

95th
ANNUAL REPORT
2010 - 2011



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-Fifth 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 August 25, 2011 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, 2011, 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. V. Setalvad, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To consider and, if through fit, to pass the following resolution, with or without modification, as an ORDINARY RESOLUTION.

“RESOLVED that subject to the provisions of Sections 224, 225 and other applicable provisions, if any, of the Companies Act, 1956, Messrs. V. S. Somani & Co., Chartered Accountants, be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting upto the conclusion of the next Annual General Meeting of the Company, in place of the retiring Auditors, Messrs. N. M. Raiji & Co. Chartered Accountants, to examine and audit the accounts of the Company for the year 2011-2012, and the Chairman be and is hereby authorised to fix the remuneration of the Auditors”.

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) An explanatory statement under Section 173 of the companies Act, 1956, is annexed herewith.
- (c) The register of Members and the Share Transfer Books of the Company will remain closed from Thursday, August 18, 2011 to Thursday, August 25, 2011 (both days inclusive).
- (d) Dividend on equity shares as recommended by the Board of Directors for the year ended March 31, 2011, when declared at the Annual General Meeting will be paid to the members whose names appear:
 - i) As Beneficial Owners as per list to be furnished by the Depositories in respect of the shares held in demat form;
 - ii) As members on the Register of Members, as on August 17, 2011, after giving effect to all valid share transfers in physical form that are received by the Company upto closure of business hours on August 17, 2011; and payment will be made on or after 5th Sept. 2011.
- (e) i) Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956 all dividends which remained unpaid or unclaimed upto the financial years ended 31st March, 1994, have been transferred to the General Revenue Account of the Central Government. Concerned members are requested to claim the amount from the Office of the Registrar of Companies, Maharashtra, C. G. O Complex, 2nd Floor, A Wing, CBD - Belapur, Navi Mumbai - 400 614.

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Notice to the Shareholders

- ii) In compliance with Section 205C of the Companies Act, 1956, unclaimed dividend for the years ended 31st March, 2003, has been transferred to the "Investor Education and Protection Fund" established by the Central Government. Members shall not be able to register their claims in respect of their un-encashed to the above dividend.

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

Mumbai, 23rd May, 2011

By Order of the Board

A. V. SETALVAD
CHAIRMAN

Annexure To The Notice

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

ITEM 5:

At present Messrs N.M. Rajji & Co., Chartered Accounts are Statutory Auditors of the Company. However, they have informed the Company that they do not wish to seek appointment as the same would not be within the limits under Section 224(1B) of the Companies Act, 1956.

The Company has received a special notice from a Member of the Company, in terms of provisions of the Companies Act, 1956 signifying intention to propose the appointment of V.S.Somani & Co. as the Statutory Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of Company.

In view of the above, the Board of Directors at their meeting held on 23rd May, 2011 have proposed the appointment of V.S.Somani & Co. as the Statutory Auditors in place of N.M.Rajji & Co. for the year 2011 – 2012.

V.S.Somani & Co. have expressed their willingness to act as Statutory Auditors of the Company. They have confirmed that, if appointed, their appointment would be within the prescribed limits specified in Section 224 (1B) of the Companies Act, 1956.

The Directors recommended the resolution for approval of the members.

The members are requested to pass the resolution as set out at Item 5 of the Notice.

None of the Directors are concerned or interested in the said resolution.

The documents referred to hereinabove will be open to inspection by the members at the Registered Office of the Company during the usual office hours on all working days of the Company upto and including the day of the annual general meeting.

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

Mumbai, 23rd May, 2011

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 2011.

