent, no investor grievance is pending for a period exceeding one month as on 31st March, 2015, against the Company.

Sd/-

MAYUR MEHTA

Practising Company Secretary

C.P.No. 9952

Membership No. A3132

Place : Mumbai

Date : May 28, 2015.

ANNEXURE B

Management Discussion and Analysis

GLOBAL ECONOMY

During the financial year 2014-15 the global economy had subdued demand conditions, particularly in Europe and Japan. China, now world's second biggest economy, has slowed down, while euro zone problems continue.

INDIAN ECONOMY

After the results of the 2014 general elections, business confidence in Government's economics policy appears to have turned positive. The Government has announced various measures on the macro economic level to improve country's finances and stimulate growth. With lower oil prices and falling inflation all of this portends to improvement in GDP. However, the problems of fiscal deficit and current account Deficit remain while India continues to be buffeted by international winds.

FINANCIAL PERFORMANCE

The activities of the Company comprise of investment in equity shares quoted as well as unquoted, units of mutual funds, etc. The Board of Directors is apprised of the investments of the Company which it monitors on a regular basis.

The profit before tax for the year under review shows an improvement mainly on account of two factors namely higher dividend and profit on sale of investments. In the previous year, the company did not receive dividend from KSB Pumps Limited, the Company's major investment, which it received during the year, as is normal. The stock market was almost moribund during the previous year. On change in government it showed improvement during the year which has enabled the Company to achieve better results.

OPPORTUNITIES, THREATS, RISKS AND CONCERNS

The Company is exposed to risks that are particular to its business and the environment, within which it operates. The volatility in equity markets is a concern.

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

A. V. SETALVAD
Chairman

Mumbai, May 28, 2015.

Secretarial Audit Report for the Financial Year Ended 31st March, 2015

[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]

ANNEXURE C

To:

The Members,

THE INDUSTRIAL & 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 The Industrial & 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 The Industrial & 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, 2015 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 The Industrial & Prudential Investment Company Limited, ("the Company") for the financial year ended on 31st March, 2015 according to the provisions of :

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye –laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - iv. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - vi. 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;
 - vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2009; and
 - viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998
- (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.

Secretarial Audit Report for the Financial Year Ended 31st March, 2015

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

- (i) Secretarial standards issued by the Institute of Company Secretaries of India with regard to the compliance by a Company under the applicable clauses of the Secretarial Standards.
- (ii) The Listing Agreement entered into by the Company with Bombay Stock Exchange Limited (BSE).

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

- a. The Company has appointed Ms Binaisha Sundaram, woman director, in accordance with second proviso to section 149(1) of the Companies Act, 2013 and clause 49(II)(A)(1) of the Listing Agreement with the BSE on 22.04.2015, i.e. after the close of the financial year ended 31.03.2015. The BSE has proposed penalty of Rs. 50,000 pursuant to directive of Securities Exchange Board of India.
- b. Penalty of Rs. 4961 paid to the BSE for late filing of shareholding pattern as at 31.03.2014 under clause 35 of the listing agreement.

I further report that during year under review the Board of Directors of the Company is duly constituted with proper balance of executive directors, non- executive directors and independent directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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 the size and operations of the company to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines.

I further report that during the audit period 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 pursuant to Section 180 of the Companies Act, 2013
- iv. Merger/Amalgamation/reconstruction, etc.
- v. Foreign technical collaborations

Signature

MAYUR MEHTA
ACS 3132
C.P.No. 9952

Place : Mumbai
Date : May 28, 2015.

ANNEXURE D

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

(Rs. in Thousands)

		New Holding & Trading Co. Ltd.
1.	Reporting period	31.03.2015
2.	Share capital	502
3.	Reserves & surplus	37661
4.	Total assets	38190
5.	Total Liabilities	38190
6.	Investments	32672
7.	Revenue from operations	2012
8.	Profit before taxation	1890
9.	Provision for tax	61
10.	Proposed Dividend	0
11.	% of share holding	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

(Rs. in Thousands)

Name of Associates/Joint Ventures	KSB Pumps Ltd.
1. Latest audited Balance Sheet Date	31.12.2014
2. Shares of Associate/Joint Ventures held by the company on the year end	
No. (Including Subsidiary Holding) Holding	74,00,000
Amount of Investment in Associates/Joint Venture	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 Required
5. Net worth attributable to Shareholding as per latest audited Balance Sheet	11,59,472
6. Profit/Loss for the year	1,45,466
i. Considered in Consolidation	1,45,466
ii. Not Considered in Consolidation	—

For and on behalf of the Board of Directors

A. V. SETALVAD *Chairman*

HIRAK GHOSH
Company Secretary

A. R. BROACHA
A. K. MODI *Directors*

A. K. SINGHANIA *Chief Financial Officer*

Mumbai, May 28, 2015.

ANNEXURE E

Directors' Report for the Year Ended 31st March, 2015

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2015

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

I. REGISTRATION AND OTHER DETAILS:

Sr. No.	Particulars	Details
i.	CIN	L65990MH1913PLC000374
ii.	Registration Date	26.08.1913
iii.	Name of the Company	The Industrial and Prudential Investment Co Ltd
iv.	Category/Sub-Category of the Company	Public Company Limited by Shares
v.	Address of the Registered Office and Contact Details	125, Maker Chambers III, Nariman Point, Mumbai 400 021
vi.	Whether Listed Company	YES
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound L.B.S. Marg, Bhandup (W) Mumbai 400 078 Phone 022-25946970 E-mail: rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Investment	—	100%

III. 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 700 027	U02005WB1949PLC018363	Holding	42.79	2(87)(i) read with explanation(b)
2	New Holding and Trading Co Ltd 125, Maker Chambers III Nariman Point Mumbai 400 021	U65990MH1981PLC025981	Wholly owned subsidiary	100	2(87)(ii)
3	KSB Pumps Limited 126, Maker Chambers III Nariman Point Mumbai 400 021	L29120MH1960PLC011635	Associate	20.53	2(6) read with explanation

Directors' Report for the Year Ended 31st March, 2015

IV. SHAREHOLDING PATTERN (Equity Share Capital Break up as percentage of Total Equity)

(i) Category-wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	18,938	0	18,938	3.2552	18,938	0	18,938	3.2552	0.0000
b) Central Govt. or State Govt.	0	0	0	0.0000	0	0	0	0.0000	0.0000
c) Bodies Corporates	3,64,417	0	3,64,417	62.6383	3,64,417	0	3,64,417	62.6383	0.0000
d) Bank/FI	0	0	0	0.0000	0	0	0	0.0000	0.0000
e) Any other	0	0	0	0.0000	0	0	0	0.0000	0.0000
SUB TOTAL: (A) (1)	3,83,355	0	3,83,355	65.8935	3,83,355	0	3,83,355	65.8935	0.0000
(2) Foreign									
a) NRI- Individuals	0	0	0	0.0000	0	0	0	0.0000	0.0000
b) Other Individuals	0	0	0	0.0000	0	0	0	0.0000	0.0000
c) Bodies Corp.	0	0	0	0.0000	0	0	0	0.0000	0.0000
d) Banks/FI	0	0	0	0.0000	0	0	0	0.0000	0.0000
e) Any other...	0	0	0	0.0000	0	0	0	0.0000	0.0000
SUB TOTAL: (A) (2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	3,83,355	0	3,83,355	65.8935	3,83,355	0	3,83,355	65.8935	0.0000
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
b) Banks/FI	0	400	400	0.0688	0	400	400	0.0688	0.0000
c) Central govt	0	0	0	0.0000	0	0	0	0.0000	0.0000
d) State Govt.	0	56	56	0.0096	0	56	56	0.0096	0.0000
e) Venture Capital Fund	0	0	0	0.0000	0	0	0	0.0000	0.0000
f) Insurance Companies	0	0	0	0.0000	0	0	0	0.0000	0.0000
g) FIIS	0	0	0	0.0000	0	0	0	0.0000	0.0000
h) Foreign Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
i) Unit Trust of India	0	0	0	0.0000	0	0	0	0.0000	0.0000
SUB TOTAL (B)(1):	0	456	456	0.0784	0	456	456	0.0784	
(2) Non Institutions									
a) Bodies corporates									
i) Indian	7,548	1,090	8,638	1.4848	14,381	440	14,821	2.5475	1.0628
ii) Overseas	0	0	0	0.0000	0	0	0	0.0000	0.0000
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	1,24,599	59,311	1,83,910	31.6116	1,20,411	58,484	1,78,895	30.7496	-0.8620
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	0	0	0.0000	0	0	0	0.0000	0.0000
c) Others (specify)									
Non Resident Indians (Repat)	689	1,424	2,113	0.3632	389	1,424	1,813	0.3116	-0.0516
Non Resident Indians (Non Repat)	61	0	61	0.0105	40	0	40	0.0069	-0.0036
Foreign Company		0	0	0.0000	0	0	0	0.0000	0.0000
Clearing Member	1,097	0	1,097	0.1886	50	0	50	0.0086	-0.1800
Directors / Relatives	2,150	0	2,150	0.3696	2,150	0	2,150	0.3696	0.0000
Trust		0	0	0.0000	200	0	200	0.0344	0.0344
SUB TOTAL (B)(2):	1,36,144	61,825	1,97,969	34.0282	1,37,621	60,348	1,97,969	34.0282	
Total Public Shareholding (B)= (B)(1)+(B)(2)	1,36,144	62,281	1,98,425	34.1065	1,37,621	60,804	1,98,425	34.1065	
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	5,19,499	62,281	5,81,780	100.0000	5,20,976	60,804	5,81,780	100.0000	

Directors' Report for the Year Ended 31st March, 2015

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	% of change in share holding during the year
1	Paharpur Cooling Towers Ltd.	2,48,967	42.7940	0.0000	2,48,967	42.7940	0.0000	0.0000
2	Paharpur Corporation Limited	63,850	10.9749	0.0000	63,850	10.9749	0.0000	0.0000
3	Melvin Powel Vanaspati & Engg. Industries Ltd.	51,600	8.8693	0.0000	51,600	8.8693	0.0000	0.0000
4	Jeroo Anant Setalvad	4,484	0.7707	0.0000	4,484	0.7707	0.0000	0.0000
5	Bindu V. Swarup	3,000	0.5157	0.0000	3,000	0.5157	0.0000	0.0000
6	Gaurav Swarup	1,200	0.2063	0.0000	1,200	0.2063	0.0000	0.0000
7	Parul Swarup	1,138	0.1956	0.0000	1,138	0.1956	0.0000	0.0000
8	Vikram Swarup	0	0.0000	0.0000	9,116	1.5669	0.0000	1.5669

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

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Paharpur Cooling Towers Ltd. At the beginning of the year	2,48,967	42.7940	2,48,967	42.7940
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g allotment / transfer / bonus/ sweat equity etc):	0	0.0000	0	0.0000
	At the End of the year			2,48,967	42.7940
2	Paharpur Corporation Limited At the beginning of the year	63,850	10.9749	63,850	10.9749
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g allotment / transfer / bonus/ sweat equity etc):	0	0.0000		0.0000
	At the End of the year			63,850	10.9749

Directors' Report for the Year Ended 31st March, 2015

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3	Melvin Powel Vanaspati & Engg. Industries Ltd. At the beginning of the year	51,600	8.8693	51,600	8.8693
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g allotment / transfer / bonus/ sweat equity etc):	0	0.0000	0	0.0000
	At the End of the year			51,600	8.8693
4	Jeroo Anant Setalvad At the beginning of the year	4,484	0.7707	4,484	0.7707
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g allotment / transfer / bonus/ sweat equity etc):	0	0.0000	0	0.0000
	At the End of the year			4,484	0.7707
5	Bindu V. Swarup At the beginning of the year	3,000	0.5157	3,000	0.5157
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g allotment / transfer / bonus/ sweat equity etc):	0	0.0000	0	0.0000
	At the End of the year			3,000	0.5157
6	Gaurav Swarup At the beginning of the year	1,200	0.2063	1,200	0.2063
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g allotment / transfer / bonus/ sweat equity etc):	0	0.0000	0	0.0000
	At the End of the year			1,200	0.2063
7	Parul Swarup At the beginning of the year	1,138	0.1956		0.0000
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g allotment / transfer / bonus/ sweat equity etc):	0	0.0000	0	0.0000
	At the End of the year			1,138	0.1956
8	Vikram Swarup At the beginning of the year	0	0.0000	0	0.0000
	23/05/2014 (Market Purchase)	9,116	1.5669	9,116	1.5669
	At the End of the year			9,116	1.5669

Directors' Report for the Year Ended 31st March, 2015

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

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	PAVANKUMAR SANWARMAL				
	At the beginning of the year	17,310	2.98	17,310	2.98
	15/08/2014 (Market Sell)	-10,000	-1.72	7,310	1.26
	17/10/2014 (Market Sell)	-40	-0.01	7,270	1.25
	At the end of the year (or on the date of separation, if separated during the year)			7,270	1.25
2	SITA ATUL SETALVAD				
	At the beginning of the year	6,382	1.10	6,382	1.10
	Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc)	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)			6,382	1.10
3	VIPUL RAMESHCHANDRA SHAH				
	At the beginning of the year	5,088	0.87	5,088	0.87
	Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc)	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)			5,088	0.87
4	DIPAK KANAYALAL SHAH				
	At the beginning of the year	4,696	0.81	4,696	0.81
	11/04/2014 (Market Purchase)	4	0.00	4,700	0.81
	19/09/2014 (Market Purchase)	10	0.00	4,710	0.81
	At the end of the year (or on the date of separation, if separated during the year)			4,710	0.81

