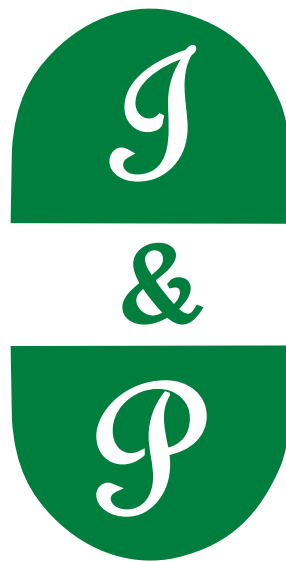


94th
ANNUAL REPORT
2009 - 2010



THE INDUSTRIAL & PRUDENTIAL
INVESTMENT COMPANY LIMITED

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

COMPANY INFORMATION

BOARD OF DIRECTORS	:	A. V. SETALVAD A. R. BROACHA V. C. VAIDYA GAURAV SWARUP VIKRAM SWARUP
BANKERS	:	DEUTSCHE BANK BANK OF INDIA ICICI BANK LIMITED
AUDITORS	:	N.M. RAIJI & CO. CHARTERED ACCOUNTANTS
REGISTERED OFFICE	:	125, MAKER CHAMBERS III, NARIMAN POINT, MUMBAI- 400 021 Tel.: 22854243
REGISTRARS & TRANSFER AGENTS	:	LINK INTIME INDIA PVT. LTD. C-13, PANNALAL SILK MILLS COMPOUND, L.B.S. MARG, BHANDUP (WEST), MUMBAI - 400 078. TEL. 25946970 Email-Id : rnt.helpdesk@linkintime.co.in

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Notice to the Shareholders

NOTICE is hereby given that the Ninety-Fourth 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 Wednesday, August 18, 2010 at 3.00 p.m. to transact the following items of business:

1. To receive, consider, and adopt the audited Balance Sheet and Profit and Loss Account of the Company for the year ended March 31, 2010, the Board's Report and the Auditors' Report.
2. To declare a dividend.
3. To appoint a Director in place of Mr. V. C. Vaidya, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. A. R. Broacha, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next annual general meeting and to fix their remuneration.
6. To consider and, if thought fit, to pass the following resolution with or without modification, as a SPECIAL RESOLUTION:

“RESOLVED that pursuant to Article 117 of the Articles of Association of the Company, Sections 198, 309 (4) and other applicable provisions, if any, of the Companies Act, 1956 and subject to such other approvals, if any necessary, consent of the Company be and is hereby accorded to the payment of remuneration to directors by way of commission calculated at the rate of 3% of the net profits of the Company for each of the five financial years commencing from 1st April, 2009, with an authority to the Board of Directors to determine the amount of commission payable to such directors within the limits aforesaid”.

NOTES:

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
- (b) The register of Members and the Share Transfer Books of the Company will remain closed from August 2, 2010 to August 18, 2010 (both days inclusive).
- (c) If, dividend, as recommended by the Directors, if approved at the meeting, payment will be made on or after September 1, 2010 to those shareholders whose names appear in the Company's Register of Members on August 18, 2010.
- (d) Unpaid Dividend for the financial year ended March 31, 2002, have been transferred to the Investor Education and Protection Fund after completion of seven years in accordance with Section 205C of the Companies Act, 1956.

Registered Office:
125, Maker Chambers III,
Nariman Point,
Mumbai - 21
Mumbai, 22nd June, 2010

By Order of the Board

A. V. SETALVAD
CHAIRMAN

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Notice to the Shareholders

Explanatory Statement as required by Section 173 of the Companies Act, 1956.

ITEM 6

At the Annual General Meeting held on 27th July, 2005, members of the Company had authorised the Board of Directors to remunerate the non executive Directors of the Company for their services upto an amount of 3% of the net profits of the Company, for each of the five financial years commencing from 1st April, 2004 upto 31st March, 2009.

The Board of Directors of the Company feel that in view of contribution of the Directors to the growth of business and operations of the Company, the existing arrangement of payment of remuneration by way of commission to the Directors be continued. It is, therefore, proposed to extend the said period by further five financial years commencing from 1st April, 2009. The terms of remuneration remain unchanged i.e. an amount not exceeding 3% of the net profits of the Company. This remuneration would be in addition to sitting fees.

The members are requested to pass the special resolution set out at item 6 of the Notice.

All the Directors shall be deemed to be concerned or interested in this resolution as it pertains to payment of remuneration to them.

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

Mumbai, 22nd June, 2010

By Order of the Board

A.V. SETALVAD
Chairman

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Board's Report

Your Directors beg to submit their report and audited Balance Sheet and Profit and Loss Account of the Company for the year ended 31st March 2010.

1. ACCOUNTS:

	<u>2009-2010</u>	Rs. in lacs <u>2008- 2009</u>
Income	366.24	355.36
Expenditure		
(a) Expenses	21.41	20.33
(b) Provision for diminution in the value of Investment (current)	(47.62)	40.13
Profit before Taxation	<u>392.45</u>	<u>294.90</u>
Provision for Taxation :		
Current Tax		
- for the year	10.00	-
- relating to earlier year	11.13	1.25
Deferred Tax	(0.02)	(0.04)
Fringe Benefit Tax	-	0.05
	<u>21.11</u>	<u>1.26</u>
Net Profit	371.34	293.64
Add: Balance brought forward from Balance Sheet	876.76	754.80
Profit for Appropriation	<u>1,248.10</u>	<u>1,048.44</u>
Appropriation:		
Dividend	93.08	69.81
Tax on Dividend	15.82	11.87
Special Reserve (in terms of Section 45-IC of RBI Act, 1934)	75.00	60.00
General Reserve	38.00	30.00
Balance Carried to Balance Sheet	<u>1,026.20</u>	<u>876.76</u>
	<u>1,248.10</u>	<u>1,048.44</u>

2. DIVIDEND:

From the profit of the year, your Directors recommend a dividend of Rs. 16.00 per share (previous year Rs.12.00 per Share)

3. CONSOLIDATED ACCOUNTS:

As per the requirement of SEBI, Consolidated accounts in accordance with Accounting Standard (AS) -21 have been annexed to this Annual Report.

4. DIRECTORS:

In accordance with the provisions of the Companies Act, 1956 and the theArticles of Association of the Company, Mr.V. C. Vaidya and Mr. A. R. Broacha retire by rotation and, being eligible, offer themselves for re-appointment.

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Board's Report

5. AUDITORS:

You are requested to appoint auditors for the current year and fix their remuneration. The retiring auditors, Messrs N. M. Raiji & Co., Chartered Accountants, are eligible and offer themselves for re-appointment. The Company has received a certificate from Messrs N. M. Raiji & Co. to the effect that their re-appointment, if made, will be within the prescribed limits in Section 224(1-B) of the Companies Act, 1956.

6. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) of The Companies Act, 1956, the Board of Directors report that:

- * in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- * 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 state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.
- * proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of The Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- * the annual accounts have been prepared on a going concern basis.

7 COMPLIANCE CERTIFICATE

A copy of Compliance Certificate U/s.383A of the Companies Act, 1956, received from Ragini Chokshi & Co., Company Secretaries, is annexed and forms part of this report.

8 SUBSIDIARY'S ACCOUNTS:

New Holding And trading Company Limited's Accounts for the year ended March 31, 2010 are attached.

9 EMPLOYEES:

The Company has no employees covered under Section 217 (2A) of the Companies Act, 1956.

For and on behalf of the Board of Directors

Mumbai, 22nd June, 2010

A. V. SETALVAD
Chairman

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Compliance Certificate

Registration no. of the Company : 11-374
Nominal Capital : Rs. 1,00,00,000/-
(Issued & Paid Up Capital) : Rs. 58,21,122/-

To:
The Members,

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

We have examined the registers, records, books and papers of M/S. THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED (Regd. No. 11-374) (the company) as required to be maintained under the Companies Act, 1956, (The Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31ST March 2010**. In our opinion and to the best of our information and according to the examinations carried out by us, and explanations furnished to us by the Company and its officers, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificates, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company is a Public Limited Company and hence comments are not required.
4. The Board of Directors duly met Five times respectively on May 26, 2009, July 29, 2009, August 12, 2009, October 30, 2009 and January 29, 2010, in respect of which, meetings proper notices were given and the proceedings were properly recorded, and signed including the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members during the financial year from July 27, 2009 to August 12, 2009.
6. The Annual General Meeting for the financial year ended on 31ST March 2009 was held on August 12, 2009 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra-ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loans to its directors, persons, firms, or companies referred to under Section 295 of the Companies Act, 1956.
9. The Company had not entered into any contract falling within the purview of Section 297, of the Act.
10. The Company has made necessary entries in the Register maintained under Section 301 of the Act.
11. There were no instances falling within the purview of Section 314 of the Act, therefore Company was not required to obtain any approvals from the Board of Directors, Members or Central Government.
12. The Company issued duplicate share certificate during the financial year.
13. The Company has:
 - (i) Delivered all the certificates on lodgement thereof for transfer in accordance with the provisions of the Companies Act, 1956.
 - (ii) The Company had paid dividend Rs. 12/- per Share of Rs. 10/- each, for the year ended March 31, 2009, on August 24, 2009, and same amount was deposited with Deutsche Bank within 5 days from the date of declaration of such dividend i.e. on August 14, 2009.
 - (iii) Paid / Posted warrants for dividend to all the members within a period of 30 (Thirty) days from the date of declaration and that all unclaimed / unpaid dividend has been transferred to unpaid dividend account of the Company.
 - (iv) Transferred the amounts in unpaid dividend account, application money due for refund and interest accrued

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Compliance Certificate

thereon which has remained unpaid or unclaimed for a period of seven years.

- (v) Duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the company is duly constituted and there was no appointment of additional directors, alternate directors and directors to fill casual vacancies have been made during the year.
 15. The Company has not appointed any Managing Director/Whole Time Director/ Manager during the year.
 16. The Company has not appointed any sole selling agents during the financial year.
 17. The Company was not required to obtain any approvals of the Central Government, Company Law Board/Regional Director/Registrar/or such other authorities prescribed under the various provisions of the Act during the financial year.
 18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act, and the rules made thereunder.
 19. The Company has not issued any shares, debentures or other securities during the financial year.
 20. The Company has not bought back any shares during the financial year.
 21. There was no redemption of preference shares or debentures during the financial year.
 22. There were no transactions necessitating keep in abeyance the rights to dividend, right shares, and bonus shares pending registration of transfer of shares.
 23. The Company has not invited or accepted any deposits including any unsecured loans falling within the purview of Section 58A of the Act read with companies (Acceptance of Deposit) Rules 1975, during the financial year under review from public.
 24. The Company has not made any borrowings during the financial year ended March 31, 2010.
 25. The Company has not made loans and advances or given guarantees, or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
 26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's Registered Office from one state to another during the year under scrutiny.
 27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
 28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
 29. The Company has not altered the provisions of the Memorandum with respect to the Share Capital of the Company during the year under scrutiny.
 30. The Company has not altered its Articles of Association during the year under scrutiny.
 31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for offences under the Act.
 32. The Company has not received any money as securing from its employees during the financial year.
 33. The Company is not required to make contribution towards provident fund.

For, **RAGINI CHOKSHI & ASSOCIATES**
RAGINI CHOKSHI
Company Secretary

Place : Mumbai
Date : 18th May, 2010

(Proprietor)
C.P.No. 1436
Membership No.: 2390

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Compliance Certificate

ANNEXURE 'A'

REGISTERS AS MAINTAINED BY THE COMPANY

1. Registers of Members under Section 150.
2. Register and Returns under Section 163.
3. Minutes Book of Meeting.
4. Books of Account.
5. Register of Directors, Management Director, Manager, and Secretary under Section 303.
6. Fixed Assets Register.
7. Register of Transfer.
8. Register of Investment under Section 49.

OTHER REGISTERS

1. Register of Director Attendance maintained.
2. Register of Shareholder Attendance.

ANNEXURE 'B'

Forms and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending March 31, 2010., Under MCA 21.