1. ACCOUNTS:

	2010-2011	Rs. in lacs 2009- 2010
Income	636.00	366.24
Expenditure		
(a) Expenses	28.61	21.41
(b) Provision for diminution in the value of Investment (current)	9.78	(47.62)
Profit before Taxation	597.61	392.45
Provision for Taxation :		
Current Tax		
- for the year	1.50	10.00
- relating to earlier year	(0.16)	11.13
Deferred Tax	(0.01)	(0.02)
	1.33	21.11
Net Profit	596.28	371.34
Add: Balance brought forward from Balance Sheet	1,026.20	876.76
Profit for Appropriation	1,622.48	1,248.10
Appropriation:		
Dividend	319.98	93.08
Tax on Dividend	51.55	15.82
Special Reserve (in terms of Section 45-IC of RBI Act, 1934)	120.00	75.00
General Reserve	60.00	38.00
Balance Carried to Balance Sheet	1,070.95	1,026.20
	1,622.48	1,248.10

2. DIVIDEND:

From the profit of the year, your Directors recommend an increased dividend of Rs. 55.00 per share (previous year Rs. 16.00 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 the Articles of Association of the Company, Mr. V. C. Vaidya and Mr. A. V. Setalvad retire by rotation and, being eligible, offer themselves for re-appointment.

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. Rajji & Co., Chartered Accountants, have expressed their unwillingness to seek re-appointment as the same would not be within the limits under Section 224(1B) of the Companies Act, 1956. It is proposed to appoint Messrs V.S. Somani & Co., Chartered Accountants, as Statutory Auditors of the Company for the year 2011 -2012. A special notice has been received from a member of the Company in terms of provision of the Companies Act, 1956, signifying intension to propose the appointment of Messrs V. S. Somani & Co., Chartered Accountants as Statutory Auditors of the Company. The Company has received a certificate from Messrs. V. S. Somani & Co., Chartered Accountants, to the effect that their appointment, if made, will be within the prescribed limits specified in at 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 form part of this report.

8. SUBSIDIARY'S ACCOUNTS:

New Holding And Trading Company Limited's Accounts for the year ended March 31, 2011 are attached.

9. EMPLOYEES:

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

Place : Mumbai
Date : 23rd May, 2011

For and on behalf of the Board of Directors
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 2011**. 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 Six times respectively on April 29, 2010, June 22, 2010, July 30, 2010, August 18, 2010, November 10, 2010 and February 9, 2011, 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 August 2, 2010 to August 18, 2010.
6. The Annual General Meeting for the financial year ended on 31st March 2010 was held on August 18, 2010 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. 16/- per Share of Rs. 10/- each, for the year ended March 31, 2010, on September 1, 2010, and same amount was deposited with Deutsche Bank within 5 days from the date of declaration of such dividend i.e. on August 20, 2010.
 - (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

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Compliance Certificate

Company.

- (iv) Transferred the amounts in unpaid dividend account, application money due for refund and interest accrued 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, 2011.
 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 : 5th May, 2011

(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, 2011., Under MCA21.

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. 23	192	2010-2014	02.09.2010	Yes	No
2.	Form No. 66	383A	2009-2010	02.09.2010	Yes	No
3.	23ACA	220	2009-2010	14.09.2010	Yes	No
4.	Form No. 20B	159	2009-2010	11.10.2010	Yes	No
5.	Form No. 1	205C	2009-2010	02.11.2010	Yes	No

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 2011, 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 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2011 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 2011;
 - (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
Firm Registration No.: 108296W

CA. Y. N. THAKKAR
Partner
Membership No: 033329

Place : Mumbai
Date : 23rd May, 2011

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

Clause No. 4 (ii), 4(viii), 4(x), 4(xvi) of the Order is not applicable to the Company.

- 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) of clause 4(iii) of the Order is 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. 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) of clause 4(v) of the Order 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 including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth-tax, Service tax, custom duty, excise, cess and any other statutory dues applicable to it. Based on our audit procedures and according to the information and explanations given to us, there are no arrears of undisputed statutory dues which remained outstanding as at 31st March, 2011 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 have not been deposited on account of any dispute.

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

- 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.
- ix. The company has no dues payable to banks, financial institutions, or debenture holders. Accordingly, provisions of clause 4(xi) of the Order is not applicable to the company.
- x. 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, wherein the Company is dealing in shares, securities and other investments, proper records have been maintained of those transactions and contracts 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 the 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.