Directors' Report for the Year Ended 31st March, 2015

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	SADHANA DESAI AHUJA				
	At the end of the year (or on the date of separation, if separated during the year)	4,128	0.71	4,128	0.71
	Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc)	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)			4,128	0.71
6	HEMANG RAJNIKANT MANIAR				
	At the beginning of the year	4,000	0.69	4,000	0.69
	Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc)	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)			4,000	0.69
7	KASTOORBAI PREMJI VISHRANI				
	At the beginning of the year	3,910	0.67	3,910	0.67
	06/02/2015 (Market Sell)	-3,910	-0.67	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)			0	0.00
8	YOGESH MATHURADAS				
	At the beginning of the year	3,606	0.62	3,606	0.62
	Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc)	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)			3,606	0.62

Directors' Report for the Year Ended 31st March, 2015

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
9	PRAVIN KANTILAL VAKIL				
	At the beginning of the year	3,574	0.61	3,574	0.61
	Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc)	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)			3,574	0.61
10	KOKILA RAJNIKANT MANIAR				
	At the beginning of the year	3,380	0.58	3,380	0.58
	Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc)	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)			3,380	0.58

Directors' Report for the Year Ended 31st March, 2015

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Aspy Rustom Broacha				
	At the beginning of the year	2,150	0.3696	2,150	0.3696
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g allotment / transfer / bonus/ sweat equity etc):	0	0.0000	0	0.0000
	At the End of the year			2,150	0.3696

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				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	NIL	NIL	NIL

Directors' Report for the Year Ended 31st March, 2015

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
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL
	(b) Value of perquisites u/s17(2) Income-tax Act,1961	NIL	NIL
	(c) Profits in lieu of salary under section17(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	NIL	NIL
Total (A)		NIL	NIL
Ceiling as per the Act		NIL	NIL

B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount
		A R Broacha	A K Modi	A V Setalvad	V Swarup	G Swarup	
		Independent	Independent	Non-Executive	Non-Executive (Up to 12.11.2014)	Non-Executive (Up to 29.03.2015)	
1.	Independent Directors						
	Fee for attending board/committee meetings	50,500	16,000				66,500
	Commission	1,30,000	1,30,000				2,60,000
	Others, please specify						
Total (1)	1,80,500	1,46,000				3,26,500	
2.	Other Non-executive directors						
	Fee for attending board/committee meetings			48,000	2,000	5,000	55,000
	Commission			1,30,000	80,000	1,30,000	3,40,000
	Others, please specify						
Total (2)				1,78,000	82,000	1,35,000	3,95,000
Total (B) = (1+2)		1,80,500	1,46,000	1,78,000	82,000	1,35,000	7,21,500
	Total Managerial Remuneration						7,21,500
	Overall Ceiling as per the Act						21,000,000

Note: Mr. G Swarup was appointed as a Managing Director w.e.f. 30.03.2015. Commission and sitting fees have been paid to him during his tenure as a Non-executive director.

Directors' Report for the Year Ended 31st March, 2015

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	CFO	CS	
1.	Gross salary	NIL	NIL	NIL	NIL
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section17(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	NIL	NIL

VI. 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
B. DIRECTORS					
Penalty	None	None	None	None	None
Punishment	None	None	None	None	None
Compounding	None	None	None	None	None
C. OTHER OFFICERS IN DEFAULT					
Penalty	None	None	None	None	None
Punishment	None	None	None	None	None
Compounding	None	None	None	None	None

ANNEXURE F

**ANNUAL REPORT ON CSR ACTIVITIES
FORMING PART OF THE
BOARD'S REPORT
2014-15**

Sr. No.	Particulars				Remarks		
1.	A brief outline of the Company's CSR policy, including overview of projects or programs 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 and sanitation and rural development in particular.		
2.	Composition of CSR committee				Constituted on 11.02.2015. Members: Mr. A V Setalvad Mr. A R Broacha Mr. Gaurav Swarup		
3.	Average net profits of the Company for last three financial years				Rs. 4.90 crore		
4.	Prescribed CSR Expenditure ((two per cent of the amount as in item 3 above)				Rs. 10.00 lakhs (rounded)		
5.	Details of CSR spent during the year (a) Total amount to be spent for the financial year ended 31.03.2015 (b) Amount unspent, if any (c) Manner in which the amount spent during the financial year is detailed below				Rs. 10.00 lakhs Rs. 10.00 lakhs. However provided in the financial statement		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) Project or programs-wise	Amount spent on the projects or program sub heads 1. Direct expenditure on projects or program 2. Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1.	Hostel for girls	Education	Maharashtra	10.00	NIL	NIL	NIL

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.

Chairman CSR Committee

Mumbai, May 28, 2015

ANNEXURE G
FINANCIAL SUMMARY/HIGHLIGHTS

Rs. in '000s

PARTICULARS	31.03.2015	31.03.2014	31.03.2013
Balance Sheet Items			
Paid up Capital	5821	5821	5821
Reserves and Surplus.	286113	259028	276592
Non-Current Investments	320152	264430	245134
Current Investments	4410	35785	50570
Profit and Loss Accounts			
Revenue from Operations	78029	26620	84500
Expenses	7896	6748	6618
Profit before tax	70163	19872	77882
Dividend	31998	31998	31998
Retained earnings	111848	97963	121527
Earning per Shsres	112.79	34.16	134.03
Dividend per Shares	55	55	55

Independent Auditors' Report

TO THE MEMBERS OF THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of **THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the 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, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its statement of Profit and its cash flows for the year ended on that date.

Independent Auditors' Report

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our Information and according to the explanations given to us:
 - i. the Company does not have any pending litigations which would impact its financial position as on 31st March 2015.
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. there are no amounts which are required to be transferred, to the Investor Education and Protection Fund by the Company.

For V.S. SOMANI & CO.

Chartered Accountants

Firm Registration No.: 117589W

VIDYADHAR SOMANI

Proprietor

Membership No.: 102664

Place : Mumbai

Date : May 28, 2015

Annexure to the Independent Auditors' Report

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

(Matters referred to in clause (ii) and (vi) of the Order are not applicable)

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, physical verification of fixed assets was conducted by the management during the year. No material discrepancies were noticed on such physical verification.
- ii. The Company has not granted any loans, secured or unsecured, during the year to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly, sub-clause (a) and (b) are not applicable.
- iii. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets. During the course of our audit, we have not observed any major weaknesses in internal control system.
- iv. The Company has not accepted any deposits from the public.
- v. (a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Income-tax, Service Tax, cess and any other statutory dues applicable to it. Based on our audit procedures and according to the information and explanations given to us, there are no arrears of undisputed statutory dues which remained outstanding as at 31st March 2015 for a period of more than six months from the date they became payable.
- (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 or Service Tax or cess, which have not been deposited on account of any dispute.
- (c) There are no amounts which are required to be transferred, to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.
- vi. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the financial year preceding the financial year.
- vii. The Company has not taken any loans from any banks or financial institutions and has not issued any debentures.
- viii. On the basis of the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- ix. The Company has not availed any term loans.
- x. According to the information and explanation given to us, no fraud on or by the Company, has been noticed or reported during the year in the course of our audit.

For V.S. SOMANI & CO.

Chartered Accountants

Firm Registration No.: 117589W

VIDYADHAR SOMANI

Proprietor

Membership No.: 102664

Place : Mumbai

Date : May 28, 2015

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Balance Sheet as at 31st March, 2015

		Rs. in Thousand	
PARTICULARS	NOTES	As at 31-03-2015	As at 31-03-2014
I EQUITY AND LIABILITIES			
(1) SHAREHOLDERS' FUNDS			
(a) Share Capital	2	5,821	5,821
(b) Reserves and Surplus	3	286,113	259,028
(c) Money received against Share Warrants		—	—
Sub-Total — Shareholders Funds		291,934	264,849
(2) SHARE APPLICATION MONEY Pending allotment		—	—
(3) NON - CURRENT LIABILITIES			
(a) Long - term borrowings		—	—
(b) Deferred tax Liabilities		—	—
(c) Other Long Term Liabilities		—	—
(d) Long - term Provisions		—	—
Sub-Total — Non Current Liabilities		—	—
(4) CURRENT LIABILITIES			
(a) Short - term borrowings		—	—
(b) Trade Payables		1,175	3,078
(c) Other Current Liabilities	4	4,295	3,376
(d) Short - term Provisions	5	46,763	38,343
Sub-Total — Current Liabilities		52,233	44,797
TOTAL-I		344,167	309,646
II ASSETS			
(1) NON - CURRENT ASSETS			
(a) Fixed assets			
(i) Tangible assets	6	42	93
(ii) Intangible assets		—	—
(iii) Capital work in progress		—	—
(iv) Intangible assets under development		—	—
(b) Non-Current Investments	7	320,152	264,430
(c) Deferred Tax assets		—	—
(d) Long Term Loans and Advances	8	75	—
(e) Other non-current assets		7	15
Sub-Total — Non Current Assets		320,276	264,538
(2) CURRENT ASSETS			
(a) Current Investments	9	4,410	35,785
(b) Inventories		—	—
(c) Trade receivables		—	—
(d) Cash and Cash equivalents	10	13,584	7,855
(e) Short Term Loan and Advances	11	5,870	1,287
(f) Other Current assets	12	27	181
Sub-Total — Current Assets		23,891	45,108
TOTAL-II		344,167	309,646
See accompanying notes to the financial statements	1		

As per our report attached

For and on behalf of the Board of Directors

For V. S. SOMANI & CO.

Chartered Accountants

A. V. SETALVAD

Chairman

CA. V. S. SOMANI

Proprietor

HIRAK GHOSH

Company Secretary

A. R. BROACHA

A. K. MODI

Directors

A. K. SINGHANIA

Chief Financial Officer

Mumbai, May 28, 2015.

Mumbai, May 28, 2015.

Statement of Profit and Loss for the year ended 31st March, 2015

		Rs. in Thousand	
	NOTES	For the year ended 31.03.2015	For the year ended 31.03.2014
I Revenue from operations – Interest		1	11
II Other Income	15	78,028	26,609
III Total Revenue (I + II)		78,029	26,620
IV Expenses			
Cost of Materials Consumed		—	—
Purchase of Stock in Trade		—	—
Changes in inventories of finished goods, work in progress and stock in Trade		—	—
Employee benefits Expenses		2,909	907
Finance Cost		—	—
Depreciation and amortisation Expenses		39	21
Other Expenses	16	4,918	5,820
TOTAL EXPENSES		7,866	6,748
V Profit before exceptional and extraordinary items and tax (III – IV)		70,163	19,872
VI Exceptional item		—	—
VII Profit before extraordinary items and tax (V – VI)		70,163	19,872
VIII Extraordinary Items		—	—
IX Profit before Tax (VII – VIII)		70,163	19,872
X Tax Expenses			
(1) Current Tax		4,500	510
(2) Minimum Alternate Tax credit		—	(510)
(3) Short/(Excess) provision of earlier year		42	—
(4) Deferred Tax		—	—
		4,542	—
XI Profit for the year from continuing operations		65,621	19,872
XII Profit/(Loss) from discontinuing operations		—	—
XIII Tax Expenses of discontinuing operations		—	—
XIV Profit/(Loss) from discontinuing operations (after Tax) (XII-XIII)		—	—
XV Profit/(Loss) for the year		65,621	19,872
XVI Earning per equity Share			
(1) Basic		112.79	34.16
(2) Diluted		112.79	34.16

See accompanying notes to the financial statements

1

As per our report attached

For and on behalf of the Board of Directors

For V. S. SOMANI & CO.

Chartered Accountants

A. V. SETALVAD

Chairman

CA. V. S. SOMANI

Proprietor

HIRAK GHOSH

Company Secretary

A. R. BROACHA

A. K. MODI

Directors

A. K. SINGHANIA

Chief Financial Officer

Mumbai, May 28, 2015.

Mumbai, May 28, 2015.

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Cash Flow for the year ended 31st March, 2015

	Rs. in Thousand	
	As at 31.03.2015	As at 31.03.2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	70,163	19,872
Adjusted for:		
Depreciation	39	21
Investment income	(77,297)	(25,186)
Carrying amount of investments (net)	(731)	(243)
Provision for Diminution in Long Term Investment	398	1,717
	(77,591)	(23,691)
Operating Profit/(Loss) before Working Capital Changes ..	(7,428)	(3,819)
Changes in		
Trade and Other Receivable	162	6,197
Trade and Other Payables	975	1,990
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	(6,291)	4,368
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets (Including Advances)	(87)	(32)
Purchase of Investments	(201,145)	(177,784)
Sale of Investments	202,163	150,728
Dividend Received	51,561	22,658
Income from Mutual Fund	700	1,350
Cash Generated from Investing Activities.	53,192	(3,080)
Direct Taxes Paid	(4,623)	—
NET CASH FROM/(USED IN) INVESTING ACTIVITIES	48,569	(3,080)
C. CASH FLOW FROM FINANCIAL ACTIVITIES		
Dividend Paid	(31,111)	(31,311)
Tax on Dividend	(5,438)	(5,438)
NET CASH USED IN FINANCIAL ACTIVITIES	(36,549)	(36,749)
NET CHANGES IN CASH & CASH EQUIVALENTS (A+B+C)	5,729	(35,461)
CASH AND CASH EQUIVALENTS - OPENING BALANCE	7,855	43,316
CASH AND CASH EQUIVALENTS - CLOSING BALANCE	13,584	7,855
(Refer Note 2.)		

- NOTES:** 1. All figures in brackets are outflows.
2. Cash and Bank Balances includes balance lying with designated Banks in unclaimed dividend accounts Rs. 4,091/- (Previous year Rs. 3,203/-).
3. Previous year figures have been regrouped wherever necessary.

As per our report attached

For V. S. SOMANI & CO.

Chartered Accountants

CA. V. S. SOMANI

Proprietor

HIRAK GHOSH

Company Secretary

For and on behalf of the Board of Directors

A. V. SETALVAD

Chairman

A. R. BROACHA

A. K. MODI

Directors

A. K. SINGHANIA

Chief Financial Officer

Mumbai, May 28, 2015.

Mumbai, May 28, 2015.

Notes Forming Part of the Financial Statements for the year ended 31st March, 2015

NOTE – 1 — SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared on historical cost convention and on accrual basis. The financial statements have been prepared in accordance with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006 and as per Section 129 and 133 of the Companies Act, 2013.