Sr. No.	Form No / Return	Filed under Section	For Year	Date of filing	Whether filing within Prescribed Time Yes / No	If delay in filing whether requisite additional fee paid Yes / No
1.	Form No. 66	383A	2008-2009	10.09.2009	Yes	No
2.	23AC/ACA	220	2008-2009	10.09.2009	Yes	No
3.	Form No. 20 B	159	2008-2009	09.10.2009	Yes	No
4.	Form No. 1	-	2008-2009	22.09.2009	Yes	No
5.	DIN - 3	266A	2006-2007	22.09.2009	No	Yes

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Auditors' Report

TO THE MEMBERS OF THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

1. We have audited the attached Balance Sheet of **THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED**, as at 31st March 2010, Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) 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;
 - (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards prescribed by the Companies (Accounting Standards) Rules, 2006 as per sub-section (3C) of section 211 of the companies Act, 1956;
 - (v) On the basis of written representations received from the directors, as on 31st March 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon give the information required by the Companies Act, 1956, 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 31st March 2010;
 - (b) In the case of the Profit and Loss Account, of the Profit for the year ended on that date; and
 - (c) In the case of the Cash Flow Statement, of the Cash Flow for the year ended on that date.

For **N. M. RAIJI & CO.**,
Chartered Accountants

CA. Y. N. THAKKAR
Partner
Membership No: 33329

Place: Mumbai
Date : 22nd June, 2010

Annexure referred to in paragraph 3 of our report of even date

- i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- b) The fixed assets of the Company have been physically verified by the management during the year. No material discrepancies were noticed on such verification as compared with the book records.
- c) The Company has not disposed off substantial part of fixed asset during the year.
- ii. The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms and other parties listed in the register maintained under section 301 of the Companies Act, 1956. Accordingly sub-clause (b),(c),(d), (f) and (g) are not applicable.
- iii. In our opinion, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of fixed assets if any. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system.
- iv. There are no particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 that need to be entered into the register maintained in pursuance of section 301. Accordingly, sub-clause (b) is not applicable.
- v. The Company has not accepted any deposits from the public.
- vi. The Company does not have an internal audit system. Considering the nature and scale of operations of the Company and in the context of the close supervision exercised by the Board of Directors, we are informed that an internal audit system is not considered necessary at present.
- vii. (a) According to the records of the company, the company is generally regular in depositing with appropriate authorities undisputed applicable statutory dues. 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 2010 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 sales tax / income tax / custom duty / wealth tax / service tax / excise duty / cess that havenot been deposited on account of any dispute.
- viii. 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 immediately preceding such financial year.

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Annexure referred to in paragraph 3 of our report of even date

- ix.** The company has no dues payable to banks, financial institutions, or debenture holders. Accordingly, provisions of clause 4(xi) is not applicable to the company.
- x.** Based on our examination and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xi.** The Company is not a chit / nidhi / mutual benefit fund/society.
- xii.** Based on our examination of the records and evaluation of the related internal controls, we are of the opinion that in respect of current investments, proper records have been maintained of the transactions and contracts of its dealing in shares, securities and other investments and entries therein have generally been made on timely basis. The Company has held the investments in its own name except as permissible under section 49 of the Act.
- xiii.** The Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xiv.** During the year the Company has not raised any funds on short term basis.
- xv.** The Company has not made any preferential allotment of shares to parties and companies covered in register maintained under section 301 of the Act.
- xvi.** During the year the Company has not issued any debentures.
- xvii.** The Company has not raised any money by public issue during the year.
- xviii.** According to the information and explanations given to us, no fraud on or by the Company, has been noticed or reported during the course of our audit.

Place: Mumbai
Date : 22nd June, 2010

For **N. M. RAIJI & CO.**,
Chartered Accountants

CA. Y. N. THAKKAR
Partner
Membership No: 33329

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Balance Sheet As At 31st March 2010

	SCHEDULE	As at 31.03.2010 Rupees	As at 31.03.2009 Rupees
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	5,821,122	5,821,122
Reserves and Surplus	2	201,285,243	175,041,419
		207,106,365	180,862,541
DEFERRED TAX LIABILITY		11,579	14,143
		207,117,944	180,876,684
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross block	3	1,075,043	1,075,043
Less: Depreciation		981,775	960,063
Net block		93,268	114,980
INVESTMENTS	4	213,997,492	180,960,778
CURRENT ASSETS, LOANS AND ADVANCES			
Current Assets	5	6,090,896	9,200,742
Loans and Advances		28,588	757,056
		6,119,484	9,957,798
Less:			
CURRENT LIABILITIES AND PROVISIONS			
Current Liabilities	6	2,112,716	1,989,030
Provisions		10,979,584	8,167,842
		13,092,300	10,156,872
NET CURRENT ASSETS		(6,972,816)	(199,074)
		207,117,944	180,876,684

NOTES FORMING PART OF THE ACCOUNTS 8

As per our report attached

For N. M. RAIJI & CO.
Chartered Accountants

CA. Y. N. THAKKAR
Partner

Mumbai, 22nd June, 2010

For and on behalf of the Board Of Directors

A. V. SETALVAD **CHAIRMAN**

A. R. BROACHA } **DIRECTORS**
V. C. VAIDYA

Mumbai, 22nd June, 2010

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Profit And Loss Account For The Year Ended 31st March 2010

	SCHEDULE	2009 - 2010 Rupees	2008 - 2009 Rupees
INCOME			
Dividend on Investments			
Long Term		28,547,991	31,802,724
Current		702,075	567,159
		<u>29,250,066</u>	<u>32,369,883</u>
Distributable Income from Mutual Funds		416,667	0
Profit on sale of Long term Investments (Net)		1,785,392	2,842,165
Profit on Sale of Current Investments (Net)		5,124,453	293,112
Interest (Tax deducted at Source Rs. Nil] (Previous year Rs. 4,591/-)		-	22,286
Miscellaneous Income		47,195	9,262
Provision for diminution in the value of Current Investments no longer required (Net) ,		4,762,672	-
		<u>41,386,445</u>	<u>35,536,708</u>
EXPENDITURE			
Management expenses	7	2,049,549	1,979,020
Provision for diminution in the value of Investments (Current)		-	4,012,886
Interest		70,162	20,688
Depreciation		21,712	33,681
		<u>2,141,423</u>	<u>6,046,275</u>
Profit before Tax		39,245,022	29,490,433
Less: Provision for Taxation			
Current Tax			
- for the year		1,000,000	-
- relating to earlier years		1,113,306	125,052
Deferred Tax		(2,564)	(3,525)
Fringe Benefit tax		-	4,819
		<u>2,110,742</u>	<u>126,346</u>
Profit after Tax		37,134,280	29,364,087
Add: Balance brought forward		87,676,519	75,480,274
Amount available for appropriations		124,810,799	104,844,361
Less: Appropriations			
Transfer to			
Special reserve		7,500,000	6,000,000
General reserve		3,800,000	3,000,000
Proposed Dividend		9,308,480	6,981,360
Tax on dividend		1,581,976	1,186,482
Balance Carried to balance sheet		102,620,343	87,676,519
		<u>124,810,799</u>	<u>104,844,361</u>
Basic and Diluted Earning per Equity Share (Nominal Value per share Rs. 10)		63.83	50.47
NOTES FORMING PART OF THE ACCOUNTS	8		

As per our report attached

For N. M. RAIJI & CO.
Chartered Accountants

CA. Y. N. THAKKAR
Partner

Mumbai, 22nd June, 2010

For and on behalf of the Board Of Directors

A. V. SETALVAD **CHAIRMAN**

A. R. BROACHA } **DIRECTORS**
V. C. VAIDYA }

Mumbai, 22nd June, 2010

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Cash Flow For The Year Ended March 31, 2010

	31.03.2010 Rupees	31.03.2009. Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES.		
Net Profit before tax	39,245,022	29,490,433
Adjusted for		
Depreciation	21,712	33,681
Investment income	(36,576,578)	(35,505,160)
Provision for diminution in the value of Investments	(4,762,672)	4,012,886
	(41,317,538)	(31,458,593)
Operating Profit/(Loss) before Working Capital Changes	(2,072,516)	(1,968,160)
Changes in		
Trade & Other Receivable	289,130	(286,193)
Trade Payables	15,041	10,177
NET CASH USED IN OPERATING ACTIVITIES	(1,768,345)	(2,244,176)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-	(1,750)
Purchase of Investments	(219,763,599)	(159,354,706)
Sale of Investments	198,399,402	121,137,820
Dividend Received	29,250,066	32,369,883
Distributed Income from Mutual Fund	416,667	
Cash Generated from Investing Activities	8,302,536	(5,848,753)
Direct Taxes Paid (including Fringe Benefit Tax)	(1,296,658)	(80,296)
NET CASH FROM INVESTING ACTIVITIES	7,005,878	(5,929,049)
C. CASH FLOW FROM FINANCIAL ACTIVITIES		
Dividend Paid	(6,872,715)	(6,824,308)
Tax on Dividend	(1,186,482)	(1,186,482)
NET CASH USED IN FINANCIAL ACTIVITIES	(8,059,197)	(8,010,790)
NET CHANGES IN CASH & CASH EQUIVALENTS (A+B+C)	(2,821,664)	(16,184,015)
CASH AND CASH EQUIVALENTS - OPENING BALANCE	8,912,560	25,096,575
CASH AND CASH EQUIVALENTS - CLOSING BALANCE	6,090,896	8,912,560

NOTES:

1. All figures in brackets are outflows.
2. Cash and Cash equivalents is Cash and Bank Balances as per Balance sheet.
3. Previous year's figures have been regrouped wherever necessary.

As per our report attached

For N. M. RAIJI & CO.
Chartered Accountants

CA. Y. N. THAKKAR
Partner

Mumbai, 22nd June, 2010

For and on behalf of the Board Of Directors

A. V. SETALVAD CHAIRMAN

A. R. BROACHA } DIRECTORS
V. C. VAIDYA }

Mumbai, 22nd June, 2010

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Schedules Forming Part Of The Balance Sheet As At 31st March 2010

SCHEDULE - 1 - SHARE CAPITAL

	As at 31/03/2010 Rupees	As at 31/03/2009 Rupees
Authorised:		
10,00,000 Equity Shares of Rs. 10 each.	10,000,000	10,000,000
Issued, Subscribed and Paid-up:		
5,81,780 Equity Shares of Rs. 10 each (Of the above 3,27,340 Equity Shares of Rs 10 each allotted as fully paid up Bonus shares by capitalisation of General Reserve)	5,817,800	5,817,800
Forfeited Shares	3,322	3,322
	5,821,122	5,821,122

SCHEDULE - 2 - RESERVES AND SURPLUS

	As at 31/03/2010 Rupees	As at 31/03/2009 Rupees
Capital Reserve		
Balance as per last Balance Sheet	64,900	64,900
General Reserve		
Balance as per last Balance Sheet	39,800,000	36,800,000
Add: Transferred from Profit and Loss Account	3,800,000	3,000,000
	43,600,000	39,800,000
Special Reserve (in terms of Section 45-IC of Reserve Bank of India)		
Balance as per last Balance Sheet	47,500,000	41,500,000
Add: Transferred from Profit and Loss Account	75,00,000	6,000,000
	5,500,000	47,500,000
Profit and Loss Account	102,620,343	87,676,519
	201,285,243	175,041,419

SCHEDULE - 3 - FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	As at 01.04.2009 Rupees	Additions during the year Rupees	Deductions/ Adjustments during the year Rupees	As at 31.03.2010 Rupees	Up to 01.04.2009 Rupees	For the year Rupees	Deductions/ Adjustments during the year Rupees	As at 31.03.2010 Rupees	As at 31.03.2010 Rupees	As at 31.03.2009 Rupees
1 Office Premises	151,532	-	-	151,532	114,153	1,869	-	116,022	35,510	37,379
2 Furnitures, Fixtures and Fittings	380,480	-	-	380,480	361,471	2,825	-	364,296	16,184	19,009
3 Office Equipments	101,061	-	-	101,061	76,464	3,420	-	79,884	21,177	24,597
4 Computers and Systems	441,970	-	-	441,970	407,975	13,598	-	421,573	20,397	33,995
TOTAL	1,075,043	-	-	1,075,043	960,063	21,712	-	981,775	93,268	114,980
Previous year :	1,073,293	1,750	-	1,075,043	926,382	33,681	-	960,063	114,980	146,911

NOTE : Office Premises includes Rs. 250 being the cost of shares in Co-operative Society.