For **N. M. RAIJI & CO.**,
Chartered Accountants
Firm Registration No. 108296W

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

Place : Mumbai
Date : 23rd May, 2011

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Balance Sheet As At 31st March 2011

	SCHEDULE	As at 31.03.2011 Rupees	As at 31.03.2010 Rupees
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	5,821,122	5,821,122
Reserves and Surplus	2	<u>223,760,434</u>	<u>201,285,243</u>
		229,581,556	207,106,365
DEFERRED TAX LIABILITY			
		<u>10,657</u>	<u>11,579</u>
		<u>229,592,213</u>	<u>207,117,944</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross block	3	1,099,279	1,075,043
Less: Depreciation		<u>999,586</u>	<u>981,775</u>
Net block		99,693	93,268
INVESTMENTS			
	4	260,811,573	213,997,492
CURRENT ASSETS, LOANS AND ADVANCES			
Current Assets	5	8,555,741	6,090,896
Loans and Advances		<u>174,978</u>	<u>28,588</u>
		<u>8,730,719</u>	<u>6,119,484</u>
Less:			
CURRENT LIABILITIES AND PROVISIONS			
Current Liabilities	6	2,861,013	2,112,716
Provisions		<u>37,188,759</u>	<u>10,979,584</u>
		<u>40,049,772</u>	<u>13,092,300</u>
NET CURRENT ASSETS		(31,319,053)	(6,972,816)
		<u>229,592,213</u>	<u>207,117,944</u>
NOTES FORMING PART OF THE ACCOUNTS	8		

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

CA. Y. N. THAKKAR
Partner
MUMBAI, 23rd May, 2011.

For and on behalf of the Board Of Directors

A. V. SETALVAD	CHAIRMAN
A. R. BROACHA	}
V. C. VAIDYA	
GAURAV SWARUP	
	DIRECTORS

MUMBAI, 23rd May, 2011

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Profit And Loss Account For The Year Ended 31st March 2011

	SCHEDULE	2010 - 2011 Rupees	2009 - 2010 Rupees
INCOME			
Dividend on Investments			
Long Term.....		59,069,468	28,547,991
Current		616,062	702,075
		<u>59,685,530</u>	<u>29,250,066</u>
Distributable Income from Mutual Funds.....		1,375,000	416,667
Profit on sale of Long term Investments (Net) ...		566,348	1,785,392
Profit on Sale of Current Investments (Net).....		1,973,687	5,124,453
Miscellaneous Income		-	47,195
Provision for diminution in the value of Current Investments no longer required (Net) ,.....		-	4,762,672
		<u>63,600,565</u>	<u>41,386,445</u>
EXPENDITURE			
Management expenses	7	2,842,970	2,049,549
Provision for diminution in the value of Investments (Current)(Net).....		978,507	-
Interest		-	70,162
Depreciation		17,810	21,712
		<u>3,839,287</u>	<u>2,141,423</u>
Profit before Tax		59,761,278	39,245,022
Less: Provision for Taxation			
Current Tax			
- for the year		150,000	1,000,000
- relating to earlier years		(15,796)	1,113,306
Deferred Tax		(922)	(2,564)
		<u>133,282</u>	<u>2,110,742</u>
Profit after Tax		59,627,996	37,134,280
Add: Balance brought forward		102,620,343	87,676,519
Amount available for appropriations		162,248,339	124,810,799
Less: Appropriations			
Transfer to			
Special reserve		12,000,000	7,500,000
General reserve		6,000,000	3,800,000
Proposed Dividend		31,997,900	9,308,480
Tax on dividend		5,154,905	1,581,976
Balance Carried to balance sheet		107,095,534	102,620,343
		<u>162,248,339</u>	<u>124,810,799</u>
Basic and Diluted Earning per Equity Share (Nominal Value per share Rs. 10)		102.49	63.83
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, 23rd May, 2011.