(b) Fixed Assets

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

(c) Depreciation

Depreciation is provided on the written down value method prescribed in Schedule II of the Companies Act, 2013.

(d) Investments

- (i) Investments have been categorised as Long Term or Current by the Board of Directors.
- (ii) Long Term Investments are stated at cost plus brokerage and other relevant charges. A Provision for diminution is made to recognise a decline, other than temporary, if any.
- (iii) Current Investments are valued at lower of Cost or Market value.

(e) 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.

(f) Retirement Benefits

The Company has provided gratuity based on the assumption that the employees will retire as on the balance sheet date.

(g) Taxes on Income:

- (i) Current Tax
Provision for Income Tax is determined in accordance with the provisions the Income Tax Act, 1961.
- (ii) Deferred Tax
Deferred tax is recognised on timing differences being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period(s).

(h) Provisions and Contingent Liabilities:

- (i) A provision is recognised when there is present obligation as a result of past event and it is obligation probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.
- (ii) A disclosure for a contingent liability is made when there is a possible or present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation in respect of which the likelihood of out flow of resources is remote, no provision or disclosure is made.

Notes Forming Part of the Financial Statements for the year ended 31st March, 2015

		Rs. in Thousand	
		As at 31-03-2015	As at 31-03-2014
NOTE – 2 — SHARE CAPITAL			
Authorised:			
10,00,000 (10,00,000) Equity Shares of Rs. 10 each		<u>10,000</u>	<u>10,000</u>
Issued, Subscribed and Paid-up:			
5,81,780 (5,81,780) Equity Shares of Rs. 10 each		5,818	5,818
Forefited Shares		<u>3</u>	<u>3</u>
		<u>5,821</u>	<u>5,821</u>

(a) Reconciliation of the number of shares

Particulars	2014-15		2013-14	
	Equity Shares		Equity Shares	
	Numbers	Rupees	Numbers	Rupees
Shares outstanding at the beginning of the year	581,780	5,818	581,780	5,818
Shares Issued during the year	—	—	—	—
Shares bought back during the year	—	—	—	—
Shares outstanding at the end of the year	581,780	5,818	581,780	5,818

(b) Terms and Rights attached to equity shareholders

The Company has only One class of Equity Shares having par value of Rs. 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, (As certified by the Management on which Auditors have relied.)

Name of the Shareholder	31/03/2015		31/03/2014	
	No. of Shares	% of Holding	No. of Shares	% of Holding
1. Paharpur Cooling Towers Ltd.	248,967	42.79	248,967	42.79
2. Melvin Powell Vanaspati & Engineering Limited	51,600	8.87	51,600	8.87
3. Paharpur Corporation Limited	63,850	10.97	63,850	10.97

Notes Forming Part of the Financial Statements for the year ended 31st March, 2015

	Rs. in Thousand	
	As at 31-03-2015	As at 31-03-2014
NOTE – 3 — RESERVES AND SURPLUS		
Capital Reserve		
Balance as per last Balance Sheet	65	65
General Reserve		
Balance as per last Balance Sheet	64,400	62,400
Add: Transferred from surplus	0	2,000
	64,400	64,400
Special Reserve		
(In terms of Section 45-IC of Reserve Bank of India Act)		
Balance as per last Balance Sheet	96,600	92,600
Add: Transferred from surplus	13,200	4,000
	109,800	96,600
Surplus		
Balance as per last Balance Sheet	97,963	121,527
Add: Profit for the year as per Profit and Loss Statement	65,621	19,872
	163,584	141,399
Less: Appropriations:		
Transferred to:		
Special Reserve	13,200	4,000
General Reserve	—	2,000
Proposed Dividend	31,998	31,998
Tax on Dividend	6,514	5,438
Depreciation as per Schedule II for earlier Years	24	—
	51,736	43,436
	111,848	97,963
TOTAL	286,113	259,028
NOTE – 4 — OTHER CURRENT LIABILITIES		
	As at 31-03-2015 Rupees	As at 31-03-2014 Rupees
Unclaimed Dividend	4,090	3,203
Tax Deducted at source	122	86
Service Tax	83	87
TOTAL	4,295	3,376
NOTE – 5 — SHORT TERM PROVISIONS		
Provision for Income Tax	5,405	907
Provision for Proposed Dividend	31,998	31,998
Tax on Proposed Dividend	6,514	5,438
Provision towards Corporate Social Responsibility	1,000	—
Retirement Benefits	1,846	—
TOTAL	46,763	38,343

Notes Forming Part of the Financial Statements for the year ended 31st March, 2015

NOTE – 6 — TANGIBLE FIXED ASSETS

Rs. in Thousand

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2014	Additions during the year	Deductions/ Adjustments during the year	As at 31.03.2015	Upto 01.04.2014	For the year	Deductions/ Adjustments during the year	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014
1 Office Premises	152	—	—	152	124	3	—	127	25	28
2 Furnitures and Fixtures	380	—	—	380	371	—	9	380	—	9
3 Office Equipments	117	—	—	117	95	9	12	116	1	22
4 Others Computers	498	12	—	510	464	27	3	494	16	34
TOTAL	1,147	12	—	1,159	1,054	39	24	1,117	42	93
Previous year	1,115	32	—	1,147	1,033	21	—	1,054	93	82

NOTE: Office Premises includes Rs. 250 (Previous year Rs. 250/-) being the cost of shares in Co-operative Society.

Rs. in Thousand

NOTE – 7 — NON CURRENT INVESTMENTS
(Fully Paid-up)

Face Value Rupees Holding Nos. As at 31-03-2015 As at 31-03-2014

Name of the Company

I. A. LONG TERM QUOTED — (NON TRADE) (AT COST)

(a) Investment in Equity Instruments

3i Infotech Limited	10	95,000	2,666	2,065
ACC. Limited	10	7,000	438	438
Alstom T. & D. India Limited	2	50,000	788	788
Amara Raja Batteries Limited	1	105,000	1,004	1,004
Ashapura Minechem Limited	2	62,000	2,537	1,726
BASF India Limited	10	10,000	3,202	279
BEML Limited	10	8,500	1,877	1,877
Bharat Electronics Limited	10	3,000	1,196	1,196
Bharat Forge Limited	2	16,000	1,383	1,383
Bharti Airtel Limited	5	17,500	2,274	2,274
Bosch Limited	10	2,000	11	11
Century Textile and Industries Limited	10	4,500	2,394	426
Cairn India Limited	10	4,400	1,484	1484
Dish TV India Limited	1	5,000	—	71
Dr. Reddy's Laboratories Limited	5	4,000	2,029	2,029
Gail (India) Limited	10	28,500	4,322	4,322
Heidelberg Cement Limited	10	25,000	1,785	—
Hindustan Unilever Limited	1	73,000	191	191
IDBI Bank Limited	10	15,000	1,170	1,170
Infosys Technologies Limited	5	216,000	2,111	2,111
ITC Limited	1	18,000	1,127	1,127
KSB Pumps Limited	10	7,140,000	—	17,401
LIC Housing Finance Limited	2	7,500	—	1,463
Monsanto India Limited	10	1,600	673	673
N C C Ltd.	2	54,000	—	1,458
Nestle India Limited	10	14,000	178	178
NTPC Limited	10	21,000	1,684	1,684
Orient Abrasives Limited	1	65,000	—	622

Notes Forming Part of the Financial Statements for the year ended 31st March, 2015

Rs. in Thousand				
NOTE – 7 — NON CURRENT INVESTMENTS (Fully Paid-up) — contd.	Face Value Rupees	Holding Nos.	As at 31-03-2015	As at 31-03-2014
Name of the Company				
Orient Refractories Limited	10	90,000	401	401
Piramal Enterprises Ltd	2	20,500	1,557	1,557
Piramal Glass Ltd.	10	12,356	—	1,128
Ranbaxy Laboratories Limited	5	10,000	3,224	892
Reliance Industries Limited	10	16,000	1,455	1,455
Schneider Electric Infrastructure Limited	2	50,000	237	237
Selan Exploration Technology Limited	10	11,000	805	805
Siemens Limited	2	25,000	195	195
State Bank of India	1	38,000	2,156	2,156
Tata Consultancy Services Limited	1	14,000	6,671	6,671
Tata Motors Limited	2	20,000	388	388
Tata Motors Limited (DVR)	2	39,250	3,395	3,395
Tata Steel Limited	10	10,800	2,764	2,764
Tech Mahindra Limited	5	12,000	1,943	1,943
The Federal Bank Limited	2	15,000	—	1,041
The Great Eastern Shipping Company Limited	10	30,400	5,057	5,057
The Indian Hotels Company Limited	1	79,200	1,508	1,508
The Karur Vysya Bank Limited	10	38,000	3,591	3,591
The Tata Power Company Limited	1	260,000	2,884	780
Timken India Limited	10	7,000	1,433	1433
Titan Industries Limited	1	282,000	3,084	3,084
Vikas W.S.P. Limited	1	80,000	3,216	2,231
Zee Entertainment Enterprises Limited	1	20,808	799	799
Investments in Associates:				
KSB Pumps Limited	10	7,140,000	17,401	—
Sub-Total – (a)			<u>100,688</u>	<u>92,962</u>
(b) Investment in Preference Shares:				
Zee Entertainment Enterprises Ltd. (6%)	1	436,968	—	—
(Redeemable on 14th March 2022)				
Sub-Total – (b)			<u>—</u>	<u>—</u>
(c) Investment in Debentures:				
NTPC Limited–SR–54- 8.49% – Non-Convertible ..	12.5	21,000	—	—
(Redeemable on 25th March 2025)				
The Indian Hotels Co. Ltd. – Compulsory Convertible	1	17,820	980	—
(Convertible to Equity Shares on 1st March 2016)				
Sub-Total – (c)			<u>—</u>	<u>—</u>
Total – A (a + b + c)			<u><u>101,668</u></u>	<u><u>92,962</u></u>

Notes Forming Part of the Financial Statements for the year ended 31st March, 2015

			Rs. in Thousand	
NOTE – 7 — NON CURRENT INVESTMENTS (Fully Paid-up) — contd.			As at 31-03-2015	As at 31-03-2014
Name of the Company	Face Value Rupees	Holding Nos.		
I. B. Unquoted Long Term				
(a) Equity Shares (Fully Paid)				
(i) In Subsidiary (Trade)				
New Holding and Trading Company Limited ...	100	5,025	3	3
[Sub Total (i)]			3	3
(ii) Others (Non-Trade)				
Bombay Stock Exchange Limited	1	13,500	3,078	3,078
Niyuprene Plastics Company Limited	10	1,000	—	—
Siltronics (India) Limited	10	30	—	—
[Sub Total (ii)]			3,078	3,078
[Sub Total (a) = (i + ii)]			3,081	3,081
(b) Investments In Mutual Fund (Non-Trade)				
Birla Sunlife Mutual Fund:				
1. Income Plus Growth	10	197,594	10,000	10,000
2. Birla Short Term Opportunity Fund – Growth .	10	289,577	5,876	5,876
HDFC Mutual Fund:				
– Balance Fund (Growth)	10	104,243	10,000	—
– Income Fund Growth	10	258,093	7,000	7,000
– Index Fund – Nifty Plan	10	265,285	18,000	—
ICICI Prudential Mutual Fund:				
1. Balance Fund Regular Plan – Growth	10	119,933	10,000	—
3. Income Plan Growth	10	624,946	23,171	14,731
6. Income-Regular Plan Qtrly Dividend	10	670,260	—	8,912
7. Regular Saving Fund Growth	10	766,871	9,671	15,000
IL & FS Milestone Fund - II	1000	20,000	20,000	20,000
IDFC Super Saver-Income Plan-Investment				
Plan A-Growth	10	525,249	14,625	25,533
IDFC Super Saver-Fix Term Series-62-Reg.-				
Plan-Growth	10	700,000	7,000	7,000
JM Mutual Fund				
1. G-Sec Fund-Regular Plan Dividend	10	597,292	—	10,000
2. G-Sec Fund-Regular Plan Growth	10	272,977	10,850	—
3. Money Manager Super Pl. Daily Dividend	10	761,235	—	7,623
4. Money Manager Super Pl. Growth	10	256,832	5,000	—
Master Plus-1991 Unit Trust of India	10	40,000	—	775
Reliance Regular Saving Fund-Debt Plan-Growth .	10	790,414	—	12,654
Reliance Regular Saving Fund-Debt Plan-Dividend	10	1,059,073	18,000	—
UTI Bond Fund-Growth	10	705,749	25,000	25,000
UTI Leadership Equity Fund-Dividend Payout	10	166,857	3,325	—
UTI Nifty Index Fund Growth	10	390,558	20,000	—
[Sub Total (b)]			217,518	170,104
[Total — B (a + b)]			220,599	173,185
TOTAL — I (A + B)			322,267	266,147
Less: Provision for Diminution in the value of Investments			2,115	1,717
TOTAL — Net			320,152	264,430
Aggregate Cost of Quoted Investments			101,668	92,962
Aggregate Cost of Unquoted Investments			220,599	173,185
Market Value of Quoted Investments			6,643,368	3,209,543
Provision for diminution in the value of Investments			2,115	1,717

Notes Forming Part of the Financial Statements for the year ended 31st March, 2015