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Schedules Forming Part Of The Balance Sheet As At 31st March 2010

SCHEDULE - 4 - INVESTMENTS

Name of the Company	Face Value Rupees	Holding	As at 31.03.2010 Rupees	As at 31.03.2009 Rupees
I. A. Quoted Long Term				
(a) Equity Shares (Fully Paid)				
ACC. Limited	10	7,000	438,452	438,452
Amara Raja Batteries Limited	2	52,500	1,004,159	1,004,159
Andhra Cements Limited	10	40,000	1,553,275	1,553,275
Areva T and D India Limited	2	50,000	1,024,382	1,024,382
BASF India Limited	10	7,000	278,772	278,772
Bharat Electronics Limited	10	3,000	1,195,858	1,195,858
BEML Limited	10	8,500	1,876,742	1,876,742
Bharat Forge Limited	2	16,000	1,383,093	1,383,093
Bharti Airtel Limited (2,500 Shares Acquired during the year)	5	17,500	2,274,031	1,578,683
Bosch Limited	10	2,000	11,393	11,393
Century Textile and Industries Limited	10	1,000	425,966	425,966
Dish TV India Limited	1	5,462	77,368	77,368
DR. Reddy's Laboratories Limited	5	4,000	2,028,636	2,028,636
Gail (India) Limited	10	28,500	4,322,177	4,322,177
Great Eastern Shipping Company Limited	10	30,400	5,056,755	5,056,755
Great Offshore Limited	10	7,600	1,295,761	1,295,761
Hindustan Unilever Limited	1	73,000	190,867	190,867
IDBI Bank Limited	10	15,000	1,170,130	1,170,130
Indian Hotels Company Limited	1	79,200	1,507,820	1,507,820
Infosys Technologies Limited	5	108,000	2,110,921	2,110,921
ITC Limited	1	9,000	1,127,463	1,127,463
Karur Vysya Bank Limited	10	19,200	1,922,508	1,922,508
KSB Pumps Limited	10	3,570,000	17,401,315	17,401,315
Monsanto India Limited	10	800	673,359	673,359
Nagarjuna Construction Company Limited	2	54,000	1,458,262	1,458,262
Nestle India Limited	10	14,000	177,657	177,657
NTPC Limited	10	21,000	1,683,921	1,683,921
Orient Abrasives Limited (45,000 Bonus Shares received during the year)	1	90,000	1,262,592	1,262,592
Piramal Glass Ltd. (3,388 Right Shares Acquired during the year)	10	4,356	101,640	-
Piramal Healthcare Ltd.	2	20,000	1,556,960	1,556,960
Piramal Life Sciences Limited	10	2,000	326,383	326,383
Praj Industries Limited	2	19,000	2,415,485	2,415,485
Ranbaxy Laboratories Limited	5	5,173	922,607	922,607
Reliance Communications Limited	10	8,000	1,083,150	1,083,150
Reliance Industries Limited (8,000 Bonus Shares received during the year)	10	16,000	1,455,357	1,455,357
Seamec Limited	10	8,000	1,506,941	1,506,941
Selan Exploration Technology Limited	10	10,000	804,671	804,671
Siemens Limited	2	25,000	194,598	194,598
State Bank of India	10	3,800	2,155,593	2,155,593
Tata Consultancy Services Limited (7,000 Bonus Shares received during the year)	1	14,000	6,671,003	6,671,003
Tata Motors Limited (6,000 Shares sold during the year)	10	4,000	388,114	970,285
Tata Motors Limited (DVR) (Shares Aquired during the year)	10	7,850	3,394,993	-
Tata Power Company Limited	10	26,000	779,633	779,633
Tata Steel Limited (7,200 CCCPS converted into 1,200 Equity Shares)	10	10,800	2,763,845	2,043,845
Tata Teleservices (Maharashtra) Limited	10	80,000	2,039,111	2,039,111
Titan Industries Limited	10	14,000	2,630,224	2,630,224

Continued.....

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Schedules Forming Part Of The Balance Sheet As At 31st March 2010

SCHEDULE - 4 - INVESTMENTS (Continued.....)

Name of the Company	Face Value Rupees	Holding	As at 31.03.2010 Rupees	As at 31.03.2009 Rupees
TV TO-DAY Network Limited	5	8,000	840,563	840,563
Wire And Wireless (India) Limited	1	4,750	170,936	170,936
Zee Entertainment Enterprises Limited	1	9,500	781,319	781,319
Zee News Limited	1	4,294	83,242	83,242
Sub - Total - (a)			88,000,003	83,670,196
(b) Equity Shares (Partly Paid up)				
Wire and Wireless (India) Ltd @ Rs. 0.50 Paid-up	1	5,250	47,250	-
Sub - Total - (b)			47,250	-
(c) Cumulative Compulsory Convertible Preference Share. (Fully Paid up)				
Tata Steel Limited -CCCPS (Converted into Equity shares)	100		-	720,000
Sub - Total - (c)			-	720,000
(d) Debentures				
Non-convertible Secured RBS Financial Service (India) Pvt. Ltd. - SR-F-20 (Date of redemption 16th January, 2013)	100000	200	20,400,000	-
Sub-Total- (d)			20,400,000	-
Total I A [a + b + c+d]			108,447,253	84,390,196
I B Unquoted Long Term				
(a) Equity Shares (Fully Paid)				
(i) In Subsidiary				
New Holding And Trading Company Limited	100	5,025	2,500	2,500
[Sub Total (i)]			2,500	2,500
(ii) Others				
Niyuprene Plastics Company Limited	10	1,000	1	1
Siltronics (India) Limited	10	30	390	390
[Sub Total (ii)]			391	391
[Sub Total (a) = (i + ii)]			2,891	2,891
(b) Debentures:				
Non-convertible Secured of Citifinancial Consumer Finance India Limited Series 400 (Date of redemption 8th June, 2010)	100000	50	5,000,000	5,000,000
[Sub Total (b)]			5,000,000	5,000,000
(c) Mutual Fund				
Birla Sunlife Income Plus - Qrt. Dividend Payout (17,13,326 Units Sold during the year)	10	-	-	20,000,000
DWS Twin Advantage Fund Regular Monthly Dividend (Units Acquired during the year)	10	1,878,375	20,000,000	
HDFC Mutual Fund - Income Plan-Long Term Quarterly Dividend (Units Acquired during the year)	10	1,541,325	20,000,646	
ICICI Prudential Income Plan Qtr. Div. Payout (23,25,293 Units Sold during the year)	10	-	-	30,000,000
IL & FS Milestone Fund - II. (Units Acquired during the year)	1000	20,000	20,000,000	-
JM Mutual Fund				
G-SEC Regular Dividend Payout (14,18,299 Units Sold during the year)	10	-	-	20,000,000
Money Manager-Super PlusPlan-Daily Div..... (Units Acquired during the year)	10	1,087,496	10,880,683	
Master Plus -1991 Unit Trust of India	10	40,000	775,039	775,039
[Sub Total (c)]			71,656,368	70,775,039
Total I B [a + b + c]			76,659,259	75,777,930
Total - I (A + B)			185,106,512	160,168,126

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Schedules Forming Part Of The Balance Sheet As At 31st March 2010

SCHEDULE - 4 - INVESTMENTS (Continued.....)

Name of the Company	Face Value Rupees	Holding	As at 31.03.2010 Rupees	As at 31.03.2009 Rupees
II A. Current Quoted				
(a) Equity Shares (Fully Paid)				
Adhunik Metaliks Limited	10	18,200	2,163,070	-
Bharat Heavy Electricals Limited	10	300	715,635	451,305
Bharati Airtel Limited	5	-	-	1,458,549
Gillett india Limited	1	1,436	1,814,209	-
IDFC Limited	10	15,450	2,408,446	-
Infosys Technologies Limited	5	-	-	397,230
ITC Limited	1	3,500	909,292	-
Jaiprakash Associates Limited	2	-	-	244,180
Jindal Saw Ltd	2	4,130	446,660	-
Larson & Toubro Limited	2	-	-	732,471
Lupin Limited	10	1,500	827,988	1,600,777
Mahindra & Mahindra Limited	10	-	-	1,510,574
Modern Dairies Limited	10	6,913	287,235	-
Punj Lloyd Limited	2	-	-	136,725
Reliance Communication Limited	10	-	-	436,500
Reliance Industries Limited	10	1,600	1,598,394	1,370,880
Siemens Limited	2	350	244,720	94,325
Suzlon Energy Limited	10	13,000	934,700	-
Tata Consultancy Services Limited	1	-	-	432,000
Tata Motors Limited	10	500	377,850	90,150
Tata Tea Limited	10	2,887	2,828,105	-
Titan Industries Limited	10	1,425	1,910,099	2,281,208
Sub Total - (a)			17,466,403	11,236,874
(b) Mutual fund				
Benchmark Mutual Fund - Liquid Bees (PP)	1000	791	790,715	9,555,779
Sub Total - (b)			790,715	9,555,779
TOTAL - II A (a + b)			18,257,118	20,792,653
II B Current Unquoted				
Mutual fund				
Fortis Mutual Fund - Short Term Income Fund. (Units Acquired during the year)	10	1,063,386	10,633,862	-
TOTAL - II B (a)			10,633,862	-
TOTAL - II (A + B)			28,890,980	20,792,653
TOTAL OF (I + II)			213,997,492	180,960,779
Aggregate Cost of Quoted Investments			126,704,371	105,182,849
Aggregate Cost of Unquoted Investments			87,293,121	75,777,930
Market Value of Quoted Investments			2,194,322,142	1,298,631,157

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Schedules Forming Part Of The Balance Sheet As At 31st March 2010

SCHEDULE - 5 - CURRENT ASSETS, LOANS AND ADVANCES

	As at 31.03.2010 Rupees	As at 31.03.2009 Rupees
(a) Current Assets		
(i) Trade Receivables	-	3,799
(ii) Dividend Receivable	-	284,383
(iii) Cash and Bank Balances		
In Current Accounts	4,705,324	7,638,316
In Dividend Accounts	1,378,169	1,269,503
Cash on Hand	7,403	4,741
	<u>6,090,896</u>	<u>9,200,742</u>
(b) Loans and Advances.		
(Unsecured and considered good)		
Advance recoverable in cash or in kind or for value to be received	28,379	29,327
Advance payment of Income-tax (Net of Provision)	-	727,520
Advance payment of Fringe Benefit Tax (Net of Provision)	209	209
	<u>28,588</u>	<u>757,056</u>
	<u>6,119,484</u>	<u>9,957,798</u>

SCHEDULE - 6 - CURRENT LIABILITIES AND PROVISIONS

	As at 31.03.2010 Rupees	As at 31.03.2009 Rupees
(a) Current Liabilities :		
@ Sundry Creditors	734,547	719,506
* Unclaimed Dividend	1,378,169	1,269,524
	<u>2,112,716</u>	<u>1,989,030</u>
(b) Provisions :		
Proposed Dividend	9,308,480	6,981,360
Tax on Proposed Dividend	1,581,976	1,186,482
For Tax	89,128	-
	<u>10,979,584</u>	<u>8,167,842</u>
	<u>13,092,300</u>	<u>10,156,872</u>

@ There are no transactions with Micro and Small Enterprises..

* There is no amount due and outstanding to be credited to the Investor Education and Protection fund.