For and on behalf of the Board Of Directors

A. V. SETALVAD **CHAIRMAN**
A. R. BROACHA
V. C. VAIDYA } **DIRECTORS**
GAURAV SWARUP

MUMBAI, 23rd May, 2011

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Cash Flow For The Year Ended March 31, 2011

	<u>Rupees</u>	<u>31.03.2011 Rupees</u>	<u>31.03.2010. Rupees</u>
A. CASH FLOW FROM OPERATING ACTIVITIES.			
Net Profit before tax		59,761,278	39,245,022
Adjusted for			
Depreciation	17,810		21,712
Investment income	(63,600,565)		(36,576,578)
Provision for diminution in the value of Investments	978,507		(4,762,672)
		<u>(62,604,248)</u>	<u>(41,317,538)</u>
Operating Profit/(Loss) before Working Capital Changes		(2,842,970)	(2,072,516)
Changes in			
Trade & Other Receivable		(19,522)	289,130
Trade Payables.....		580,801	15,041
NET CASH USED IN OPERATING ACTIVITIES.....		(2,281,691)	(1,768,345)
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets	(24,236)		-
Purchase of Investments	(236,413,882)		(219,763,599)
Sale of Investments	191,161,330		198,399,402
Dividend Received	59,685,530		29,250,066
Distributable Income from Mutual Fund	1,375,000		416,667
Cash Generated from Investing Activities.....		15,783,742	8,302,536
Direct Taxes Paid		(350,200)	(1,296,658)
NET CASH FROM INVESTING ACTIVITIES		15,433,542	7,005,878
C. CASH FLOW FROM FINANCIAL ACTIVITIES			
Dividend Paid	(9,140,984)		(6,872,715)
Tax on Dividend	(1,546,022)		(1,186,482)
NET CASH USED IN FINANCIAL ACTIVITIES		(10,687,006)	(8,059,197)
NET CHANGES IN CASH & CASH EQUIVALENTS (A+B+C)		2,464,845	(2,821,664)
CASH AND CASH EQUIVALENTS - OPENING BALANCE ...		6,090,896	8,912,560
CASH AND CASH EQUIVALENTS - CLOSING BALANCE ...		8,555,741	6,090,896

NOTES:

1. All figures in brackets are outflows.
2. Cash and Bank Balances includes balance lying with designated Banks in unclaimed dividend accounts Rs. 15,45,665/- (Previous year Rs. 13,78,169/-).
3. Previous year figures have been regrouped wherever necessary.

As per our report attached
For **N. M. RAIJI & CO.**,
Chartered Accountants

CA. Y. N. THAKKAR
Partner
Mumbai, 23rd May, 2011

For and on behalf of the Board Of Directors

A. V. SETALVAD	CHAIRMAN
A. R. BROACHA	} DIRECTORS
V. C. VAIDYA	
GAURAV SWARUP	

MUMBAI, 23rd May, 2011

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Schedules Forming Part Of The Balance Sheet As At 31st March 2011

SCHEDULE - 1 - SHARE CAPITAL

	As at 31/03/2011 Rupees	As at 31/03/2010 Rupees
Authorised: 10,00,000 Equity Shares of Rs. 10 each.	<u>10,000,000</u>	<u>10,000,000</u>
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)	<u>5,817,800</u>	<u>5,817,800</u>
Forfeited Shares	<u>3,322</u>	<u>3,322</u>
	<u>5,821,122</u>	<u>5,821,122</u>

SCHEDULE - 2

RESERVES AND SURPLUS

	As at 31/03/2011 Rupees	As at 31/03/2010 Rupees
Capital Reserve		
Balance as per last Balance Sheet	<u>64,900</u>	<u>64,900</u>
General Reserve		
Balance as per last Balance Sheet	<u>43,600,000</u>	<u>39,800,000</u>
Add: Transferred from Profit and Loss Account	<u>6,000,000</u>	<u>3,800,000</u>
	<u>49,600,000</u>	<u>43,600,000</u>
Special Reserve (in terms of Section 45-IC of Reserve Bank of India Act.)		
Balance as per last Balance Sheet	<u>55,000,000</u>	<u>47,500,000</u>
Add: Transferred from Profit and Loss Account	<u>12,000,000</u>	<u>7,500,000</u>
	<u>67,000,000</u>	<u>55,000,000</u>
Profit and Loss Account	<u>107,095,534</u>	<u>102,620,343</u>
	<u>223,760,434</u>	<u>201,285,243</u>