Rs. in Thousand

**NOTE – 8 — LONG TERM LOANS AND ADVANCES
(Unsecured, Considered Good)**

	As on 31-03-2015	As on 31-03-2014
Capital Advance	75	—
TOTAL	75	—

Rs. in Thousand

NOTE – 9 — CURRENT INVESTMENTS

Name of the Company	Face Value Rupees	Holding Nos.	As at 31-03-2015	As at 31-03-2014
A. Current Quoted				
(a) Equity Shares (Fully Paid)				
Dr. Reddy's Laboratories Ltd.	5	1,415	—	3,628
Eicher Motors Limited	10	620	—	791
ICICI Bank Limited	10	3,225	—	4,005
Kewal Kiran Clothing Ltd.	10	3,350	—	3,869
Larsen & Toubro Ltd.	2	3,175	—	3,969
Lupin Limited	2	6,300	—	3,505
Mahindra and Mahindra Financial Services Limited	2	16,075	—	4,051
Tech Mahindra Limited	10	2,258	—	2,171
Titan Industries Limited	1	28,500	1,910	1,910
Va Tech Wabag Limited	2	8,850	—	4,608
Total — A			1,910	32,507
B. Current Unquoted				
Mutual Fund				
JM Money Manager Super Plus Plan Daily Divi. ...	10	77,744	—	778
Reliance Pharma Fund-Div. Plan-Div. Payout	10	62,468	2,500	2,500
TOTAL — B			2,500	3,278
TOTAL — (A + B)			4,410	35,785
Aggregate Cost of Quoted Investments			1,910	32,507
Aggregate Cost of Unquoted Investments			2,500	3,278
Market Value of Quoted Investments			11,161	56,553
Provision for diminution in the value of Investments			—	731

Notes Forming Part of the Financial Statements for the year ended 31st March, 2015

	Rs. in Thousand	
	As on 31-03-2015	As on 31-03-2014
NOTE – 10 — CASH AND CASH EQUIVALENTS		
Balance with banks in Current Account	9,479	4,645
Cash in hand	14	7
Earmarked balance with Banks in Dividend Accounts	4,091	3,203
TOTAL	13,584	7,855
Of the above, the balance that meet definition of Cash and Cash equivalents as per AS3 Cash Flow Statements	9,493	4,652
	As on 31-03-2015	As on 31-03-2014
NOTE – 11 — SHORT TERM LOANS AND ADVANCES (Unsecured, Considered Good)		
Advance Income Tax	4,988	380
MAT Credit Entitlement	882	907
TOTAL	5,870	1,287
	As on 31-03-2015	As on 31-03-2014
NOTE – 12 — OTHER CURRENT ASSETS (Unsecured, Considered Good)		
Interest receivable on Debentures	1	—
Dividend Receivable	26	181
TOTAL	27	181
	As on 31-03-2015	As on 31-03-2014
NOTE – 13 — CONTINGENT LIABILITIES AND COMMITMENTS		
Contingent liabilities not provided for fixed asset (Net of Advances):	90	—
Commitments:		
Other Commitments	—	—
TOTAL	90	—
NOTE – 14		
The Board of Directors for the current year recommend a Dividend of Rs. 55 per share (Previous year Rs. 55 per share).		
	As on 31-03-2015	As on 31-03-2014
NOTE – 15 — OTHER INCOME		
Dividend on Investments:		
Long Term	51,493	22,097
Current	68	561
	51,561	22,658
Income from Mutual Funds (Net)	700	1,350
Profit on Sale of Long Term Investments (Net)	15,377	—
Profit on Sale of Current Investments (Net)	9,659	2,358
Adjustments to the carrying amount of Current Investments (net)	731	243
TOTAL	78,028	26,609

Notes Forming Part of the Financial Statements for the year ended 31st March, 2015

	Rs. in Thousand	
	As on 31-03-2015	As on 31-03-2014
NOTE – 16 — OTHER EXPENSES		
Legal and Professional Fees	1,384	1,162
Rates and Taxes	111	107
Directors' Sitting Fees	121	72
Loss on Sale of Long Term Investments (Net)	—	1,180
Auditors' Remuneration:		
Audit Fees	60	60
Certification etc.	63	53
Reimbursement of Expenses (including Service Tax)	17	22
	140	135
Repairs and Maintenance	243	197
Commission to Directors	600	600
Provision for Diminution in Long Term Investments	398	1,717
Corporate Social Responsibility	1,000	—
Miscellaneous Expenses	921	650
TOTAL	4,918	5,820

NOTE – 17

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

NOTE – 18

Related Party Disclosures:

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

Name of the Party	Nature of Relationship
Paharpur Cooling Towers Ltd. (Refer Note No 2(c))	Holding Company
New Holding and Trading Company Limited	Subsidiary Company

Notes Forming Part of the Financial Statements for the year ended 31st March, 2015

B. Related Party Transactions:

Rs. in Thousand

Nature of Transactions	Holding Company	Subsidiary Company	Key Management Personnel	Relatives of Key Management Personnel	Associates Company	Enterprise over which Key Management Personnel having significant influence over the reporting enterprise exercise influence	TOTAL Amount
Directors' Sitting Fees		— (—)	5 (4)	2 (—)	— (—)	— (—)	7 (4)
Commission		— (—)	130 (120)	80 (120)	— (—)	— (—)	210 (240)
Dividend paid	13,693 (13,693)	— (—)	66 (66)	729 (729)	— (—)	6,350 (6,350)	7,145 (20,838)
Dividend Received		— (—)	— (—)	— (—)	32,130 (—)	— (7,140)	32,130 (7,140)
Reimbursement of Travelling expenses	20 (—)	— (—)	— (—)	— (—)	— (—)	— (—)	20 (—)
Amount outstanding at the end of the year – Payable		— (—)	130 (120)	80 (120)	— (—)	— (—)	210 (240)

- 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.
 - The related parties included in the various categories above, where transactions have taken place are given below:

Holding Company

Paharpur Cooling Towers Limited

Key Management Personnel

Mr. Gaurav Swarup – *Managing Director*
Mr. A. Singhania – *Chief Financial Officer*
Mr. Hirak Ghosh – *Company Secretary*

Relatives of Key Management Personnel

Mrs. Bindu Swarup
Mrs. Gyan Swarup
Mrs. Parul Swarup
Mr. Vikram Swarup

Associate Company

KSB Pumps Limited

Enterprises over which Key management personnel having significant influence over the reporting enterprise exercise significant influence.

Paharpur Corporation Limited
Melvin Powell Vanaspati & Engineering Industries Limited

Notes Forming Part of the Financial Statements for the year ended 31st March, 2015

NOTE – 19

Earnings per Share

- (a) 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.
 - (b) The weighted average number of equity shares used as the denominator in calculating both basic and diluted earnings per share is 5,81,780.
-

NOTE – 20

Employee benefits expenses includes Rs.9/- (Previous year Rs. 7/-) incurred on staff welfare and provision for gratuity Rs.1846 (Previous year Rs. Nil).

NOTE – 21

The Company has provided Rs. 1000 thousands (Previous year Nil) towards expenditure on Corporate Social Responsibility Activities.

NOTE – 22

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

Signatures to Notes 1 to 22

As per our report attached

For and on behalf of the Board of Directors

For V. S. SOMANI & CO.
Chartered Accountants

A. V. SETALVAD *Chairman*

CA. V. S. SOMANI
Proprietor

HIRAK GHOSH
Company Secretary

A. R. BROACHA
A. K. MODI *Directors*

A. K. SINGHANIA *Chief Financial Officer*

Mumbai, May 28, 2015.

Mumbai, May 28, 2015.

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

Particulars		Rs. in Thousand	
Liabilities side:			
(1)	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	Amount Outstanding NIL	Amount overdue NIL
(2)	Break-up of (1)(f) above (Outstanding public deptsits 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
Assets side:			
(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	
(5)	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 specifiy)	1,910 — — — — — — — — 2,500 — —	

	Particulars	Rs. in Thousand		
	Long Term Investments: (AT COST):			
	1. Quoted:			
	(i) Shares: (a) Equity	1,00,688		
	(b) Preference	—		
	(ii) Debentures and Bonds	980		
	(iii) Units of Mutual Funds	—		
	(iv) Government Securities	—		
	(v) Others (please specify)	—		
	2. Unquoted:			
	(i) Shares: (a) Equity	3,081		
	(b) Preference	—		
	(ii) Debentures and Bonds	—		
	(iii) Units of Mutural Funds	2,17,518		
	(iv) Goverment Securities	—		
	(v) Others (please speicify)	—		
(6)	Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances: Please see Note 2 below			
		Amount net of provisions		
	Category	Secured	Unsecured	Total
	1. Related Parties**	—	—	—
	(a) Subsidiaries	—	—	—
	(b) Companies in the same group	—	NIL	—
	(c) Other related parties	—	—	—
	2. Other than related parties	—	—	—
	TOTAL	—	—	—
(7)	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)	
	1. Related Parties**	—	—	
	(a) Subsidiaries	38,163	3	
	(b) Companies in the same group	—	—	
	(c) Other related parties	53,40,006	17,401	
	2. Other than related parties	15,52,614	3,07,158	
	TOTAL	69,30,783	3,24,562	
(8)	Other information			
	(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 of debt	NIL		

Notes:

- As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in 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 up/fair value/NAV in respect of unquoted investments should be disclosed in respective of whether they are classified as long term or current in columns (5) above.

STATEMENT OF NET OWNED FUNDS AS ON MARCH 31, 2015

Rs. in thousand

	AMOUNT
i. Paid-up Equity Capital	5,821
ii. Free Reserves	1,76,248
iii. Total (i + ii)	1,82,069
iv. Accumulated balance of loss	—
v. Deferred Revenue Expenditure	—
vi. Other intangible assets	—
vii. Total (iv + v + vi)	—
viii. Owned Funds (iii – vii)	1,82,069
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-xii)	1,82,069

As per our report attached

For V. S. SOMANI & CO.
Chartered Accountants

CA. V. S. SOMANI
Proprietor

HIRAK GHOSH
Company Secretary

For and on behalf of the Board of Directors

A. V. SETALVAD *Chairman*

G. SWARUP *Managing Director*

A. R. BROACHA
A. K. MODI *Directors*

A. K. SINGHANIA *Chief Financial Officer*

Mumbai, May 28, 2015.

Mumbai, May 28, 2015.

Independent Auditors' Report on the Consolidated Financial Statements

To the Board of Directors of
The Industrial & Prudential Investment Company Limited

ANNEXURE H

We have audited the accompanying consolidated financial statements of **THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED** ("hereinafter referred to as the Holding Company"), and its subsidiaries (the Holding Company and its subsidiaries referred together as "the Group") and associates which comprise the consolidated Balance Sheet as at 31st March, 2015, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement 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")

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates entities in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the Companies included in the Group and of its associates are responsible for maintenance of adequate accounting records with the provision of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other regularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error which have been used for the purpose of preparation of consolidated financial statements by the Directors of the Holding Company, as aforesaid.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken in to account the provisions of the Act, the accounting and auditing standards and matter which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Independent Auditors' Report on the Consolidated Financial Statements

OPINION

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 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 consolidated state of affairs of the Group, its associates as at 31st March, 2015, and their consolidated statement of profit and loss 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.382 Lakhs as at 31st March 2015, total revenues of Rs. 20 Lakhs and cash inflow amounting to Rs. 15 Lakhs for the year ended on that date, as considered in the financial statements. The consolidated financial statements also include the Group's share on net profit of Rs. 1,455 lakhs for the year ended 31st December 2014, as considered in the consolidated financial statements, in respect of an associate, whose 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 amounts and disclosures included in respect of the subsidiary and associates, and our report in terms of sub-sections (3) and(11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries and associates, 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 reports of the other auditors and the financial statements certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company and subsidiary company incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 account 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 auditors.
 - (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 aforesaid consolidated 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 of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies are disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

Independent Auditors' Report on the Consolidated Financial Statements

- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) 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 did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

For V. S. SOMANI & CO.
Chartered Accountants

Firm Registration No.: 117589W

VIDYADHAR SOMANI
Proprietor

Membership No.: 102664

Place : Mumbai
Date : May 28, 2015.

Annexure to the Independent Auditor's Report

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

Our reporting on the Order includes subsidiaries companies incorporated in India on which the auditors have reported on in accordance with the Order. Our report in respect of these subsidiaries is based solely on the reports of their auditors.

(Matters referred to in clause (ii) and (vi) of the Order are not applicable)

- i. (a) The Group has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, physical verification of fixed assets was conducted by the management of respective entities during the year. No material discrepancies were noticed on such physical verification.
- ii. The Group has not granted any loans, secured or unsecured, during the year to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly, sub-clause (a) and (b) are not applicable.
- iii. In our opinion and according to the information and explanations given to us and based on the auditor's report issued in accordance with the Order of the subsidiary, there is an adequate internal control system commensurate with the size of the Group and the nature of its business for the purchase of fixed assets. During the course of our audit and based on the auditor's report issued in accordance with the Order of the subsidiary, we have not observed any major weaknesses in internal control system.
- iv. The Group has not accepted any deposits from the public.
- v. (a) According to the records of the Company and based on the auditor's report issued in accordance with the Order of the subsidiary, the Group is generally regular in depositing undisputed statutory dues including Income-tax, Service Tax, cess and any other statutory dues applicable to it. Based on our audit procedures and according to the information and explanations given to us and based on the auditor's report issued in accordance with the Order of the subsidiary, there are no arrears of undisputed statutory dues which remained outstanding as at 31st March 2015 for a period of more than six months from the date they became payable.
- (b) According to the records made available to us and the information and explanations given by the management and based on the auditor's report issued in accordance with the Order of the subsidiary, there are no dues of income tax or Service Tax or cess, which have not been deposited on account of any dispute.
- (c) There are no amounts which are required to be transferred, to the Investor Education and Protection Fund by the Group in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.
- vi. The Group does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the financial year preceding the financial year.
- vii. The Group has not taken any loans from any banks or financial institutions and has not issued any debentures.
- viii. On the basis of the information and explanations given to us, the Group has not given any guarantee for loans taken by others from banks or financial institutions.

Annexure to the Independent Auditor's Report

- ix. The Group has not availed any term loans.
- x. According to the information and explanation given to us and based on the auditor's report issued in accordance with the Order of the subsidiary, no fraud on or by the Group, has been noticed or reported during the year in the course of our audit.

For V. S. SOMANI & CO.

Chartered Accountants

Firm Registration No.: 117589W

VIDYADHAR SOMANI

Proprietor

Membership No.: 102664

Place : Mumbai

Date : May 28, 2015.