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Schedules Forming Part Of The Accounts For The Year Ended 31st March 2010

SCHEDULE - 7 - MANAGEMENT EXPENSES

	2009- 2010 <i>Rupees</i>	2008 - 2009 <i>Rupees</i>
Salaries	460,912	392,224
Legal and Professional Fees	517,803	600,306
Printing and Stationary	66,902	61,411
Rates and Taxes	95,781	104,865
Miscellaneous Expenses	274,692	299,428
Directors' Sitting Fees	76,000	72,000
Auditors' Remuneration:		
Audit Fees	40,000	40,000
Certifications etc.	33,000	33,000
Expenses	7,519	9,713
	80,519	82,713
Commision to Directors	450,000	350,000
Repairs and Maintenance Expenses	26,940	16,073
	<u>2,049,549</u>	<u>1,979,020</u>

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Schedules Forming Part Of The Accounts For The Year Ended 31st March 2010

SCHEDULE - 8 - NOTES FORMING PART OF THE ACCOUNTS

1. ACCOUNTING POLICIES:

(a) Fixed Assets

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

(b) Depreciation

Depreciation is provided on the written down value method prescribed in Schedule XIV of the Companies Act, 1956.

(c) 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.

(d) Revenue Recognition

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

(e) Retirement Benefits

The Company does not have any Retirement Benefits specifically laid down.

(f) 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).

(g) Provisions and Contingent Liabilities:

(i) 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.

(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.

2. Contingent liabilities not provided for in respect of:

(i) Disputed Taxation Matters Rs. Nil (Previous year Rs. 8,50,373/-).

(ii) In respect of Shares partly paid-up Rs. 47,250/- (Previous year Rs. Nil)

3. Computation of Net Profit in accordance with Section 309(5) of the Companies Act, 1956:

	2009-2010	2008-2009
	Rupees	Rupees
Profit before tax as per Profit and Loss Account	39,245,022	29,490,433
Add: Directors' Sitting Fees	76,000	72,000
Commission to Directors	450,000	350,000
	39,771,022	29,912,433
Commission payable to non-whole time Directors (restricted to 3% of the net profits)	450,000	350,000

Note: The above commission is payable subject to approval by members in ensuing Annual General Meeting.

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

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Schedules Forming Part Of The Accounts For The Year Ended 31st March 2010

SCHEDULE - 8 - NOTES FORMING PART OF THE ACCOUNTS (Contd.....)

5. Related Party Disclosures:

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

Name of the Party	Nature of Relationship
New Holding and Trading Company Limited	Subsidiary Company

B. Related Party Transactions:

Nature of Transactions	Subsidiary Company	Key Management Personnel	Relatives of Key Management Personnel	Individuals having significant influence over the enterprise.	Relatives of Individuals having significant influence over the enterprise.	Enterprise over which Key Management Personnel exercise significant influence	Enterprise over which Individuals having significant influence over the reporting enterprise exercise significant influence.	TOTAL
Directors' Sitting Fees	-	60,000	-	16,000	-	-	-	76,000
Commission	(-)	(62,000)	(-)	(10,000)	(-)	(-)	(-)	(72,000)
Dividend paid	-	180,000	-	270,000	-	-	-	450,000
Dividend Received	(-)	(140,000)	(-)	(210,000)	(-)	(-)	(-)	(350,000)
Legal and Professional Fees	-	24,600	54,216	22,800	159,048	-	4,221,876	4,482,540
Amount outstanding at the end of the year - Payable	(-)	(24,600)	(54,216)	(22,800)	(132,048)	(-)	(4,051,416)	(4,285,080)
	-	-	-	-	-	19,635,000	-	19,635,000
	(-)	(-)	(-)	(-)	(-)	(19,635,000)	(-)	(19,635,000)
	-	90,890	-	-	-	-	-	90,890
	(-)	(82,923)	(-)	(-)	(-)	(-)	(-)	(82,923)
Amount outstanding at the end of the year - Payable	-	243,801	-	243,000	-	-	-	486,801
	(-)	(199,962)	(-)	(188,370)	(-)	(-)	(-)	(388,332)

NOTES:

- (i) There is no provision for doubtful debts as at the end of the year in respect of related parties.
- (ii) There are no amounts written off or written back during the year in respect of debts due from or to related parties.
- (iii) Previous Year's figures are shown within Brackets.
- (iv) The related parties included in the various categories above, where transactions have taken place are given below:

Subsidiary Company	New Holding And Trading Company Limited
Key Management Personnel	Mr. A. V. Setalvad Mr. A. R. Broacha
Relatives of Key Management Personnel.	Mr. H. V. Setalvad Mrs. J. A. Setalvad
Individuals having significant influence over the enterprise.	Mr. V. C. Vaidya Mr. Gaurav Swarup Mr. Vikram Swarup

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Schedules Forming Part Of The Accounts For The Year Ended 31st March 2010

SCHEDULE - 8 - NOTES FORMING PART OF THE ACCOUNTS (Contd.....)

Relatives of individual having significant influence over the enterprise.	Mr. Mahendra Swarup Mrs. Bindu Swarup Mr. Gyan Swarup Mr. Parul Swarup
Enterprise over which key Management Personnel exercise significant influence.	KSB Pumps Limited
Enterprises over which Individuals having significant influence over the reporting enterprise exercise significant influence.	Paharpur Cooling Towers Limited Paharpur Corporation Limited Melvin Powell Vanaspati & Engineering Industries Limited

6. Components of deferred tax:

(a) Deferred Tax Liability			
<u>On account of timing Difference of Depreciation</u>	<u>Difference of</u>	<u>As at March 31, 2010.</u>	<u>As at March 31, 2009.</u>
		Rs.11,579	Rs.14,143

7. 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.

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

9 Balance Sheet abstract and Company's general business profile are given below:

DISCLOSURE / DECLARATION UNDER LISTING AGREEMENT

A. DISCLOSURE UNDER LISTING AGREEMENT.

Sr. No. Disclosure of loans/advances/ investments Outstanding during the year.	As at 31.03.2010 Rs.	Maximum amounts during the year Rs.
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 of the Companies Act. 1956.	NIL	NIL
b. No interest or interest below sec. 372A of the Companies Act. 1956	NIL	NIL
4. Loans and advances in the nature of loans to firms/ companies in which directors are interested.	NIL	NIL

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Annexure to the Directors' Report

Statement pursuant to Section 212 of the Companies Act, 1956 relating to the Subsidiary
Company -- New Holding And Trading Company Limited

1. The Financial Year of the Company ended on March 31, 2010.
2. Shares of the Subsidiary held by The Industrial & Prudential & Investment Company Limited
Equity –
 - Number 5025 fully paid-up
 - Extent Holding 100 %
3. The net aggregate of profits/(losses) of the Subsidiary Company so far as it concerns the members of The Industrial & Prudential Investment Company Limited –
 - (a) Not dealt with in the accounts of The Industrial & Prudential Investment Company Limited for the Year Ended March 31, 2010 amount to –
 - (I) for the subsidiary financial year ended as above Rs. 13,86,757
 - (ii) for the previous financial years of the Subsidiary since it become the Holding Company's subsidiary..... Rs. 2,54,17,351
 - (b) Dealt with in the accounts of The Industrial & Prudential Investment Company Limited for the year ended March 31, 2010 amount to –
 - (I) for the Subsidiary's financial year ended as ended as above..... Rs. Nil.
 - (ii) for the previous financial years of the subsidiary since it became the holding Company's subsidiary Rs. Nil.

For and on behalf of the Board of Directors

A. V. SETALVAD **CHAIRMAN**

A. R. BROACHA } **DIRECTORS**
V. C. VAIDYA

Mumbai, 22nd June, 2010

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

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.

(Rs. in lakhs)

	Particulars		
(1)	<p><u>Liabilities side :</u> Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not Paid :</p> <p>(a) Debentures : Secured : Unsecured (other than falling within the meaning of public deposits*)</p> <p>(b) Deferred Credits (c) Term Loans (d) Inter-corporate loans and borrowing (e) Commercial Paper (f) Public Deposits* (g) Other Loans (specify nature)</p> <p>* Please see Note 1 below</p>	Amount outstanding	Amount overdue
		NIL	NIL
(2)	<p>Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):</p> <p>(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</p> <p>* Please see Note 1 below</p>	NIL	NIL
	Assets side :		
(3)	<p>Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :</p> <p>(a) Secured (b) Unsecured</p>		
(4)	<p>Break-up of Leased Assets and stock on hire and hypothecation loans counting towards</p> <p>(i) Lease assets including lease rentals under sundry debtors : (a) Financial lease (b) Operating lease</p> <p>(ii) Stock on hire including hire charges under sundry debtors : (a) Assets on hire (b) Repossessed Assets</p> <p>(iii) Hypothecation loans counting towards EL/HP activities (a) Loans where assets have been repossessed (b) Loans other than (a) above</p>	NIL	
(5)	<p>Break-up of Investments :</p> <p>Current Investments :</p> <p>1. Quoted :</p> <p>(i) Shares : (a) Equity (b) Preference</p> <p>(ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (please specify)</p> <p>2. Unquoted :</p> <p>(i) Shares : (a) Equity (b) Preference</p> <p>(ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (please specify)</p>	174.66 - - 7.91 - - - - - 106.34 - -	

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

	Particulars	(Rs. in lakhs)		
	Long Term Investments : (AT COST)			
	1. <u>Quoted</u> :			
	(i) Shares : (a) Equity (AT COST)	880.47		
	(b) Preference	-		
	(ii) Debentures and Bonds	204.00		
	(iii) Units of mutual funds	-		
	(iv) Government Securities	-		
	(v) Others (please specify)	-		
	2. <u>Unquoted</u> :-			
	(i) Shares : (a) Equity	0.03		
	(b) Preference	-		
	(ii) Debentures and Bonds	50.00		
	(iii) Units of mutual funds	716.56		
	(iv) Government Securities	-		
	(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		NIL	
	(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	273.07	0.03	
	(b) Companies in the same group	-	-	
	(c) Other related parties	16309.54	174.01	
	2. Other than related parties	7313.08	1965.93	
	Total	23895.69	2139.97	
(8)	Other information			
	(i) Gross Non-Performing Assets	NIL		
	(a) Related parties			
	(b) Other than related parties			
	(ii) Net Non-Performing Assets	NIL		
	(a) Related parties			
	(b) Other than related parties			
	(iii) Assets acquired in satisfaction of debt	NIL		
	Notes:			
	1. As defined in Paragraph 2(1) (xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions 1998.			
	2. Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions 1998.			
	3. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets 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 investment should be disclosed irrespectively of whether they are classified as long term or current in columns (5) above.			

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

STATEMENT OF NET OWNED FUNDS AS ON MARCH 31, 2010

(Rs. in thousand)

	AMOUNT
i Paid-up Equity Capital	5,821
ii Free Reserves	201,220
iii Total (i + ii)	207,041
iv Accumulated balance of loss	-
v Deferred Revenue Expenditure	-
vi Other intangible assets	-
vii Total (iv+v+vi)	-
viii Owned Funds (iii - vii)	207,041
ix Investment in shares of :	
a. Subsidiaries	3
b. Companies in the same Group	-
c. Other non-banking financial companies	2,408
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)}	2,411
xii Amount of item xi in excess of 10 % of item viii above.	-
xiii Net Owned Funds (viii - xii)	207,041

As per our report attached

For N. M. RAIJI & CO.
Chartered Accountants

CA. Y. N. THAKKAR
Partner

Mumbai, 22nd June, 2010

For and on behalf of the Board Of Directors

A. V. SETALVAD **CHAIRMAN**

A. R. BROACHA } **DIRECTORS**
V. C. VAIDYA }

Mumbai, 22nd June, 2010

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Auditors' Report On The Consolidated Financial Statements

TO THE BOARD OF DIRECTORS OF THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

1. We have audited the attached Consolidated Balance Sheet of The Industrial & Prudential Investment Company Limited (the Company) and its subsidiary, as at 31st March 2010, and also the related Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding component. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of subsidiary, New Holding and Trading Company Limited, whose financial statements reflect total assets of Rs. 2,73,06,608 as at 31st March 2010, the total revenues of Rs.14,63,163 and cash outflows amounting to Rs.15,74,803 for the year then ended. These financial statements and other financial information have been audited by the other auditor whose report has been furnished to us, and our opinion is based solely on the report of the other auditor.
4. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements, prescribed by the Companies (Accounting Standards) Rules, 2006 as sub-section (3C) of section 211 of the Companies Act, 1956.
5. Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the component, and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements read together with notes thereon, give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Consolidated Balance Sheet, of the State of affairs of the Company and its subsidiary as at 31st March 2010;
 - (b) in the case of the Consolidated Profit and Loss Account, of the Profit for the year ended on that date; and
 - (c) in the case of the Consolidated Cash Flow Statement, of the Cash Flow for the year ended on that date.