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Consolidated Balance Sheet as at 31st March, 2015

		Rs. in Thousand	
PARTICULARS	NOTES	As at 31-03-2015	As at 31-03-2014
I EQUITY AND LIABILITIES			
(1) SHAREHOLDERS' FUNDS			
(a) Share Capital	2	5,821	5,821
(b) Reserves and Surplus	3	1,483,746	295,360
(c) Money received against Share Warrants		—	—
Sub-Total- Shareholders Funds		1,489,567	301,181
(2) SHARE APPLICATION MONEY			
Pending allotment		—	—
(3) NON-CURRENT LIABILITIES			
(a) Long-term borrowings		—	—
(b) Deferred tax Liabilities (Net)		—	—
(c) Other Long Term Liabilities		—	—
(d) Long-term Provisions		—	—
Sub-Total- Non Current Liabilities		—	—
(4) CURRENT LIABILITIES			
(a) Short-term borrowings		—	—
(b) Trade Payables		1,202	3,104
(c) Other Current Liabilities	4	4,295	3,377
(d) Short-term Provisions	5	46,763	38,343
Sub-Total- Current Liabilities		52,260	44,824
TOTAL I		1,541,827	346,005
II ASSETS			
(1) NON-CURRENT ASSETS			
(a) Fixed assets			
(i) Tangible assets	6	42	93
(ii) Intangible assets		—	—
(iii) Capital work in progress		—	—
(iv) Intangible assets under development		—	—
(b) Non-Current Investments	7	1,512,294	296,788
(c) Deferred Tax assets (net) assets		—	—
(d) Long Term loans and Advances	8	75	—
(e) Other non-current assets		7	15
Sub-Total- Non Current Assets		1,512,418	296,896
(2) CURRENT ASSETS			
(a) Current Investments	9	4,410	35,785
(b) Inventories		—	—
(c) Trade receivables		—	—
(d) Cash and Cash equivalents	10	19,102	11,805
(e) Short Term Loan and Advances	11	5,870	1,289
(f) Other Current assets	12	27	230
Sub-Total- Current Assets		29,409	49,109
TOTAL II		1,541,827	346,005
See accompanying notes to the financial statements	1		

As per our report attached

For and on behalf of the Board of Directors

For V. S. SOMANI & CO.

Chartered Accountants

A. V. SETALVAD

Chairman

CA. V. S. SOMANI

Proprietor

HIRAK GHOSH

Company Secretary

A. R. BROACHA

A. K. MODI

Directors

A. K. SINGHANIA

Chief Financial Officer

Mumbai, May 28, 2015.

Mumbai, May 28, 2015.

Consolidated Statement of Profit and Loss for the year ended 31st March, 2015

		Rs. in Thousand	
	NOTES	For the year ended 31-03-2015	For the year ended 31-03-2014
I Revenue from operations - Interest		1	11
II Other Income	14	80,040	27,720
III Total Revenue (I + II)		80,041	27,731
IV Expenses			
Cost of Materials Consumed		—	—
Purchase of Stock in Trade		—	—
Changes in inventories of finished goods, work in progress and stock in Trade		—	—
Employee benefits Expenses		2,909	907
Finance Cost		—	—
Depreciation and amortisation Expenses		39	21
Other Expenses	15	5,040	6,035
TOTAL EXPENSES		7,988	6,963
V Profit before exceptional and extraordinary items and tax (III-IV)		72,053	20,768
VI Exceptional items		—	—
VII Profit before extraordinary items and tax (V-VI)		72,053	20,768
VIII Extraordinary Items		—	—
IX Profit before Tax (VII - VIII)		72,053	20,768
X Tax Expenses			
(1) Current Tax		4,561	510
(2) Minimum Alternate Tax credit		—	(510)
(3) Short/(Excess) provision of earlier year		42	—
(4) Deferred Tax		—	—
		4,603	—
XI Profit for the year from continuing operations		67,450	20,768
XII Profit/(Loss) from discontinuing operations		—	—
XIII Tax Expenses of discontinuing operations		—	—
XIV Profit/(Loss) from discontinuing operations (after Tax) (XII-XIII)		—	—
XV Profit /(Loss) for the year		67,450	20,768
Add: Share of profit in respect of investment in Associate Company		145,466	—
		212,916	20,768
XVI Earning per equity Share			
(1) Basic		365.97	35.70
(2) Diluted		365.97	35.70
See accompanying notes to the financial statements	1		

As per our report attached

For and on behalf of the Board of Directors

For V. S. SOMANI & CO.

Chartered Accountants

A. V. SETALVAD

Chairman

CA. V. S. SOMANI

Proprietor

HIRAK GHOSH

Company Secretary

A. R. BROACHA

A. K. MODI

Directors

A. K. SINGHANIA

Chief Financial Officer

Mumbai, May 28, 2015.

Mumbai, May 28, 2015.

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Consolidated Cash Flow for the year ended 31st March, 2015

	Rs. in Thousand	
	As at 31.03.2015	As at 31.03.2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	72,053	20,768
Adjusted for		
Depreciation	39	21
Investment income	(79,309)	(26,297)
Carrying amount of investments (net)	(731)	(243)
Provision for diminution in Long Term Investments	398	1,715
	<u>(79,603)</u>	<u>(24,758)</u>
Operating Profit/(Loss) before Working Capital Changes ..	(7,550)	(4,000)
Changes in		
Trade and Other Receivable	213	6,145
Trade and Other Payables	975	1,992
NET CASH USED IN OPERATING ACTIVITIES.....	<u>(6,362)</u>	<u>4,138</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(87)	(32)
Purchase of Investments	(213,959)	(177,784)
Sale of Investments	214,985	150,728
Dividend Received	53,253	23,769
Income from Mutual Fund	700	1,350
Cash Generated from Investing Activities.	54,892	(1,969)
Direct Taxes Paid	<u>(4,684)</u>	<u>—</u>
NET CASH FROM INVESTING ACTIVITIES	<u>50,208</u>	<u>(1,969)</u>
C. CASH FLOW FROM FINANCIAL ACTIVITIES		
Dividend Paid	(31,111)	(31,311)
Tax on Dividend	<u>(5,438)</u>	<u>(5,438)</u>
NET CASH USED IN FINANCIAL ACTIVITIES	<u>(36,549)</u>	<u>(36,749)</u>
NET CHANGES IN CASH AND CASH EQUIVALENTS (A+B+C) .	7,297	34,580
CASH AND CASH EQUIVALENTS – OPENING BALANCE	11,805	46,385
CASH AND CASH EQUIVALENTS – CLOSING BALANCE	19,102	11,805

- NOTES:** 1. All figures in brackets are outflows.
2. Cash and Bank Balances includes balance lying with designated Banks in unclaimed dividend accounts Rs. 4,091/- (Previous year Rs. 3,203/-).
3. Previous year figures have been regrouped wherever necessary.

As per our report attached

For V. S. SOMANI & CO.
Chartered Accountants

CA. V. S. SOMANI
Proprietor

HIRAK GHOSH
Company Secretary

Mumbai, May 28, 2015.

For and on behalf of the Board of Directors

A. V. SETALVAD Chairman

A. R. BROACHA
A. K. MODI Directors

A. K. SINGHANIA Chief Financial Officer

Mumbai, May 28, 2015.

Notes Forming Part of the Financial Statements For the year ended 31st March, 2015

NOTE – 1 — SIGNIFICANT ACCOUNTING POLICIES

- (i) The consolidated Financial Statements are prepared in accordance with Principles of Consolidation prescribed in AS-21 and AS-23 Accounting Standards notified by Companies (Accounting Standards) Rules, 2006. 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”, which is incorporated in India and its Associate Company KSB Pumps Ltd. which is incorporated in India.
- (ii) The Accounting Policies have been consistently applied by the Company and are consistent with those used in the previous year.
- (iii) The financial statements of the Company and its subsidiary company have been consolidated on a line-by-line basis 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.
- (iv) 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.”

Rs. in Thousand

NOTE – 2 — SHARE CAPITAL

Authorised:

10,00,000 Equity Shares of Rs. 10 each

Issued, Subscribed and Paid-up:

5,81,780 Equity Shares of Rs. 10 each
Forefited Shares

As at 31-03-2015	As at 31-03-2014
<u>10,000</u>	<u>10,000</u>
 5,818	 5,818
<u>3</u>	<u>3</u>
<u>5,821</u>	<u>5,821</u>

- (a) Reconciliation of the number of shares

	2014-15		2013-14	
	Equity Shares		Equity Shares	
	Numbers	Rupees	Numbers	Rupees
Shares outstanding at the beginning of the year	581,780	5,818	581,780	5,818
Shares Issued during the year	—	—	—	—
Shares bought back during the year	—	—	—	—
Shares outstanding at the end of the year	581,780	5,818	581,780	5,818

CONSOLIDATED THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Notes Forming Part of the Financial Statements For the year ended 31st March, 2015

(b) Terms and Rights attached to equity shareholders:

The Company has only One class of Equity Shares having par value of Rs. 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.

Name of the Shareholder	31/03/2015		31/03/2014	
	No. of Shares	% of Holding	No. of Shares	% of Holding
1. Paharpur Cooling Towers Ltd.	248,967	42.79	248,967	42.79
2. Melvin Powell Vanaspati & Engineering Limited	51,600	8.87	51,600	8.87
3. Paharpur Corporation Limited	63,850	10.97	63,850	10.97

Rs. in Thousand

NOTE – 3 — RESERVES AND SURPLUS

Capital Reserve

Balance as per last Balance Sheet

As at 31-03-2015	As at 31-03-2014
65	65

General Reserve

Balance as per last Balance Sheet

Add: Transferred from surplus

76,530	74,440
—	2,090
76,530	76,530

Special Reserve

(In terms of Section 45-IC of Reserve Bank of India Act)

Balance as per last Balance Sheet

Add: Transferred from surplus

104,535	100,355
13,575	4,180
118,110	104,535

Surplus

Balance as per last Balance Sheet

Add: Profit for the year as per Profit and Loss Statement ...

Adjustment on account of consolidation of accounts of associate company

114,230	137,168
212,916	20,768
1,014,006	—
1,341,152	157,936

Less: Appropriations:

Transferred to:

Special Reserve

General Reserve

Proposed Dividend

Depreciation as per Schedule II for earlier Years

Tax on Dividend

13,575	4,180
—	2,090
31,998	31,998
24	—
6,514	5,438
52,111	43,706
1,289,041	114,230
1,483,746	295,360

TOTAL

Notes Forming Part of the Financial Statements For the year ended 31st March, 2015

NOTE – 4 — OTHER CURRENT LIABILITIES

Rs. in Thousand

	As at 31-03-2015	As at 31-03-2014
Unclaimed Dividend	4,090	3,203
Tax Deducted at source	122	87
Service Tax	83	87
TOTAL	4,295	3,377

NOTE – 5 — SHORT TERM PROVISIONS

	As at 31-03-2015	As at 31-03-2014
Provision for Income Tax	5,405	907
Provision for Proposed Dividend	31,998	31,998
Tax on Proposed Dividend	6,514	5,438
Provision towards Corporate Social Responsibility	1,000	—
Retirement Benefits	1,846	—
TOTAL	46,763	38,343

NOTE – 6 — TANGIBLE FIXED ASSETS

Rs. in Thousand

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2014	Additions during the year	Deductions/ Adjustments during the year	As at 31.03.2015	Up to 01.04.2014	For the year	Deductions/ Adjustments during the year	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014
1 Office Premises	152	—	—	152	124	3	—	127	25	28
2 Furnitures and Fixtures	380	—	—	380	371	—	9	380	—	9
3 Office Equipments	117	—	—	117	95	9	12	116	1	22
4 Others, Computers	498	12	—	510	464	27	3	494	16	34
TOTAL	1,147	12	—	1,159	1,054	39	24	1,117	42	93
Previous year	1,115	32	—	1,147	1,033	21	—	1,054	93	82

NOTE: Office Premises includes Rs. 250 (Previous year Rs. 250/-) being the cost of shares in Co-operative Society.

CONSOLIDATED
THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Notes Forming Part of the Financial Statements For the year ended 31st March, 2015

				Rs. in Thousand	
NOTE – 7 — NON CURRENT INVESTMENTS		Face	Holding	As at	As at
(Fully Paid-up)		Value	31-03-2015	31-03-2015	31-03-2014
		Rupees	Nos.		
Name of the Company					
I. A. LONG TERM - QUOTED - (NON TRADE) (AT COST)					
(a) INVESTMENT IN EQUITY INSTRUMENTS					
3i Infotech Limited	10	95,000	2,666	2,065	
ACC. Limited	10	7,000	438	438	
Alstom T. & D. India Limited	2	50,000	788	788	
Amara Raja Batteries Limited	2	105,000	1,004	1,004	
Ashapura Minechem Limited	2	62,000	2,537	1,726	
BASF India Limited	10	10,800	4,123	1,200	
BEML Limited	10	8,500	1,877	1,877	
Bharat Electronics Limited	10	3,000	1,196	1,196	
Bharat Forge Limited	2	16,000	1,383	1,383	
Bharti Airtel Limited	5	17,500	2,274	2,274	
Bosch Limited	10	2,000	11	11	
Century Textile and Industries Limited	10	4,500	2,394	426	
Cairn India Limited	10	4,400	1,484	1,484	
Dish TV India Limited	1	5,000	—	71	
Dr. Reddy's Laboratories Limited	5	4,000	2,029	2,029	
Gail (India) Limited	10	28,500	4,322	4,322	
Glaxo Smith Kline Pharmaceuticals Limited	10	1,000	1,100	1,100	
GTL Limited	10	4,000	1,036	1,036	
GTL Infrastructure Limited	10	8,000	182	182	
Hedelberg Cement Limited	10	25,000	1,785	—	
Hindustan Unilever Limited	1	73,000	191	191	
ICICI Bank Limited	10	6	—	2	
IDBI Bank Limited	10	15,000	1,170	1,170	
Infosys Technologies Limited	5	225,600	5,257	5,257	
ISMT Limited	5	43,750	738	738	
ITC Limited	1	18,000	1,127	1,127	
KSB Pumps Limited	10	7,400,000	—	28,409	
LIC Housing Finance Limited	2	7,500	—	1,463	
Mahanagar Telephone Nigam Limited	10	7,000	1,435	1,435	
Monsanto India Limited	10	1,600	673	673	
N C C Ltd.	2	54,000	—	1,458	
Nestle India Limited	10	14,000	178	178	
NTPC Limited	10	21,000	1,684	1,684	
Orient Abrasives Limited	1	65,000	—	622	
Orient Refractories Limited	10	90,000	401	401	
Piramal Glass Ltd.	10	12,356	—	1,128	
Piramal Enterprises Ltd	2	20,500	1,557	1,557	
Ranbaxy Laboratories Limited	5	10,000	3,224	892	
Reliance Industries Limited	10	16,000	1,455	1,455	
Schneider Electric Infrastructure Limited	2	50,000	237	237	
Selan Exploration Technology Limited	10	11,000	805	805	

Notes Forming Part of the Financial Statements For the year ended 31st March, 2015

Rs. in Thousand				
NOTE – 7 — NON CURRENT INVESTMENTS (Fully Paid-up) — contd.	Face Value Rupees	Holding 31-03-2015 Nos.	As at 31-03-2015	As at 31-03-2014
Name of the Company				
Siemens Limited	2	25,000	195	195
State Bank of India	1	71,000	3,947	3,947
Tata Consultancy Services Limited	1	14,000	6,671	6,671
Tata Motors Limited	2	20,000	388	388
Tata Motors Limited (DVR)	2	39,250	3,395	3,395
Tata Power Company Limited	1	260,000	2,884	780
Tata Steel Limited	10	17,686	3,743	3,743
The Federal Bank Limited	2	15,000	—	1,041
The Great Eastern Shipping Company Limited	10	30,400	5,057	5,057
The Indian Hotels Company Limited	1	79,200	1,508	1,508
The Karur Vysya Bank Limited	10	38,000	3,591	3,591
Tec Mahindra Limited	10	12,000	1,943	1,943
Titan Company Limited	1	282,000	3,085	3,085
Timken India Limited	10	7,000	1,433	1,433
Vikas WSP Limited	1	80,000	3,216	2,231
Zee Entertainment Enterprises Limited	1	20,808	799	799
Investments in Associates				
KSB Pumps Limited carrying cost of investments (Refer Note 20(b))	10	7,400,000	1,187,881	—
			1,282,497	115,301
(b) Investment in Preference Shares				
Zee Entertainment Enterprises Limited (6%)	1	436,968	—	—
(Redeemable on 14th March 2022)				
Sub-Total — (b)			—	—
(c) Investment in Debentures				
NTPC Limited - SR-54-8.49% - Non Convertable ..	12.5	21,000	—	—
(Redeemable on 25th March 2025)				
The Indian Hotels Limited - Compulsory Convertible	1	17,820	980	—
(Convertible in equity shares on 1st March 2016)				
Sub-Total — (c)			980	—
			1,283,477	115,301
B. Unquoted Long Term				
(a) Equity Shares				
Others (Non-Trade)				
Bombay Stock Exchange Limited	1	13,500	3,078	3,078
Niyuprene Plastics Company Limited	10	1,000	—	—
Siltronics (India) Limited	10	30	—	—
			3,078	3,078

CONSOLIDATED
THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Notes Forming Part of the Financial Statements For the year ended 31st March, 2015

			Rs. in Thousand	
NOTE – 7 — NON CURRENT INVESTMENTS	Face	Holding	As at	As at
(Fully Paid-up) — contd.	Value	31-03-2015	31-03-2015	31-03-2014
	Rupees	Nos.		
Name of the Company				
(b) Investments in Mutual Fund (Non-Trade)				
Birla Sunlife Mutual Fund:				
1. Income Plus-Growth	10	197,594	10,000	10,000
2. Short Term Opportunity Fund-Growth	10	289,577	5,876	5,876
HDFC Mutual Fund:				
1. Balance Fund Growth	10	104,243	10,000	—
2. Income Fund Growth	10	258,093	7,000	7,000
3. Index Fund - Nifty Plan	10	265,285	18,000	—
ICICI Prudential Mutual Fund				
1. Balance Fund Regular Plan - Growth	10	119,933	10,000	—
2. Income Plan Growth	10	624,946	23,171	14,731
3. Income Regular Plan Qtrly Dividend	10	670,260	—	8,912
4. Regular Saving Plan-Growth	10	766,871	9,671	15,000
IL & FS Milestone Fund - II	1000	20,000	20,000	20,000
IDFC				
1. Super Saver Income Pl.- Investment PI A Gr.	10	525,249	14,625	25,533
2. Super Saver Fixed Term SR. 62 Rg.-Pl. Groth	10	700,000	7,000	7,000
JM Mutual Fund				
1. G-Sec Fund- Qtrly Dividend Payout	10	555,761	—	5,000
2. G-Sec Fund-Regular Plan GROWTH	10	402,216	15,987	—
3. Money Manager Super Plan-Daily Dividend ..	10	761,235	—	7,623
4. Money Manager Super Plan-Growth	10	256,832	5,000	—
5. G-Sec Fund-Regular Plan Dividend	10	597,292	—	10,000
Master Plus - 1991 Unit Trust of India	10	40,000	—	775
Reliance Regular Saving Fund-Debt Plan Quarterly				
Dividend Payout	10	1,059,073	18,000	—
Reliance Regular Saving Fund-Debt Plan-Growth .	10	790,414	—	12,654
UTI Leadership Fund	10	166,857	3,325	—
UTI Nifty Index Fund -Growth	10	390,558	20,000	—
UTI MF Dividend Payout	10	602,337	—	7,500
UTI MF Bond Fund Growth	10	909,270	32,677	25,000
			230,332	182,604
TOTAL B			233,410	185,682
TOTAL (A + B)			1,516,887	300,983
Less: Provision for diminution in the value of Investments			4,593	4,195
TOTAL			1,512,294	296,788
Aggregate Cost of Quoted Investments			1,283,477	115,301
Aggregate Cost of Unquoted Investments			233,410	185,682
Market Value of Quoted Investments			6,875,018	3,322,964
Provision for diminution in the value of Investments			4,593	4,195

Notes Forming Part of the Financial Statements For the year ended 31st March, 2015

Rs. in Thousand

**NOTE – 8 — LONG TERM LOANS AND ADVANCES
(Unsecured, Considered Good)**

	As on 31-03-2015	As on 31-03-2014
Capital Advance	<u>75</u>	<u>—</u>
TOTAL	<u>75</u>	<u>—</u>

Rs. in Thousand

NOTE – 9 — CURRENT INVESTMENTS

Name of the Company	Face Value Rupees	Holding 31-03-2015 Nos.	As at 31-03-2015	As at 31-03-2014
A. Current Quoted				
(a) Equity Shares (Fully Paid)				
Dr. Reddy's Laboratories Limited	5	1,415	—	3,628
Eicher Motors Limited	10	620	—	791
ICICI Bank Limited	10	3,225	—	4,005
Kewal Kiran Clothing Limited	10	3,350	—	3,869
Larsen & Toubro Limited	2	3,175	—	3,969
Lupin Limited	2	6,300	—	3,505
Mahindra and Mahindra Financial Services Limited	2	16,075	—	4,051
Tech Mahindra Limited	10	2,258	—	2,171
Titan Company Limited	1	28,500	1,910	1,910
Va Tech Wabag Limited	2	8,850	—	4,608
TOTAL A			<u>1,910</u>	<u>32,507</u>
B. Current Unquoted				
Mutual Fund				
JM Money Manager Super Plus Plan Daily Div.	10	77,744	—	778
Reliance Pharma Fund-Div. Plan-Div. Payout	10	62,468	2,500	2,500
TOTAL B			<u>2,500</u>	<u>3,278</u>
TOTAL (A + B)			<u>4,410</u>	<u>35,785</u>
Aggregate Cost of Quoted Investments				
			1,910	32,507
Aggregate Cost of Unquoted Investments				
			2,500	3,278
Market Value of Quoted Investments				
			11,161	56,553
Provision for diminution in the value of Investments				
			—	731

CONSOLIDATED
THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Notes Forming Part of the Financial Statements For the year ended 31st March, 2015

	Rs. in Thousand	
	As on 31-03-2015	As on 31-03-2014
NOTE – 10 — CASH AND CASH EQUIVALENTS		
Balance with banks in Current Account	14,988	8,593
Cash in hand	23	9
Earmarked balance with Banks in Dividend Accounts	4,091	3,203
TOTAL	19,102	11,805

	As on 31-03-2015	As on 31-03-2014
NOTE – 11 — SHORT TERM LOANS AND ADVANCES (Unsecured, Considered Good)		
Prepaid expenses	—	2
Advance Income Tax	4,988	380
MAT Credit entitlement	882	907
TOTAL	5,870	1,289

	As on 31-03-2015	As on 31-03-2014
NOTE – 12 — OTHER CURRENT ASSETS (Unsecured, Considered Good)		
Dividend Receivable	26	230
Interest Receivable	1	—
TOTAL	27	230

	As on 31-03-2015	As on 31-03-2014
NOTE – 13 — CONTINGENT LIABILITIES AND COMMITMENTS		
Contingent liabilities not provided for fixed assets [net of Advances: Commitments:	90	—
Other Commitments	—	—
TOTAL	90	—

NOTE – 14

The Board of Directors for the current year recommend a Dividend of Rs. 55 per share (Previous year Rs. 55 per share).

	As on 31-03-2015	As on 31-03-2015
NOTE – 15 — OTHER INCOME		
Dividend on Investments		
Long Term	53,185	23,208
Current	68	561
	53,253	23,769
Income from Mutual Funds (Net)	700	1,350
Profit on Sale of Long Term Investments (Net)	15,697	—
Profit on Sale of Current Investments (Net)	9,659	2,358
Adjustment to the carrying amount of Current Investments (Net)	731	243
TOTAL	80,040	27,720

Notes Forming Part of the Financial Statements For the year ended 31st March, 2015

	Rs. in Thousand	
	As on 31.03.2015	As on 31.03.2014
NOTE – 16 — OTHER EXPENSES		
Legal and Professional Fees	1,384	1,162
Rates and Taxes	111	107
Directors' Sitting Fees	126	74
Auditors' Remuneration:		
Audit Fees	70	70
Certification etc.	63	103
Reimbursement of Expenses	18	29
(Including Service Tax)	151	202
Commission to Directors	600	600
Provision for Diminution in the Value of		
Long Term Investments (Net)	398	1,751
Loss on sale of Long Term Investments (Net)	—	1,180
Repairs and Maintenance	243	197
Corporate Social Responsibility	1,000	—
Miscellaneous Expenses	1,027	762
TOTAL	5,040	6,035

NOTE – 17

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

NOTE – 18

Related Party Disclosures:

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

Name of the Party	Nature of Relationship
Paharpur Cooling Towers Ltd. (Refer Note No 2(c))	Holding Company
New Holding and Trading Company Limited	Subsidiary Company

CONSOLIDATED THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Notes Forming Part of the Financial Statements For the year ended 31st March, 2015

B. Related Party Transactions:

Rs. in Thousand

Nature of Transactions	Holding Company	Subsidiary Company	Key Management Personnel	Relatives of Key Management Personnel	Associates Company	Enterprise over which Key Management Personnel having significant influence over the reporting enterprise exercise influence	TOTAL Amount
Directors' Sitting Fees		— (—)	5 (4)	2 (—)	— (—)	— (—)	7 (4)
Commission		— (—)	130 (120)	80 (120)	— (—)	— (—)	210 (240)
Dividend paid	13,693 (13,693)	— (—)	66 (66)	729 (729)	— (—)	6,350 (6,350)	20,838 (20,838)
Dividend Received		— (—)	— (—)	— (—)	32,130 (—)	— (7,140)	32,130 (7,140)
Reimbursement of Travelling expenses	20 (—)	— (—)	— (—)	— (—)	— (—)	— (—)	20 (—)
Amount outstanding at the end of the year – Payable		— (—)	130 (120)	80 (120)	— (—)	— (—)	210 (240)

- 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.
 - The related parties included in the various categories above, where transactions have taken place are given below:

Holding Company

Paharpur Cooling Towers Limited

Key Management Personnel

Mr. Gaurav Swarup – *Managing Director*
Mr. A. Singhania – *Chief Financial Officer*
Mr. Hirak Ghosh – *Company Secretary*

Relatives of Key Management Personnel

Mrs. Bindu Swarup
Mrs. Gyan Swarup
Mrs. Parul Swarup
Mr. Vikram Swarup

Associate Company

KSB Pumps Limited

Enterprises over which Key management personnel having significant influence over the reporting enterprise exercise significant influence.

Paharpur Corporation Limited
Melvin Powell Vanaspati & Engineering Industries Limited

Notes Forming Part of the Financial Statements For the year ended 31st March, 2015

NOTE – 19

Employee benefits expenses includes Rs. 9/- (Previous year Rs. 7/-) Incurred on staff welfare and provision for gratuity Rs. 1,846 (Previous Year Rs. Nil.)

NOTE – 20

- (a) In accordance with provisions of Section 2(6) of the Companies Act 2013 KSB Pumps Limited is an Associate Company, hence Company's Share of the profits of Investments in associates is given below. In drawing Consolidated Financial Statements, financial statements on 31st December 2014 of the associate Company are considered. There are no significant events or transactions between the Company and its associate that have occurred between the date of the associates financial statements and 31st March, 2015 which require any adjustments.
- (b) 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 is given below:

Rs. in Thousand

Name of Associate and Country of Incorporation	KSB Pumps Limited, India
Ownership Interest (including of Subsidiary)	21.26%
Original Cost of investment and Amount of Goodwill	28,409
Share of accumulated profit as at year end	1,159,472
Carrying Cost of Investments (Net of dividend)	1,187,881

- (c) The Associate Company follows a different accounting policy in respect of fixed assets. Some of the fixed assets are depreciated on straight line method while others are depreciated on written down value method. No adjustments have been made for the said differences in accounting policies to arrive at the share of profits of associate Company, etc. as the said differences are not expected to have material impact on the accounts of the Group.