Place : Mumbai
Date : 22nd June, 2010

For **N. M. RAIJI & CO.**,
Chartered Accountants

CA. Y.N. THAKKAR
Partner
Membership No: 33329

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Consolidated Balance Sheet As At 31st March 2010

	SCHEDULE		As at 31.03.2010 Rupees	As at 31.03.2009 Rupees
SOURCES OF FUNDS				
SHAREHOLDERS' FUNDS				
Share Capital	1	5,821,122		5,821,122
Reserves and Surplus	2	<u>228,589,351</u>		<u>200,958,770</u>
			234,410,473	<u>206,779,892</u>
DEFERRED TAX LIABILITY			<u>11,579</u>	14,143
			<u>234,422,052</u>	<u>206,794,035</u>
APPLICATION OF FUNDS				
FIXED ASSETS				
Gross block	3	1,075,043		1,075,043
Less: Depreciation		<u>981,775</u>		<u>960,063</u>
Net block			93,268	114,980
INVESTMENTS	4		240,232,317	204,227,239
CURRENT ASSETS, LOANS AND ADVANCES				
Current Assets		7,190,405		11,875,054
Loans and Advances		<u>28,588</u>		<u>757,056</u>
		<u>7,218,993</u>		<u>12,632,110</u>
Less:				
CURRENT LIABILITIES AND PROVISIONS				
Current Liabilities	6	2,136,813		2,012,452
Provisions		<u>10,985,713</u>		<u>8,167,842</u>
		<u>13,122,526</u>		<u>10,180,294</u>
NET CURRENT ASSETS			(5,903,533)	2,451,816
			<u>234,422,052</u>	<u>206,794,035</u>
NOTES FORMING PART OF THE ACCOUNTS	8			

As per our report attached

For N. M. RAIJI & CO.
Chartered Accountants

CA. Y. N. THAKKAR
Partner

Mumbai, 22nd June, 2010

For and on behalf of the Board Of Directors

A. V. SETALVAD **CHAIRMAN**

A. R. BROACHA } **DIRECTORS**
V. C. VAIDYA }

Mumbai, 22nd June, 2010

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Consolidated Profit And Loss Account For The Year Ended 31st March 2010

	SCHEDULE	2009- 2010 Rupees	2008 - 2009 Rupees
INCOME			
Dividend on Investments (Gross)			
Long Term		29,971,484	33,141,706
Current		702,075	567,159
		30,673,559	33,708,865
Distributable income from Mutual Funds		416,667	-
Profit on sale of Long Term Investments (Net)		1,825,062	2,842,165
Profit on sale of Current Investments (Net)		5,124,453	293,112
Interest (Tax deducted at source Rs. Nil) (previous year Rs.4,591/-.)		-	22,286
Miscellaneous Income		47,195	9,262
Provision for diminution in the value of Current Investment no longer required (Net)		4,762,672	-
		42,849,608	36,875,690
EXPENDITURE			
Management expenses	7	2,119,826	2,051,052
Provision for diminution in the value of Current Investments (Net)		-	4,012,886
Interest		70,162	20,688
Depreciation		21,712	33,681
		2,211,700	6,118,307
Profit before Tax		40,637,908	30,757,383
Less: Provision for Taxation			
Current Tax			
- for the year		1,006,129	-
- relating to earlier years		1,113,306	125,052
Deferred Tax		(2,564)	(3,525)
Fringe Benefit Tax		-	4,819
		2,116,871	126,346
Profit after Tax		38,521,037	30,631,037
Add: Balance as per last Balance Sheet.		96,753,870	83,750,675
Amount available for appropriations		135,274,907	114,381,712
Less: Appropriations			
Transfer to			
Special reserve		7,780,000	6,260,000
General reserve		4,000,000	3,200,000
Proposed Dividend		9,308,480	6,981,360
Tax on Proposed Dividend		1,581,976	1,186,482
Balance Carried to balance sheet		112,604,451	96,753,870
		135,274,907	114,381,712
Basic and Diluted Earning per Equity Share (Nominal Value per share Rs. 10)		66.21	52.65

NOTES FORMING PART OF THE ACCOUNTS

8

As per our report attached

For N. M. RAIJI & CO.
Chartered Accountants

CA. Y. N. THAKKAR
Partner

Mumbai, 22nd June, 2010

For and on behalf of the Board Of Directors

A. V. SETALVAD CHAIRMAN

A. R. BROACHA } DIRECTORS
V. C. VAIDYA }

Mumbai, 22nd June, 2010

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Consolidated Cash Flow For The Year Ended 31st March 2010

	Rupees	31.03.2010 Rupees	31.03.2009 Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES.			
Net Profit before tax		40,637,908	30,757,383
Adjusted for			
Depreciation	21,712		33,681
Investment income	(38,039,741)		(36,844,142)
Provision for diminution in the value of Investments (Net).	(4,762,672)		4,012,886
		(42,780,701)	(32,797,575)
Operating (Loss) before Working Capital Changes		(2,142,793)	(2,040,192)
Changes in			
Trade & Other Receivable		289,805	(286,193)
Trade Payables		15,041	5,183
NET CASH USED IN OPERATING ACTIVITIES		(1,837,947)	(2,321,202)
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets	-		(1,750)
Purchase of Investments	(227,091,611)		(159,354,706)
Sale of Investments	202,798,720		121,137,820
Dividend Received	30,673,559		33,708,865
Distributed Income from Mutual Fund	416,667		
Cash Generated from Investing Activities		6,797,335	(4,509,771)
Direct Taxes Paid		(1,296,658)	(80,296)
NET CASH FROM INVESTING ACTIVITIES		5,500,677	(4,590,067)
C. CASH FLOW FROM FINANCIAL ACTIVITIES			
Dividend Paid	(6,872,715)		(6,824,308)
Tax on Dividend	(1,186,482)		(1,186,482)
NET CASH USED IN FINANCIAL ACTIVITIES		(8,059,197)	(8,010,790)
NET CHANGES IN CASH & CASH EQUIVALENT (A+B+C)		(4,396,467)	(14,922,059)
CASH AND CASH EQUIVALENTS - OPENING BALANCE		11,586,872	26,508,931
CASH AND CASH EQUIVALENTS - CLOSING BALANCE		7,190,405	11,586,872

NOTES:

- 1 All figures in brackets are outflows.
- 2 Cash and Cash equivalents is Cash and Bank Balances as per Balance sheet.
- 3 Previous year's figures have been regrouped wherever necessary.

As per our report attached

For N. M. RAIJI & CO.
Chartered Accountants

CA. Y. N. THAKKAR
Partner

Mumbai, 22nd June, 2010

For and on behalf of the Board Of Directors

A. V. SETALVAD CHAIRMAN

A. R. BROACHA } DIRECTORS
V. C. VAIDYA }

Mumbai, 22nd June, 2010

CONSOLIDATED

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED
Schedules Forming Part Of The Balance Sheet As At 31st March 2010

SCHEDULE - 1 - 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

Forfeited Shares

	As at 31.03.2010 Rupees	As at 31.03.2009 Rupees
	<u>10,000,000</u>	<u>10,000,000</u>
	<u>5,817,800</u>	<u>5,817,800</u>
	<u>3,322</u>	<u>3,322</u>
	<u>5,821,122</u>	<u>5,821,122</u>

SCHEDULE - 2 - RESERVES AND SURPLUS

Capital Reserve

Balance as per last Balance Sheet

General Reserve

Balance as per last Balance Sheet

Add: Transferred from Profit and Loss Account

Special Reserve

(in terms of Section 45-IC of Reserve Bank of India)

Balance as per last Balance Sheet.

Add: Transferred from Profit and Loss Account

Profit and Loss Account

	As at 31.03.2010 Rupees	As at 31.03.2009 Rupees
	<u>64,900</u>	<u>64,900</u>
	<u>50,800,000</u>	<u>47,600,000</u>
	<u>4,000,000</u>	<u>3,200,000</u>
	<u>54,800,000</u>	<u>50,800,000</u>
	<u>53,340,000</u>	<u>47,080,000</u>
	<u>7,780,000</u>	<u>6,260,000</u>
	<u>61,120,000</u>	<u>53,340,000</u>
	<u>112,604,451</u>	<u>96,753,870</u>
	<u>228,589,351</u>	<u>200,958,770</u>

SCHEDULE - 3 FIXED ASSETS

PARTICULARS	GROSS BLOCK			As at 31.03.2010 Rupees	DEPRECIATION			As at 31.03.2010 Rupees	NET BLOCK	
	As at 01.04.2009 Rupees	Additions during the year Rupees	Deductions/ Adjustments during the year Rupees		Up to 01.04.2009 Rupees	For the year Rupees	Deductions/ Adjustments during the year Rupees		As at 31.03.2010 Rupees	As at 31.03.2009 Rupees
1 Office Premises	151,532	-	-	151,532	114,153	1,869	-	116,022	35,510	37,379
2 Furnitures, Fixtures and Fittings	380,480	-	-	380,480	361,471	2,825	-	364,296	16,184	19,009
3 Office Equipments	101,061	-	-	101,061	76,464	3,420	-	79,884	21,177	24,597
4 Computers and Systems	441,970	-	-	441,970	407,975	13,598	-	421,573	20,397	33,995
TOTAL	1,075,043	-	-	1,075,043	960,063	21,712	-	981,775	93,268	114,980
Previous year:	1,073,293	1,750	-	1,075,043	926,382	33,681	-	960,063	114,980	146,911

NOTE : Office Premises includes Rs. 250 being the cost of shares in Co-operative Society.

CONSOLIDATED
THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED
Schedules Forming Part Of The Balance Sheet As At 31st March 2010

SCHEDULE - 4 - INVESTMENTS

(I) LONG TERM	31.03.2010	31.03.2009
	Rupees	Rupees
(A) Quoted		
(i) Equity Shares (fully paid up)	108,983,428	104,194,621
(ii) Equity Shares (partly paid)	83,250	-
(iii) Cumulative Compulsory Convertible Preference Shares (fully paid up)	-	1,179,000
(iv) Debentures (fully paid up)	20,400,000	-
(B) Unquoted		
(i) Equity Shares (fully paid up)	391	391
(ii) Debentures (fully paid up)	5,000,000	5,000,000
(iii) Mutual Funds (fully paid up)	76,874,268	73,060,575
(II) CURRENT INVESTMENTS		
(A) Quoted		
(i) Equity Shares (fully paid up)	17,466,403	11,236,874
(ii) Mutual Funds	790,715	9,555,778
(B) Unquoted		
(i) Mutual Funds	10,633,862	-
	<u>240,232,317</u>	<u>204,227,239</u>
Aggregate cost of Quoted Investments	147,723,796	126,166,273
Aggregate cost of Unquoted Investments	92,508,521	78,060,966
Market Value of Quoted Investments	<u>2,286,760,610</u>	1,350,050,465

CONSOLIDATED

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Schedules Forming Part Of The Balance Sheet As At 31st March 2010

SCHEDULE - 5 - CURRENT ASSETS, LOANS AND ADVANCES

	As at 31.03.2010 <i>Rupees</i>	As at 31.03.2009 <i>Rupees</i>
(a) Current Assets		
(i) Trade Receivables	-	3,799
(ii) Cash and Bank Balances with scheduled Banks.		
In Current Accounts	5,804,416	10,308,610
In Dividend Accounts	1,378,169	1,269,503
Cash on Hand	7,820	8,759
	7,190,405	11,586,872
(iii) Dividend Receivable	-	284,383
	7,190,405	11,875,054
(b) Loans and Advances.		
(Unsecured and considered good)		
Advance recoverable in cash or in kind or for value to be received	28,379	29,327
Advance payment of Income-tax (Net of Provision)	-	727,520
Advance payment of Fringe Benefit Tax (Net of Provision)	209	209
	28,588	757,056
	7,218,993	12,632,110

SCHEDULE - 6 - CURRENT LIABILITIES AND PROVISIONS.