NOTE – 21

Earnings per Share

- (a) 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.
- (b) The weighted average number of equity shares used as the denominator in calculating both basic and diluted earnings per share is 581780.

NOTE – 22

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

Signatures to Notes 1 to 22

As per our report attached

For and on behalf of the Board of Directors

For V. S. SOMANI & CO.

Chartered Accountants

A. V. SETALVAD

Chairman

CA. V. S. SOMANI

Proprietor

HIRAK GHOSH

Company Secretary

A. R. BROACHA

A. K. MODI

Directors

A. K. SINGHANIA

Chief Financial Officer

Mumbai, May 28, 2015.

Mumbai, May 28, 2015.

Company Information

Directors : A. V. SETALVAD (DIN: 00056124)
A. R. BROACHA (DIN: 00056291)
DEVINA SWARUP (DIN: 06831620)

Bankers : DEUTSCHE BANK

Auditors : C. M. GABHAWALA & CO.
Chartered Accountants

Registered Office : 125, MAKER CHAMBERS III,
NARIMAN POINT,
MUMBAI - 400 021.
TEL.: 22854243
Email: indpru@vsnl.net
Website: <http://industrialprudential.com>
CIN: U65990MH1981PLC025981

Director's Report for the year ended 31st March, 2015

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 31st March, 2015.

FINANCIAL RESULTS

Particulars	Rs. in Lacs	
	Year ended 31.03.2015	Year ended 31.03.2014
	Amount – Rs	Amount – Rs
Income	20.12	11.11
Expenditure		
(a) Expenses	1.22	2.15
Profit before taxation	18.90	8.96
Provision for taxation	0.61	0
Net Profit after taxation	18.29	8.96
Add: Balance brought forward from Balance Sheet	165.37	156.41
Profit for appropriation	183.66	165.37
Appropriation		
Special Reserve (in terms of Section 45-IC of RBI Act, 1934)	3.76	1.80
General Reserve	—	0.90
Balance carried to Balance Sheet	179.90	162.67
Total	179.90	162.67

HOLDING COMPANY

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

DIRECTORS

Mr. Gaurav Swarup (DIN 00374298) resigned with effect from 27.03.2015. The Board of Directors wishes to place on record its appreciation of service rendered by Mr. Swarup as a Director.

In accordance with Article 115 of the Articles of Association of the Company and the section 161 of the Companies Act, 2013, (hereinafter referred to as "the Act"). Ms.Devina Swarup (DIN06831620) was appointed as a director on 27.03.2015 to fill the casual vacancy caused by the resignation of Mr. Gaurav Swarup.

EXTRACT OF ANNUAL RETURN

The extract of annual return as at 31st March, 2015 in Form MGT 7 forms part of this Report.

NUMBER OF MEETINGS OF THE BOARD

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

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) and sub section (5) of the Companies Act, 2013 (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.

Director's Report for the year ended 31st March, 2015 — contd.

- (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, 2015 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; and
- (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.

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

All the Directors are non- executive directors. Directors are paid sitting fees. It is proposed to pay commission based on the net profits of the Company in accordance with the Act. The members are requested to approve payment of commission within the limit laid down in the Act.

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 4 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. Therefor 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

- 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.

Director's Report for the year ended 31st March, 2015 — contd.**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

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 M/s. C. M. Gabhawala & Co., Chartered Accountants, the existing statutory auditors for a period of five years. The appointment is to be ratified by members at every annual general meeting thereafter.

In accordance with provisions of Section 139 of the Act, the Board of Directors has received consent and certificates of eligibility and compliance of criteria under Section 141 of the said Act from M/s. C. M. Gabhawala & Co., Chartered Accountants, Mumbai. Members are requested to ratify the appointment of the existing statutory auditors M/s. C. M. Gabhawala & Co., Chartered Accountants, and fix their remuneration.

For and on behalf of the Board of Directors

A. V. SETALVAD

Chairman

Mumbai, May 27, 2015

FINANCIAL SUMMARY/HIGHLIGHTS

Rs. in '000s

PARTICULARS	31.03.2015	31.03.2014	31.03.2013
Balance Sheet Items			
Paid up Capital	502	502	502
Reserves and Surplus.	37661	35832	34936
Non-Current Investments	32672	32360	32394
Current Investments	—	—	—
Profit and Loss Accounts			
Revenue from Operations	2012	1111	3086
Expenses	122	215	206
Profit before tax	1890	896	2880
Dividend	—	—	—
Retained earnings	1829	896	2880
Earning per Shsres	363.98	178.31	573.19
Dividend per Shares	—	—	—

Independent Auditors' Report to the Members

The Members,

NEW HOLDING AND TRADING COMPANY LIMITED

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **New Holding And Trading Company Limited** (the "company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

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

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

We conducted our audit in accordance with the Standards on Auditing 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entities internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the 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, 2015;
- (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.

Independent Auditors' Report to the Members

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
 - (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 and 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 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 31 March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the other matters included in the Auditor's Report and to our 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.

For C. M. GABHAWALA & CO.
Chartered Accountants
FRN: 102870W

BIREN. C. GABHAWALA
Partner
M. NO. 40496

Mumbai, May 27, 2015.

Annexure to Independent Auditor's Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2015, we report that:

1. The Company does not have any fixed assets. Accordingly paragraphs 3(i)(a) and (b) are not applicable to the company.
2. The Company does not have any inventory. Accordingly paragraph 3(ii) of the order is not applicable.
3. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Hence sub clauses (b), (c) of clause (3) of the order are not applicable to company.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and sale of Goods and services. We have not observed any major weakness in the internal control system during the course of the audit.
5. The Company has not accepted any deposits from the public.
6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act.
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 account 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 income tax and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no material dues of income tax which have not been deposited with the appropriate authorities on account of any dispute.

(c) According to the information and explanations given to us the there is no amounts which were required to be transferred to the investor education and protection fund.
8. The Company has not have any accumulated losses as at the year end. The company has not incurred any cash loss during the financial year covered by our audit and also in the immediately preceding financial year.
9. The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year. Accordingly, provision of clause 3(ix) is not applicable to the company
10. In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
11. The Company did not have any term loans outstanding during the year.

Annexure to Independent Auditor's Report

12. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For C. M. GABHAWALA & CO.

Chartered Accountants

FRN: 102870W

BIREN. C. GABHAWALA

Partner

M. NO. 40496

Mumbai, May 27, 2015.

Balance Sheet as at 31st March, 2015

		Rs. in Thousand	
PARTICULARS	NOTES	As at 31-03-2015	As at 31-03-2014
I EQUITY AND LIABILITIES			
(1) SHAREHOLDERS' FUNDS			
(a) Share Capital	1	502	502
(b) Reserves and Surplus	2	37,661	35,832
(c) Money received against Share Warrants		—	—
Sub-Total- Shareholders Funds		38,163	36,334
(2) SHARE APPLICATION MONEY			
Pending allotment		—	—
(3) NON - CURRENT LIABILITIES			
(a) Long - term borrowings		—	—
(b) Deferred tax Liabilities (Net)		—	—
(c) Other Long Term Liabilities		—	—
(d) Long - term Provisions		—	—
Sub-Total- Non Current Liabilities		—	—
(4) CURRENT LIABILITIES			
(a) Short - term borrowings		—	—
(b) Trade Payables		27	26
(c) Other Current Liabilities		—	—
(d) Short - term Provisions	3	—	1
Sub-Total- Current Liabilities		27	27
TOTAL I		38,190	36,361
II ASSETS			
(1) NON - CURRENT ASSETS			
(a) Fixed assets		—	—
(i) Tangible assets		—	—
(ii) Intangible assets		—	—
(iii) Capital work in progress		—	—
(iv) Intangible assets under development		—	—
(b) Non-Current Investments	4	32,672	32,360
(c) Deferred Tax assets (net)		—	—
(d) Long Term loans and Advances		—	—
(e) Other non-current assets		—	—
Sub-Total- Non Current Assets,		32,672	32,360
(2) CURRENT ASSETS			
(a) Current Investments		—	—
(b) Inventories		—	—
(c) Trade receivables		—	—
(d) Cash and Cash equivalents	5	5,518	3,950
(e) Short Term Loan and Advances	6	—	2
(f) Other Current assets	7	—	49
Sub-Total- Current Assets		5,518	4,001
TOTAL II		38,190	36,361
NOTES FORMING PART OF THE ACCOUNTS	10		

As per our report attached

For C. M. GABHAWALA & CO.

Chartered Accountants

FR. NO. 102870W

BIREN C. GABHAWALA

Partner

Membership No. 40496

Mumbai, May 27, 2015.

For and on behalf of the Board of Directors

A. V. SETALVAD

Chairman

**A. R. BROACHA
DEVINA SWARUP**

Directors

Mumbai, May 27, 2015.

Statement of Profit and Loss for the year ended 31st March, 2015

		Rs. in Thousand	
	NOTES	For the year ended 31-03-2015	For the year ended 31-03-2014
I Revenue from operations		—	—
II Other Income	8	2,012	1,111
III Total Revenue (I + II)		<u>2,012</u>	<u>1,111</u>
IV Expenses			
Cost of Materials Consumed		—	—
Purchase of Stock in Trade		—	—
Changes in inventories of finished goods, work in progress and stock in Trade		—	—
Employee benefits Expenses		—	—
Finance Cost		—	—
Depreciation and amortisation Expenses		—	—
Other Expenses	9	122	215
TOTAL EXPENSES		<u>122</u>	<u>215</u>
V Profit before exceptional and extraordinary items and tax (III-IV)		1,890	896
VI Exceptional items		—	—
VII Profit before extraordinary items and tax (V-VI)		1,890	896
VIII Extraordinary Items		—	—
IX Profit before Tax (VII - VIII)		1,890	896
X Tax Expenses			
(1) Current Tax		61	—
(2) Tax for earlier year		—	—
		<u>61</u>	<u>—</u>
XI Profit for the year from continuing operations		1,829	896
XII Profit/(Loss) from discontinuing operations		—	—
XIII Tax Expenses of discontinuing operations		—	—
XIV Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)		—	—
XV Profit/(Loss) for the year		1,829	896
XVI Earning per equity Share			
(1) Basic		363.98	178.31
(2) Diluted		363.98	178.31

NOTES FORMING PART OF THE ACCOUNTS

10

As per our report attached

For C. M. GABHAWALA & CO.
Chartered Accountants
FR. NO. 102870W

BIREN C. GABHAWALA
Partner
Membership No. 40496

Mumbai, May 27, 2015.

For and on behalf of the Board of Directors

A. V. SETALVAD *Chairman*

A. R. BROACHA
DEVINA SWARUP *Directors*

Mumbai, May 27, 2015.

Cash Flow for the year ended 31st March, 2015

	Rs. in Thousand	
	As at 31.03.2015	As at 31.03.2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extra ordinary items	1,890	896
Adjusted for		
Investment income	— (2,012)	(1,111)
Provision for diminution in value of investment	— —	34
	(2,012)	(1,077)
Operating Profit/(Loss) before Working Capital Changes ..	(122)	(181)
Changes in		
Trade & Other Receivable	51	(51)
Trade Payables	—	2
Cash Generated from Operations	(71)	(230)
Direct Tax Paid (Net)	—	—
NET CASH FROM OPERATING ACTIVITIES	(71)	(230)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Investments	(12,814)	—
Sale of Investments	12,822	—
Interest Received	—	1,111
Dividend Received	1,692	—
Direct Taxes Paid	(61)	—
NET CASH FROM INVESTING ACTIVITIES	1,639	1,111
C. CASH FLOW FROM FINANCIAL ACTIVITIES		
Loan Taken	—	—
Loan Repaid	—	—
NET CASH USED IN FINANCIAL ACTIVITIES	—	—
NET CHANGES IN CASH & CASH EQUIVALENTS (A+B+C)	1,568	881
CASH AND CASH EQUIVALENTS - OPENING BALANCE	3,950	3,069
CASH AND CASH EQUIVALENTS - CLOSING BALANCE	5,518	3,950

As per our report attached

For C. M. GABHAWALA & CO.

Chartered Accountants

FR. NO. 102870W

BIREN C. GABHAWALA

Partner

Membership No. 40496

Mumbai, May 27, 2015.

For and on behalf of the Board of Directors

A. V. SETALVAD

Chairman

**A. R. BROACHA
DEVINA SWARUP**

Directors

Mumbai, May 27, 2015.

Notes Forming Part of the Financial Statements for the year ended 31st March, 2015

	Rs. in Thousand	
	As at 31-03-2015	As at 31-03-2014
NOTE – 1 — SHARE CAPITAL		
Authorised:		
840 Non-Cumulative Redeemable Preference Shares of Rs. 100 each	84	84
9035 Equity Shares of Rs. 100 each	903	903
125 Unclassified Shares of Rs. 100 each	13	13
	<u>1,000</u>	<u>1,000</u>
Issued, Subscribed and Paid-up:		
5025 Equity Shares of Rs. 100 each fully paid-up	502	502
	<u>502</u>	<u>502</u>
The entire Share capital is held by The Industrial & Prudential Investment Company Limited and its nominees.		
NOTE – 2 — RESERVES AND SURPLUS		
General Reserve		
Balance as per last Balance Sheet	11,630	11,540
Add: Transferred from Statement of Profit and Loss	—	90
	<u>11,630</u>	<u>11,630</u>
Special Reserve		
Balance as per last Balance Sheet	7,935	7,755
Add: Transferred from Statement of Profit and Loss	375	180
	<u>8,310</u>	<u>7,935</u>
Profit and Loss Statement		
Balance as per last Balance Sheet	16,267	15,641
Add: Profit for the year as per Statement of Profit and Loss	1,829	896
	<u>18,096</u>	<u>16,537</u>
Less: Appropriations:		
Transferred to		
Special Reserve	375	180
General Reserve	—	90
	<u>375</u>	<u>270</u>
	<u>17,721</u>	<u>16,267</u>
TOTAL	<u>37,661</u>	<u>35,832</u>
NOTE – 3 — SHORT TERM PROVISIONS		
Provision for Taxation	—	—
TOTAL	<u>—</u>	<u>—</u>

Notes Forming Part of the Financial Statements for the year ended 31st March, 2015

				Rs. in Thousand	
NOTE – 4 — NON-CURRENT INVESTMENTS				As at 31-03-2015	As at 31-03-2014
Name of the Company	Face Value Rupees	Holding As on 31-03-2015			
Other Investments (At Cost)					
A. Quoted Investments					
Equity Shares (Fully Paid)					
BASF India Limited	10	800	921	921	
Glaxo Smith Kline Pharmaceuticals Limited	10	1,000	1,100	1,100	
GTL Limited	10	4,000	1,036	1,036	
GTL Infrastructure Limited	10	8,000	182	182	
ICICI Bank Limited	10	—	—	2	
Infosys Technologies Limited	5	9,600	3,146	3,146	
ISMT	5	43,750	738	738	
KSB Pumps Limited	10	260,000	11,008	11,008	
Mahanagar Telephone Nigam Limited	10	7,000	1,435	1,435	
State Bank of India	1	33,000	1,791	1,791	
Tata Steel Limited	10	6,886	979	979	
Sub-Total — A			22,336	22,338	
B. Unquoted Investments					
Mutual Fund					
JM G-Sec Fund - Growth Option	10	129,239	5,137	—	
JM G-Sec Fund - Quarterly Dividend Payout	10	282,784	—	5,000	
UTI MF- Fund Growth	10	203,521	7,677	—	
UTI MF- Fund dividend Payout	10	602,337	—	7,500	
Total — B			12,814	12,500	
Total — (A + B)			35,150	34,838	
Less: Provision for diminution in the Value of Investments			2,478	2,478	
TOTAL			32,672	32,360	
Aggregate Cost of Quoted Investments			22,336	22,338	
Aggregate Cost of Unquoted Investments			12,814	12,500	
Market Value of Quoted Investments			231,650	113,421	
Aggregate Provision for diminution in the value of Investments			2,478	2,478	

Notes Forming Part of the Financial Statements for the year ended 31st March, 2015

		Rs. in Thousand	
		As at 31-03-2015	As at 31-03-2014
NOTE – 5 — CASH AND CASH EQUIVALENTS			
Balance with bank		5,509	3,948
Cash on hand		9	2
TOTAL		5,518	3,950
NOTE – 6 — SHORT TERM LOANS AND ADVANCES (Unsecured, Considered Good)			
Advance Income Tax (Net of Provision)		—	—
Prepaid Expenses		—	2
TOTAL		—	2
NOTE – 7 — OTHER CURRENT ASSETS (Unsecured, Considered Good)			
Dividend Receivable		—	49
TOTAL		—	49
NOTE – 8 — OTHER INCOME			
Dividend Income		1,692	1,111
Profit on Sale of Long Term Investments		320	—
TOTAL		2,012	1,111
NOTE – 9 — OTHER EXPENSES			
Directors Fees		5	2
Auditors' Remuneration:			
Audit Fees		10	10
Other Matters		—	50
Service Tax on Audit Fees		1	7
		11	67
Miscellaneous expenses		106	112
Provision for Diminution in the value of Long Term Investments		—	34
TOTAL		122	215

Notes Forming Part of the Financial Statements for the year ended 31st March, 2015

NOTE – 10

1. Significant Accounting Policies

- (i) Fixed Assets
The Company does not have Fixed Assets.
- (ii) Depreciation
There are no fixed asset hence no depreciation has been provided.
- (iii) Investments
Investments are valued of cost of acquisition plus brokerage and stamp charges. The Company in accordance with Accounting Standard 13 has made a provision for permanent diminution in the value of investments to account for a decline in value of long term investments.
- (iv) Inventories
There are no inventories
- (v) System of Accounting
The Company generally adopts accrual system of accounting on a going concern basis. Dividend income from investments is recognised on accrual basis, as and when the owner gets the right to receive payment.
- (vi) Miscellaneous expenditure
There are no Preliminary Expenses.
- (vii) Gratuity
Payment of Gratuity Act does not apply.
- (viii) Earning Per Share
Earnings per share has been calculated and disclosed as per the accounting Standard 20 "Earnings Per Share" issued by The Institute of Chartered Accountants of India.
- (ix) System of Accounting Taxes on Income:
 - (a) Current Tax
Provisions for Income Tax is determined in accordance with the provision of Income Tax Act, 1961.
 - (b) Deferred Tax
Deferred tax is recognised on timing differences being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period(s).
- (x) Provisions and Contingent Liabilities:
 - (a) A provision is recognised when there is present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.
 - (b) A disclosure for a contingent liability is made when there is a possible or present obligation that may but probably will not require an outflow of resources. When there is a possible obligation in respect likelihood of resources is remote, no provision or disclosure is made.

2. Contingent liability not provided in respect of Shares partly paid-up Rs. NIL. (Previous year Rs. Nil.)

Notes Forming Part of the Financial Statements for the year ended 31st March, 2015

3. The Company has no activities other than those of an investment Company and accordingly the segment reporting accounting standard is considered not applicable.

4. Related Party Disclosures:

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

<i>Name of the Related Party</i>	<i>Nature of Relationship</i>
(a) The Industrial & Prudential Investment Company Limited	Holding Company

(B) Related Party Transaction:

There are no related party transactions.

5. Break-up of deferred tax asset as at March 31, 2015:

Nature of timing Difference

Carry Forward Loss Rs. Nil (Previous Year Rs. Nil).

6. In the opinion of the Board, the Current assets, Loans & advance have a value on realisation in ordinary course of business and at least equal to the amount stated in the Balance sheet and Provision for all known liabilities have been made and are adequate.

7. Earning per share:

	Current Year	Previous Year
Profit after tax	1,829	896
Weighted Avg. No. of Shares at the beginning of the Year	5,025	5,025
Weighted Avg. No. of Shares at the end of the Year	5,025	5,025
Face value of each Equity Shares	100	100
Basic/Diluted earning per share	363.98	178.31

8. Previous years figures have been regrouped and rearranged wherever necessary.

SIGNATURES TO NOTES 1 TO 10

As per our report attached

For C. M. GABHAWALA & CO.
Chartered Accountants
FR. NO. 102870W

BIREN C. GABHAWALA
Partner
Membership No. 40496

Mumbai, May 27, 2015.

For and on behalf of the Board of Directors

A. V. SETALVAD *Chairman*

A. R. BROACHA
DEVINA SWARUP *Directors*

Mumbai, May 27, 2015.

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) Direction, 1998

Particulars		Rs. in Thousand	
Liabilities side:			
(1)	Loans and advances availed by the NBFCs Inclusive of interest accrued thereon but not paid: <div style="display: flex; justify-content: space-between;"> <div> (a) Debentures (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 </div> <div> : Secured : Unsecured (other than falling within the meaning of public deposits*) </div> </div>	Amount Outstanding NIL	Amount overdue NIL
(2)	Break-up of (1)(f) above (Outstanding public deptsits 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
Assets side:		Amount outstanding	
(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	
(5)	Break-up of Investments: Current Investments: 1. Quoted: <div style="display: flex; justify-content: space-between;"> <div> (i) Shares: (ii) Debentures and Bonds (iii) Units of Mutual Funds (iv) Government Securities (v) Others (please specify) </div> <div> (a) Equity (b) Preference </div> </div> 2. Unquoted: <div style="display: flex; justify-content: space-between;"> <div> (i) Shares: (ii) Debentures and Bonds (iii) Units of Mutual Funds (iv) Government Securities (v) Others (please speicify) </div> <div> (a) Equity (b) Preference </div> </div>	NIL	

	Particulars	Rs. in Thousand		
	Long Term Investments: (AT COST):			
	1. Quoted:			
	(i) Shares: (a) Equity	223.36		
	(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	128.14		
	(v) Others (please specify)	—		
(6)	Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances: Please see Note 2 below			
		Amount net of provisions		
	Category	Secured	Unsecured	Total
	1. Related Parties**	—	—	—
	(a) Subsidiaries	—	—	—
	(b) Companies in the same group	—	—	—
	(c) Other related parties	—	—	—
	2. Other than related parties	—	—	—
	TOTAL	—	—	—
(7)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted): Please see Note 3 below			
	Category	Market Value/ Break-up or fair Value or NAV	Book Value (Net of Provisions)	
	1. Related Parties**			
	(a) Subsidiaries	—		—
	(b) Companies in the same group	—		—
	(c) Other related parties	1,944.54		110.08
	2. Other than related parties	514.55		216.64
	TOTAL	2,459.09		326.72
(8)	Other information			
	(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 of debt	NIL		

Note:

- 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 CAI 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.

STATEMENT OF NET OWNED FUNDS AS ON MARCH 31, 2015

Rs. in thousand

	AMOUNT
i. Paid-up Equity Capital	502
ii. Free Reserves	29,351
iii. Total (i + ii)	29,853
iv. Accumulated balance of loss	—
v. Deferred Revenue Expenditure	—
vi. Other intangible assets	—
vii. Total (iv + v + vi)	—
viii. Owned Funds (iii - vii)	29,853
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) + x (b)}	—
xii. Amount of item xi in excess of 10% of item viii above.	—
xiii. Net Owned Funds (viii-xii)	29,853

As per our report attached

For C. M. GABHAWALA & CO.

Chartered Accountants

FR. NO. 102870W

BIREN C. GABHAWALA

Partner

Membership No. 40496

Mumbai, May 27, 2015.

For and on behalf of the Board of Directors

A. V. SETALVAD

Chairman

**A. R. BROACHA
DEVINA SWARUP**

Directors

Mumbai, May 27, 2015.

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

CIN: L65990MH1913PLC000374

125, MAKER CHAMBERS III,

NARIMAN POINT,

MUMBAI - 400 021

Tel.: 22854243

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 proposed 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-13 Pannalal Silk Mills Compound, L.B.S. Marg, Bandup (W), Mumbai - 400 078. 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,

For and on behalf of the Company,

A. V. Setalvad
Chairman

Mumbai, May 28, 2015.

E-COMMUNICATION REGISTRATION FORM

To,

Link Intime India Private Limited,

Unit: The Industrial & Prudential Investment Co. Ltd.

C-13 Pannalal Silk Mills Compound,

LBS Marg, Bahndup (West),

Mumbai - 400 078.

Dear Sir/Madam,

Re.: Green initiative in Corporate Governance

I agree to receive all documents like notices, annual reports etc. from 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:

- Shareholders are requested to keep Company informed 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 the notices/documents to you on the above mentioned e-mail ID.
- If shares are held electronic mode, kindly register your e-mail ID with your DP.

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

CIN: L65990MH1913PLC000374

Registered Office: 125, Maker Chambers III, Nariman Point, Mumbai - 400 021.

ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

Folio No./DP ID-Client ID: No. of Shares:

I hereby record my presence at the 99th ANNUAL GENERAL MEETING to be held at Bajaj Bhavan, Ground floor, (Kamalnayan Bajaj Hall), 220, Nariman Point, Mumbai-400 021 on Monday, August 31, 2015 at 3.00 p.m.

Member's/Proxy's Full Name

Member's/Proxy's Signature

TEAR HERE

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

CIN: L65990MH1913PLC000374

Registered Office: 125, Maker Chambers III, Nariman Point, Mumbai - 400 021.

PROXY FORM

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

Name of the Member(s):	E-mail Id:
Registered Address:	Folio No./Client Id:
	DP ID:

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

- | | |
|------------------|---------------------------------|
| 1. Name: | Address: |
| E-mail Id: | Signature: or failing him |
| 2. Name: | Address: |
| E-mail Id: | Signature: or failing him |
| 3. Name: | Address: |
| E-mail Id: | Signature: or failing him |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 99th ANNUAL GENERAL MEETING of the company, to be held at Bajaj Bhavan, Ground floor, (Kamalnayan Bajaj Hall), 220, Nariman Point, Mumbai-400 021 on Monday, August 31, 2015 at 3.00 p.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

1. Adoption of Financial Statements and Consolidated Financial Statements for the year ended March 31, 2015
2. Declaration of Dividend on Equity Shares for the year ended March 31, 2015
3. Re-appointment of Mr. Gaurav Swarup who retires by rotation
4. Ratification of appointment of M/s. V.S. Somani & Co., Chartered Accountants as Auditors and fixing remuneration
5. Confirmation of appointment of Ms. Binaisha Sundaram as an Independent Director
6. Appointment of Mr. Gaurav Swarup as Managing Director

Signed this day of, 2015

Signature of Shareholder:.....

Signature of Proxyholder(s):.....

Affix
1 Rupee
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.

TEAR HERE

FORM - A.

SR. NO.		
1	Name of the Company	The Industrial & Prudential Investment Co. Limited
2	Annual Financial statement for the year ended:	31 st March 2015.
3	Type of observation:	Unqualified.
4	Frequency of observation	Not applicable.

Refer our Audit Report dated 28th May 2015 on the financial statements of the Company.

For V. S. SOMANI & Co.

Chartered Accountants,
Registered No., 117589W

V. S. Somani
V. S. SOMANI
PROPRIETOR



MEMBERSHIP NO: 102664
MUMBAI: 28.05.2015

(A. V. SETALVAD)
(DIRECTOR)

X *A. R. Broacha*
(A. R. BROACHA)
(DIRECTOR)

MUMBAI: 28.05.2015