	As at 31.03.2010 <i>Rupees</i>	As at 31.03.2009 <i>Rupees</i>
(a) Current Liabilities :		
Other Liabilities	758,644	742,949
Unclaimed Dividend	1,378,169	1,269,503
	2,136,813	2,012,452
(b) Provisions :		
Proposed Dividend	9,308,480	6,981,360
Tax on Proposed Dividend For Tax	1,581,976	1,186,482
	95,257	-
	10,985,713	8,167,842
	13,122,526	10,180,294

CONSOLIDATED**THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED****Schedules Forming Part Of The Accounts For The Year Ended 31st March 2010****SCHEDULE - 7 - MANAGEMENT EXPENSES**

	2009-2010 <i>Rupees</i>	2008-2009 <i>Rupees</i>
Salaries	460,912	392,224
Legal and Professional Fees	517,803	600,306
Printing and Stationary	66,902	61,411
Rates and Taxes	95,781	104,865
Miscellaneous Expenses	338,660	364,901
Directors' Sitting Fees	79,000	75,250
Auditors' Remuneration:		
Audit Fees	43,000	43,000
Certifications etc. Expenses	33,000 7,828	33,000 10,022
	83,828	86,022
Commision to Directors	450,000	350,000
Repairs and Maintenance Expenses	26,940	16,073
	2,119,826	2,051,052

Schedules Forming Part Of The Accounts For The Year Ended 31st March 2010**SCHEDULE - 8****NOTES FORMING PART OF THE ACCOUNTS**

- 1 The consolidated Financial Statements are prepared in accordance with Principles of Consolidation prescribed by the Companies (Accounting Standards) Rules, 2006. The Consolidated Financial Statements comprise the financial statement of the Industrial & Prudential Investment Company Limited and its wholly owned subsidiary "New Holding and Trading Company Limited", which is incorporated in India."
- 2 **ACCOUNTING POLICIES**
 - (i) The financial statements have been prepared to comply in all material aspects in respect with the notified Accounting Standard Rules, 2006.
 - (ii) 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 consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's separate financial statements.
- 3 **Contingent liabilities not provided for in respect of:**
 - (i) Disputed Taxation Matters Rs. Nil. (Previous year Rs. 8,50,373/-).
 - (ii) In respect of Shares partly paid-up Rs.83,250/- (Previous year Rs. Nil)
4. The investment activity is considered as a single segment in accordance with the Accounting Standard (AS) 17 "Segment Reporting".

CONSOLIDATED
THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED
Schedules Forming Part Of The Accounts For The Year Ended 31st March 2010

5. Related Party Disclosures:

A. Related Party Transactions:

Nature of Trans-	Key Management Personnel	Relatives of Key Management personnel	Individuals having Significant influence over the enterprise.	Relatives of Individuals having significant influence over the enterprise.	Enterprise over which Key Management Personnel exercise significant influence	Enterprise over which Individuals having significant influence over the reporting enterprise exercise significant influence.	TOTAL
Directors' Sitting Fees	62,400 (64,500)	- (-)	16,600 (10,750)	- (-)	- (-)	- (-)	79,000 (75,250)
Commission	180,000 (140,000)	- (-)	270,000 (210,000)	- (-)	- (-)	- (-)	450,000 (350,000)
Dividend paid	24,600 (24,600)	54,216 (54,216)	22,800 (22,800)	159,048 (132,048)	- (-)	4,221,876 (4,051,416)	4,482,540 (4,285,080)
Dividend Received	- (-)	- (-)	- (-)	- (-)	20,350,000 (20,350,000)	- (-)	20,350,000 (20,350,000)
Legal and Professional Fees	90,890 (82,923)	- (-)	- (-)	- (-)	- (-)	- (-)	90,890 (82,923)
Amount outstanding at the end of the year							
- Payable	243,801 (199,962)	- (-)	243,000 (188,370)	- (-)	- (-)	- (-)	486,801 (388,332)

NOTES:

- (i) There is no provision for doubtful debts as at the end of the year in respect of related parties.
- (ii) There are no amounts written off or written back during the year in respect of debts due from or to related parties.
- (iii) Previous Year's figures are shown within Brackets.
- (iv) The related parties included in the various categories above, where transactions have taken place are given below:

Key Management Personnel

Mr. A. V. Setalvad

Mr. A. R. Broacha

CONSOLIDATED
THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED
Schedules Forming Part Of The Accounts For The Year Ended 31st March 2010

Relatives of key Management personnel. Individuals having significant influence over the enterprise.	Mr. H. V. Setalvad Mrs. J. A. Setalvad Mr. V. C. Vaidya Mr. Gaurav Swarup Mr. Vikram Swarup
Relatives of Individual having significant influence over the enterprise.	Mr. Mahendra Swarup Mrs. Bindu Swarup Mr. Gyan Swarup Mrs. Parul Swarup
Enterprise over which Key Management Personnel exercise significant influence.	KSB Pumps Limited
Enterprises over which individuals having significant influence over the reporting enterprise exercise significant influence.	Paharpur Cooling Towers Limited Paharpur Corporation Limited Melvin Powell Vanaspati & Engineering Industries Limited

6. Components of deferred tax:

(a) Deferred Tax Liability

On account of timing difference of Depreciation	<u>As at March 31, 2010</u> Rs.11,579	<u>As at March 31, 2009</u> Rs.14,143
---	--	--

7. 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.

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

Signatures to Schedules 1 to 8

As per our report attached

For N. M. RAIJI & CO.
Chartered Accountants

CA. Y. N. THAKKAR
Partner

Mumbai, 22nd June, 2010

For and on behalf of the Board Of Directors

A. V. SETALVAD **CHAIRMAN**

A. R. BROACHA }
V. C. VAIDYA } **DIRECTORS**

Mumbai, 22nd June, 2010

NEW HOLDING AND TRADING COMPANY LIMITED

Board's Report

Your Directors beg to submit their report and audited Balance Sheet and Profit and Loss Account of the the Company for the year ended March 31, 2010.

1. ACCOUNTS:

	<u>2009-2010</u>	<u>Rs. in lacs 2008-2009</u>
Income	14.63	13.39
Expenses	0.70	0.72
Profit / (Loss) before Taxation	13.93	12.67
Less: Provision for Tax	0.06	-
Net Profit after Tax	13.87	12.67
Add: Balance brought forward from Balance Sheet	90.77	82.70
Profit for Appropriation	104.64	95.37
Appropriation:		
Special Reserve (in terms of Section 45-IC of RBI Act, 1934)	2.80	2.60
General Reserve	2.00	2.00
Balance Carried to Balance Sheet	99.84	90.77
	<u>104.64</u>	<u>95.37</u>

2. DIVIDEND:

The Directors do not recommend any dividend for the year.

3. DIRECTORS:

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr.V. C. Vaidya retire by rotation and, being eligible, offer himself for re-appointment.

4. AUDITORS:

You are requested to appoint auditors for the current year and to fix their remuneration. The retiring auditors, Messrs C. M. Gabhawala & Co., Chartered Accountants, are eligible and offer themselves for re-appointment. The Company has received a certificate from Messrs C. M. Gabhawala & Co. to the effect that their re-appointment, if made, will be within the prescribed limits in accordance with Section 224 (1-B) of the Companies Act, 1956.

5. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) of The Companies Act, 1956, the Board of Directors report that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- 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 state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provision of The Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- the annual accounts have been prepared on a going concern basis.

6. EMPLOYEES:

The Company has no employees covered under Section 217 (2A) of the Companies Act, 1956.

Registered Office :
125, Maker Chambers III,
Nariman Point,
Mumbai, 400 021.
Mumbai, 29th April , 2010

For and on behalf of the Board of Directors

A. V. SETALVAD
Chairman

NEW HOLDING AND TRADING COMPANY LIMITED

Auditors' Report To The Members

The Members,

NEW HOLDING AND TRADING COMPANY LIMITED

We have audited the attached Balance Sheet of **NEW HOLDING AND TRADING COMPANY LIMITED as at 31 March, 2010** and the annexed Profit & Loss Account of the Company and the annexed Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted the audit in accordance with Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that the audit provides a reasonable basis for our opinion.

- 1) As required by the Companies (Auditors Report) Order 2003, issued by the Central government of India under sub section 4A of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the Order.
- 2) Further to our comments in paragraph (1) above:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 books.
 - c) In our opinion, the Balance Sheet, Profit & Loss A/c and Cash flow Statement comply with the Accounting Standards referred to in subsection (3C) of Section 211 of the Companies Act 1956.
 - d) The Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
 - e) In our opinion and based on information and explanations given to us, none of the directors are disqualified as on 31 March, 2010 from being appointed as directors in term of clause (g) of Sub section (1) of section 274 of The Companies Act, 1956.
 - f) In our opinion and to the best of our information and according to the explanation given to us, the accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
 - (I) In the case of the Balance Sheet of state of affairs of the Company as at 31st March 2010
 - (ii) In the case of the Profit and Loss Account of the profit for the year ended on that date
and
 - (iii) In the case of the Cash Flow Statement, of the cash flow for the year ended on that date.

For C. M. GABHAWALA & CO.
CHARTERED ACCOUNTANT

BIREN C. GABHAWALA
PARTNER
Members No. 40496

Place: Mumbai
Date: 29th April , 2010

NEW HOLDING AND TRADING COMPANY LIMITED

Annexure To Auditor's Report

(Pursuant to the Companies (Auditor's Report) Order, 2003, hereinafter referred to as the 'Order')

1. The Company does not have any fixed assets. Accordingly paragraphs 4 (i) (a), (b) and (c) of the Order are not applicable to the Company.
2. The Company does not have any inventory, hence sub clause (a), (b) and (c) of clause (ii) of para 4 of the order are not applicable to the Company.
3. (a) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly sub clause (a), (b), (c), (d) of clause (iii) of para 4 of the Order are not applicable to the Company.
(b) The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly sub clause (e), (f), (g), of clause (iii) of para 4 of the Order is not applicable to the company.
4. According to information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and nature of its business. No major weaknesses have been noticed in the internal control system, during the course of the Audit.
5. During the year the Company has not entered into any contracts or arrangements referred to in Section 301 of the Companies Act, 1956. Accordingly sub clause (b) of para 4 of the Order is not applicable to the Company.
6. The Company has not accepted any public deposits during the year under review.
7. The Company does not require to have formal internal audit system.
8. The Central Government has not prescribed any cost records to be maintained by the Company.
9. (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Income Tax and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts were outstanding as on the last day of the financial year for a period exceeding six months from the date they became payable.
(b) According to the information and explanations given to us, there are no dues of Income tax which have not been deposited on account of any dispute.
10. The Company does not have any accumulated losses as at 31 March 2010. The Company has not incurred any cash loss during the financial year covered by our audit and also in the immediately preceding financial year.
11. The Company has neither borrowed funds from financial institutions, banks nor issued any debentures, accordingly paragraph 4 (xi) of the Order is not applicable to the Company.
12. The Company has not granted any loans and Advances on the basis of securities by way of pledge of shares, debentures and other securities. Accordingly, clause (xii) of para 4 of the Order is not applicable to the Company.
13. In our opinion and according to information and explanations given to us, the Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provisions of sub clause (a), (b), (c), (d) of clause (xiii) of para 4 of the Order, are not applicable to the Company.
14. The Company being an Investment Company, has maintained proper records of the transactions and contracts relating to dealings in shares, securities and other investments and has made timely entries. The shares, securities and other investments are held by the Company in its own name except to the extent of exemption granted under section 49 of the Companies Act, 1956.
15. The Company has not given any guarantee for loans taken by others from banks or financial Institutions. Accordingly, provisions of clause (xv) of the Order are not applicable to the Company.
16. The Company has not taken any term loans during the year, accordingly the provisions of clause (xvi) of the Order are not applicable to the Company.
17. The Company has neither raised short term nor long term funds during the year under consideration.
18. The Company has not made any preferential allotment of shares during the year. Accordingly, provisions of clause (xviii) of para 4 of the Order are not applicable to the Company.
19. The Company has not issued any debentures during the year and accordingly, the provisions of clause (xix) of para 4 of the Order are not applicable to the Company.
20. The Company has not made any public issues during the year and accordingly the provisions of clause (xx) of para 4 of the Order are not applicable to the Company.
21. Based on the audit procedures performed and according to the information and explanations given to us and representation made by the management, we report that no fraud on or by the company has been noticed or reported during the year.

For C. M. GABHAWALA & CO.
CHARTERED ACCOUNTANT

BIREN. C. GABHAWALA
PARTNER
Membership No. 40496

Place: Mumbai
Date: 29th April, 2010

NEW HOLDING AND TRADING COMPANY LIMITED

Balance Sheet As At 31st March 2010

	SCHEDULE	As at 31.03.2010 Rupees	As at 31.03.2009 Rupees
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	502,500	502,500
Reserves and Surplus	2	<u>26,804,108</u>	<u>25,417,351</u>
		<u>27,306,608</u>	<u>25,919,851</u>
APPLICATION OF FUNDS			
INVESTMENTS	3	26,237,325	23,268,961
CURRENT ASSETS, LOANS AND ADVANCES	4		
Current Assets		<u>1,099,509</u>	<u>2,674,312</u>
		<u>1,099,509</u>	<u>2,674,312</u>
Less:			
CURRENT LIABILITIES AND PROVISIONS	5		
Current Liabilities		24,097	23,422
Provisions		<u>6,129</u>	-
		<u>30,226</u>	<u>23,422</u>
NET CURRENT ASSETS		1,069,283	2,650,890
		<u>27,306,608</u>	<u>25,919,851</u>

NOTES FORMING PART OF THE ACCOUNTS 7

As per our report attached

For C. M. GABHAWALA & Co.,
Chartered Accountants

BIREN C. GABHAWALA
Partner

Membership No. 40496
Mumbai, 29th April, 2010

For and on behalf of the Board Of Directors

A. V. SETALVAD CHAIRMAN

A. R. BROACHA } DIRECTORS
V. C. VAIDYA }

Mumbai, 29th April, 2010

NEW HOLDING AND TRADING COMPANY LIMITED

Profit And Loss Account For The Year Ended 31st March, 2010

	SCHEDULE	As at 31.03.2010 Rupees	As at 31.03.2009 Rupees
INCOME			
Dividend on investments		1,423,493	1,338,982
Profit on Sale of Investment		39,670	-
		1,463,163	1,338,982
EXPENDITURE			
Management expenses	6	70,277	72,032
		70,277	72,032
Profit before Tax		1,392,886	1,266,950
Less: Provison for Tax		6,129	-
Profit after Tax		1,386,757	1,266,950
Balance brought forward		9,077,351	8,270,401
Amount available for appropriations		10,464,108	9,537,351
Appropriations			
Transfer to			
Special reserve		280,000	260,000
General reserve		200,000	200,000
Balance Carried to balance sheet		9,984,108	9,077,351
		10,464,108	9,537,351
Basic and Diluted Earning per Equity Share (Nominal Value per Share Rs. 100/-)		275.97	252.13
NOTE FORMING PART OF THE ACCOUNTS	7		

As per our report attached

For C. M. GABHAWALA & Co.,
Chartered Accountants

BIREN C. GABHAWALA
Partner

Membership No. 40496
Mumbai, 29th April, 2010

For and on behalf of the Board Of Directors

A. V. SETALVAD CHAIRMAN

A. R. BROACHA } DIRECTORS
V. C. VAIDYA }

Mumbai, 29th April, 2010

NEW HOLDING AND TRADING COMPANY LIMITED

Cash Flow For The Year Ended March 31, 2010

	Rupees	31.03.2010. Rupees	31.03.2009 Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES.			
Net Profit before tax and extra ordinary items		1,392,886	1,266,950
Adjusted for			
Investment income	(1,463,163)		(1,338,982)
Provision for diminution in value of investment	-		-
		(1,463,163)	(1,338,982)
Operating Profit/(Loss) before Working Capital Changes		(70,277)	(72,032)
Changes in			
Trade & Other Receivable		675	-
Trade Payables		-	(4,994)
Cash Generated from Operations		675	(4,994)
Direct Tax Paid (Net)		-	-
NET CASH FROM OPERATING ACTIVITIES		(69,602)	(77,026)
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Investments	(7,328,012)		-
Sale of Investments	4,399,318		-
Interest Received	-		-
Dividend Received	1,423,493		1,338,982
Direct Taxes Paid	-		-
NET CASH FROM INVESTING ACTIVITIES		(1,505,201)	1,338,982
C. CASH FLOW FROM FINANCIAL ACTIVITIES			
Loan Taken	-		-
Loan Repaid	-		-
NET CASH USED IN FINANCIAL ACTIVITIES		-	-
NET CHANGES IN CASH & CASH EQUIVALENT (A+B+C+)		(1,574,803)	1,261,956
CASH AND CASH EQUIVALENTS - OPENING BALANCE		2,674,312	1,412,356
CASH AND CASH EQUIVALENTS - CLOSING BALANCE		1,099,509	2,674,312

For and on behalf of the Board Of Directors

A. V. SETALVAD **CHAIRMAN**

A. R. BROACHA } **DIRECTORS**
V. C. VAIDYA }

Mumbai, 29th April , 2010

AUDITORS CERTIFICATE

To
The Board of Directors
NEW HOLDING AND TRADING COMPANY LIMITED
125 Maker Chambers III, Nariman Point, Mumbai - 400021.

We have examined the attached Cash Flow Statement of NEW HOLDING AND TRADING COMPANY LIMITED for the year ended 31st March, 2010. The Statement has been prepared by the Company and in agreement with the books and records of the Company and also the Profit and Loss Account and Balance Sheet of the Company covered by our audit report of even date to the members of the Company.

AS PER OUR REPORT OF EVEN DATE

FOR C. M. GABHAWALA & CO.

Chartered Accountants

BIREN C. GABHAWALA

Partner

M. NO. 40496

Mumbai, 29th April , 2010

NEW HOLDING AND TRADING COMPANY LIMITED

Schedules Forming Part Of The Balance Sheet As At 31st March 2010

SCHEDULE - 1 - SHARE CAPITAL

	As at 31.03.2010 Rupees	As at 31.03.2009 Rupees
Authorised:		
840 Non-Cumulative Redeemable Preference Shares of Rs. 100 each	84,000	84,000
9,035 Equity Shares of Rs. 100 each.	903,500	903,500
125 Unclassified Shares of Rs. 100 each	12,500	12,500
	<u>1,000,000</u>	<u>1,000,000</u>
Issued, Subscribed and Paid-up:		
5,025 Equity Shares of Rs. 100 each	502,500	502,500
fully paid-up (of the above 5,000 Equity Shares of Rs. 100/- each allotted as fully paid up Bonus Shares by Capitalisation of General Reserve).	<u>502,500</u>	<u>502,500</u>
The entire Share capital is held by The Industrial & Prudential Investment Company Limited and its nominees.		

SCHEDULE - 2 - RESERVES AND SURPLUS

	As at 31.03.2010 Rupees	As at 31.03.2009 Rupees
Special Reserve		
Balance as per last Balance Sheet	5,840,000	5,580,000
Add: Transferred from Profit and Loss Account	280,000	260,000
	6,120,000	5,840,000
General Reserve		
Balance as per last Balance Sheet	10,500,000	10,300,000
Add: Transfer from Profit & Loss Account	200,000	200,000
	10,700,000	10,500,000
Profit and Loss Account	9,984,108	9,077,351
	<u>26,804,108</u>	<u>25,417,351</u>

NEW HOLDING AND TRADING COMPANY LIMITED

Schedules Forming Part Of The Balance Sheet For The Year Ended 31st March 2010

SCHEDULE - 3 - INVESTMENT.

Name of the Company	Face Value Rupees	Number of Holding	As at 31.03.2010 Rupees	As at 31.03.2009 Rupees
INVESTMENTS				
A. QUOTED INVESTMENTS				
1 Equity Shares (Fully Paid)				
BASF India Limited	10	800	921,046	921,046
Cambridge Solutions Limited	10	100	153,532	153,532
Dish TV India Limited	1	1,150	59,272	59,272
GlaxoSmithKline Pharmaceuticals Limited	10	1,000	1,099,536	1,099,536
GTL Limited	10	4,000	1,035,555	1,035,555
GTL Infrastructure Limited	10	8,000	182,417	182,417
ICICI Bank Limited	10	6	2,500	2,500
Infosys Technologies Limited	5	4,800	3,145,720	3,145,720
ISMT	5	43,750	737,741	737,741
KSB Pumps Limited	10	130,000	11,008,009	11,008,009
Mahanagar Telephone Nigam Limited	10	7,000	1,435,407	1,435,407
Neyveli lignite Corporation Limited	10	10,000	402,413	402,413
Onward Technology Limited	10	2,500	328,321	328,321
PVP Ventures Limited	10	100	153,533	153,533
State Bank of India	10	3,300	1,791,430	1,791,430
Tata Chemicals Limited	10	700	43,888	43,888
Tata Steel Limited (4,590 CCCPS converted into 765 Equity Shares)	10	6,886	979,480	520,480
Wire & Wireless (India) Limited	1	1,000	130,955	130,955
Zee Entertainment Enterprises Limited	1	2,000	598,574	598,574
Zee News Limited	1	904	63,773	63,773
Sub-Total - A.-1.			24,273,102	23,814,102
2 Equity Shares (Partly Paid)				
Wire and Wireless (India) Ltd @ Rs. 0.50 Paid-up)	1	4,000	36,000	-
Sub-Total - A.-2.			36,000	-
3 Cumulative Compulsory Convertible Preference Share (Fully Paid)				
Tata Steel Company Limited -CCCPS	100	-	-	459,000
Sub-Total - A.3.			-	459,000
TOTAL - A. (A-1+ A-2 + A-3)			24,309,102	24,273,102
B. UNQUOTED INVESTMENTS				
Mutual Fund				
HDFC Mutual Fund-Income Plan-Long Term-Qtrly Div. (3,84,547 Units Acquired during the Year)	10	384,547	5,000,000	-
JM MF-JM Arbitrage Advantage Fd - Div. Payout (156) (2,08,820 Units Sold during the Year)	10	-	-	2,135,536
Kotak Mahindra Mutual Fund				
Kotak Contra-Option-Div. Payout	10	4,890	50,000	50,000
Principal Emerging Blue Chips Fund-Regular Dividend (10,000 Units Merger from Principal Junior Capfund Dividend Payout during the Year)	10	9,784	167,900	-
Principal M.Fund-Junior Cap Fund-Option-Div. Payout (Merger To Principal Emerging Blue Chip Fund Regular Dividend Payout)	10	-	-	100,000
TOTAL - B.			5,217,900	2,285,536
TOTAL - (A+ B)			29,527,002	26,558,638
Less : Provision for diminution in the Value of Investments			3,289,677	3,289,677
TOTAL			26,237,325	23,268,961
Aggregate Cost of Quoted Investment			24,309,102	24,273,102
Aggregate Cost of Unquoted Investment			5,217,900	2,285,536
Market Value of Quoted Investment			92,438,468	51,419,308

NEW HOLDING AND TRADING COMPANY LIMITED

Schedules Forming Part Of The Balance Sheet As At 31st March 2010

SCHEDULE - 4 - CURRENT ASSETS, LOANS AND ADVANCES

	As at 31.03.2010 Rupees	As at 31.03.2009 Rupees
(a) Current Assets :		
Balance with Scheduled Banks :		
In Current Account	1,099,092	2,670,294
Cash on hand	417	4,018
	1,099,509	2,674,312
	1,099,509	2,674,312

SCHEDULE - 5 - CURRENT LIABILITIES AND PROVISIONS

	As at 31.03.2010 Rupees	As at 31.03.2009 Rupees
(a) Current Liabilities :		
Sundry Creditors	24,097	23,422
(b) Provisions		
Provision for Tax	6,129	-
	30,226	23,422
	30,226	23,422

SCHEDULE - 6 - MANAGEMENT EXPENSES

	As at 31.03.2010 Rupees	As at 31-03-2009. Rupees
Director's Fees	3,000	3,250
Audit Fees	3,309	3,309
General Charges	63,968	65,473
	70,277	72,032
	70,277	72,032

Schedules Forming Part Of The Accounts For The Year Ended 31st March 2010

SCHEDULE - 7 - NOTES FORMING PART OF THE ACCOUNTS.

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:

(i) Current Tax

Provision for Income Tax is determined in accordance with the provision of 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).

(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 of which the likelihood of resources is remote, no provision or disclosure is made.

2. Contingent liability not provided in respect of Shares partly paid-up Rs. 36,000/- (Previous year Rs. Nil.)

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:

Name of the Related Party	Nature of Relationship
(a) The Industrial & Prudential Investment Company Limited	Holding Company
(b) KSB Pumps Limited	Key management personnel. exercise Significant influence.
(c) A. V. Setalvad	Key management personnel.
(d) A. R. Broacha	Key management personnel.
(e) H. V. Setalvad	Relative of Key management personnel.

NEW HOLDING AND TRADING COMPANY LIMITED

Schedules Forming Part Of The Accounts For The Year Ended 31st March 2010

NOTES FORMING PART OF THE ACCOUNTS.....(Cont)

(B) Related Party Transaction :

Name of the related party	Description of Relationship	Nature of Transaction	Amount of Transaction (Rupee)	Previous Year Transaction (Rupee)	Amount outstanding at the end of the year Debit / (Credit) in Rs.
A. V. Setalvad	Key Management Personnel	Director Fees	1,200	1,250	-
A. R. Broacha	Key Management Personnel	Director fees	1,200	1,250	-
KSB Pumps limited	Enterprises over which key management personnel exercise significant influence.	Dividend Received	715,000	715,000	-

- NOTE : i There is no provision for doubtful debts as at the end of the year in respect of related parties.
 ii There are no amounts written off or written back during the year in respect of debts due from or to related parties certain that sufficient profit will be available in.

5. Break-up of deferred tax asset as at March 31,2010:

Nature of timing Difference
 Carry Forward Capital 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:	<u>Current Year.</u>	<u>Previous Year.</u>
Profit after tax	1,386,757	1,266,950
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	275.97	252.13

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

As per our report attached

For C. M. GABHAWALA & Co.,
Chartered Accountants

BIREN C. GABHAWALA
Partner

Membership No. 40496
 Mumbai, 29th April, 2010

For and on behalf of the Board Of Directors

A. V. SETALVAD **CHAIRMAN**

A. R. BROACHA }
V. C. VAIDYA } **DIRECTORS**

Mumbai, 29th April, 2010

NEW HOLDING AND TRADING COMPANY LIMITED

Information pursuant to Part IV of Schedule VI of the Companies Act, 1956.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE (INSERTED BY Notification No. GSR 388 dated 15.05.1995)

(1) Registration Details

Registration No:

State Code :

(Refer Code List)

Balance Sheet Date

(2) Capital Raised during the year (amount in Rs. thousands)

Public issue

Right issue

Bonus issue

Private issue

(3) Position of Mobilisation and Deployment of Funds (amount in Rs. thousand)

Total Liabilities

Total Assets

SOURCES OF FUNDS

Paid-up Capital

Reserves and Surplus

Secured Loans

Unsecured Loans

APPLICATION OF FUNDS

Next Fixed Assets

Investments

Net Current Assets

Misc. Expenditure

Accumulated Losses

Deferred Tax

(4) Performance of Company (amount in Rs. thousands)

Turnover

Total Expenditure

+/- Profit/Loss Before Tax

+/- Profit/Loss after tax

(Please tick appropriate box + for Profit - for loss)

Earning per Share in Rs.

Dividend Rate %

(5) Generic of Three Principal Products/Services of company (as per monetary terms)

Item Code No. (ITC Code)

Product Description

For and on behalf of the Board Of Directors

A. V. SETALVAD **CHAIRMAN**

A. R. BROACHA } **DIRECTORS**
V. C. VAIDYA }

Mumbai, 29th April, 2010

NEW HOLDING AND TRADING COMPANY LIMITED

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.

(Rs. in lakhs)

	Particulars		
	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 deposits inclusive of interest accrued thereon but not 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	-	-
(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 specify)	-	-

NEW HOLDING AND TRADING COMPANY LIMITED

Particulars		(Rs. in lakhs)		
Long Term Investments : (AT COST)				
1. Quoted :		243.09		
(i) Shares : (a) Equity		4.59		
(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		52.18		
(iv) Government Securities		-		
(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		593.90	110.08	
2. Other than related parties		383.30	152.29	
Total		977.20	262.37	
(8)	Other information			
(i) Gross Non-Performing Assets		NIL		
(a) Related parties				
(b) Other than related parties				
(ii) Net Non-Performing Assets		NIL		
(a) Related parties				
(b) Other than related parties				
(iii) Assets acquired in satisfaction of debt		NIL		
Notes :				
1. As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.				
2. Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.				
3. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/ NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (5) above.				

NEW HOLDING AND TRADING COMPANY LIMITED
STATEMENT OF NET OWNED FUNDS AS ON MARCH 31, 2010

(Rs. in thousand)

	AMOUNT
i Paid-up Equity Capital	502
ii Free Reserves	26,804
iii Total (i + ii)	27,306
iv Accumulated balance of loss	-
v Deferred Revenue Expenditure	-
vi Other intangible assets	-
vii Total (iv+v+vi)	27,306
viii Owned Funds (iii - vii)	-
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)	27,306

As per our report attached

For C. M. GABHAWALA & Co.,
Chartered Accountants

BIREN C. GABHAWALA
Partner

Membership No. 40496
Mumbai, 29th April, 2010

For and on behalf of the Board Of Directors

A. V. SETALVAD CHAIRMAN

A. R. BROACHA } DIRECTORS
V. C. VAIDYA }

Mumbai, 29th April, 2010

ANNUAL REPORT 2009-2010

Notes :

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LTD.

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

IMPORTANT COMMUNICATION FOR DIVIDEND PAYMENT

Dear Shareholder (S)

Payment of Dividend through National Electronic Clearing Service (NECS)

As per directive from Securities and Exchange Board of India (SEBI), the Company has been using the Electronic Clearing Service (ECS) of the Reserve Bank of India (RBI), at designated locations, for payment of dividend to shareholders holding shares in dematerialized form. This service was also extended to shareholders holding shares in physical form, who chose to avail of the same. In this system, the investor's bank account was directly credited with the dividend amount.

As per RBI's notification **with effect from 1st October 2009, the remittance of money through ECS has been replaced by National Electronic Clearing Service (NECS)** and banks have been instructed to move to the NECS platform with immediate effect. The advantages of NECS over ECS include faster credit of remittance to the beneficiary's account and coverage of more bank branches.

NECS operates on the new and unique bank account number allotted by banks post implementation of the Core Banking Solutions (CBS). Pursuant to implementation of CBS, your bank account number may have undergone a change, which is required to be communicated by you to your Depository Participant (in case of shareholders holding shares in dematerialized form) or to the Company's Share Transfer Agent (in case shareholders hold shares in physical form, in which case, the communication may be made in the format printed overleaf).

Accordingly, if your bank account number has undergone a change pursuant to implementations of CBS, then :

a) For shareholders holding shares in Dematerialized Form

Please inform details of your new bank account number to your Depository Participant (DP) and ensure that the same is duly updated in their records;

b) For shareholders holding shares in Physical Form

If you have already opted from the Company the ECS Mandate Facility (i.e. direct credit of dividend amount to your designated bank account) or the Bank Mandate Facility (i.e. where the details of your designated bank account are printed on the dividend warrant), please inform details of your new bank account number to the Company's Share Transfer Agent in the format mentioned overleaf.

If you have not yet opted for the ECS Mandate facility, we urge you to avail of the NECS Mandate facility as this not only protects a shareholder against fraudulent interception and encashment of dividend warrants but also eliminates dependence on the postal system, loss/damage of dividend warrants in transit and correspondence relating to revalidation / issue of duplicate dividend warrants.

Kindly ensure that the above instructions are under your signature (which should be as per specimen registered with the DP/Company) and are **communicated before commencement of the book closure date, to facilitate receipt of dividend.**

Please note that if your new bank account number is not informed as aforesaid, payment of your dividend to your old bank account number may either be rejected or returned.

Assuring of our best services at all times.

Your's faithfully,

The Industrial & Prudential Investment Company Ltd.

**A. V. SETALVAD
CHAIRMAN**

Mumbai : 22nd June , 2010

To,
Link Intime India Private Limited,
Unit : The Industrial & Prudential Investment Co. Ltd.
C-13 Pannalal Silk Mills Compound,
LBS Marg, Bhandup (West), Mumbai - 400078

Date :

FORM FOR NECS MANDATE / BANK MANDATE

(Not required to be filled by Shareholders holding shares in dematerialised form)

I/We..... do hereby authorised
The Industrial & Prudential Investment Co. Ltd. to :-

- Credit my dividend amount directly to my Bank Account as per details furnished below by National Electronic Clearing Service (NECS) - NECS Mandate*
- Print the details of my Bank Account as furnished below, on my dividend warrant which will be mailed to me - Bank Mandate*

(*Please strike out whichever is not applicable - Default option is NECS Mandate)

Folio No.....

A.	Bank Name	:	
B.	Branch	:	
C.	Bank Address	:	
E.	Account Type (Saving / Current)	:	
D.	Account Number (Please mention the new Core Banking Account number that you have received from your Bank)	:	
F.	9 Digit Code Number of the bank & branch as appearing on the MICR cheque (for NECS Mandate only) Please attach photocopy of the cheque / cancelled cheque	:	
G.	Telephone number (with STD code) of shareholder	:	
H.	Email ID of Shareholder	:	

I/We shall not hold the Company responsible if the NECS mandate cannot be implemented for reasons beyond the control of the Company.

Signature of shareholders (s)
(as per specimen lodged with the Company)

Note :

1. Kindly note that NECS facility is available all over india.
2. For any clarifications, you may contact the Company's Share Transfer Agents, M/s. Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai - 400078.
Tel : (022) - 25946970

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

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

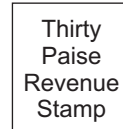
PROXY FORM
ANNUAL GENERAL MEETING

I/We..... ofin the
district of being a member/members of the above named
Company, hereby appoint.....
of in the district ofor
failing him ofin the
district of as my/our proxy to attend and vote for me/us on my/our
behalf at the Ninety fourth Annual General Meeting of the Company to be held on Wednesday, the 18th August,
2010 at 3.00 p.m. at Bajaj Bhavan, Ground Floor (Kamalnayan Bajaj Hall), 226, Nariman Point, Mumbai - 400
021 and at any adjournment thereof.

Signed at.....this.....day of.....2010

L. F. No. / DP Client ID

Address



Signature

This form is to be used *in favour of/ *against the Resolution. Unless otherwise instructed, the proxy will act as he
thinks fit. *Strike out whichever is not required.

Note: The proxy form duly signed across the revenue stamp of 30 paise must reach the Company's Registered
Office not less than 48 hours before the time of the meeting.

Tear off.....

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

ATTENDANCE SLIP

I hereby record my presence at the Ninety fourth ANNUAL GENERAL MEETING of the Company on Wednesday,
the 18th August, 2010 at 3.00 p.m. at Bajaj Bhavan, Ground Floor (Kamalnayan Bajaj Hall), 226, Nariman Point,
Mumbai - 400 021.

Folio No. / DP Client ID.....

No. of Shares held.....

Full Name of Member / Proxy

(In Block Letters)

Signature of the Member / Proxy

Note: Members attending the meeting in person or by proxy are requested to complete the attendance slip and
hand it over at the entrance of the Hall.

Tear off