SCHEDULE - 3 FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2010 year Rupees	Additions during the year Rupees	Deductions/ Adjustments Rupees	As at 31.03.2011 Rupees	Up to 01.04.2010 Rupees	For the year during the year Rupees	Deductions/ Adjustments Rupees	As at 31.03.2011 Rupees	As at 31.03.2011 Rupees	As at 31.03.2010 Rupees
1 Office Premises	151,532	-	-	<u>151,532</u>	116,022	1,776	-	<u>117,798</u>	<u>33,734</u>	35,510
2 Furnitures, Fixtures and Fittings	380,480	-	-	<u>380,480</u>	364,296	2,399	-	<u>366,695</u>	<u>13,785</u>	16,184
3 Office Equipments	101,061	15,836	-	<u>116,897</u>	79,884	3,313	-	<u>83,198</u>	<u>33,699</u>	21,177
4 Computers and Systems	441,970	8,400	-	<u>450,370</u>	421,573	10,322	-	<u>431,895</u>	<u>18,475</u>	20,397
TOTAL	<u>1,075,043</u>	<u>24,236</u>	<u>-</u>	<u>1,099,279</u>	<u>981,775</u>	<u>17,810</u>	<u>-</u>	<u>999,586</u>	<u>99,693</u>	<u>93,268</u>
<i>Previous year:</i>	1,075,043	-	-	1,075,043	960,063	21,712	-	<u>981,775</u>	<u>93,268</u>	114,980

NOTE : Office Premises includes Rs. 250 (Previous year 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 2011

SCHEDULE - 4 — INVESTMENTS.

Name of the Company	Face Value Rupees	Holding 31.03.2011	As at 31.03.2011 Rupees	As at 31.03.2010 Rupees
I. A. Quoted Long Term				
(a) Equity Shares (Fully Paid)				
3i Infotech Limited	10	35,000	1,979,130	-
(Shares Acquired during the year)				
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
BEML Limited	10	8,500	1,876,742	1,876,742
Bharat Electronics Limited	10	3,000	1,195,858	1,195,858
Bharat Forge Limited	2	16,000	1,383,093	1,383,093
Bharti Airtel Limited	5	17,500	2,274,031	2,274,031
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
Federal Bank Limited	10	3,000	1,041,266	-
(Shares Acquired during the year)				
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	18,000	1,127,463	1,127,463
(9,000 Bonus Shares received during the year)				
Karur Vysya Bank Limited	10	26,880	1,922,508	1,922,508
(7,680 Bonus Shares received during the year)				
KSB Pumps Limited	10	3,570,000	17,401,277	17,401,315
LIC Housing Finance Limited	2	7,500	1,462,774	-
(Shares Aquired during the year)				
Mahindra Satyam Computers Limited ..	2	25,000	1,869,412	-
(Shares Aquired during the year)				
Monsanto India Limited	10	800	673,359	673,359
NCC Limited (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	1	90,000	1,262,592	1,262,592
Piramal Glass Ltd.	10	12,356	1,128,081	101,640
(8,000 Shares Aquired during the year)				
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	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	11,000	804,671	804,671
(1,000 Bonus Shares received during the year)				
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	1	14,000	6,671,003	6,671,003
Tata Motors Limited	10	4,000	388,114	388,114
Tata Motors Limited (DVR)	10	7,850	3,394,993	3,394,993
Tata Power Company Limited	10	26,000	779,633	779,633
Tata Steel Limited	10	10,800	2,763,845	2,763,845
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
TV TO-DAY Network Limited	5	8,000	840,563	840,563

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Schedules Forming Part Of The Balance Sheet As At 31st March 2011

SCHEDULE - 4 — INVESTMENTS.

Name of the Company	Face Value Rupees	Holding 31.03.2011	As at 31.03.2011 Rupees	As at 31.03.2010 Rupees
Wire And Wireless (India) Limited	1	10,000	270,686	170,936
(5,250 Partly Paid-up Shares become Fully Paid-up)				
Zee Entertainment Enterprises Limited	1	20,808	799,225	781,319
(904 Shares received on Demerger of Zee News Ltd.)				
(10,404 Bonus Shares received during the year)				
Zee Learn Ltd.....	1	2,601	18,313	-
(Received on Demerger of Zee Entertainment Enterprises Ltd.)				
Zee News Limited	1	4,294	47,024	83,242
Sub - Total - (a)			95,478,739	88,000,003
(b) Equity Shares(Partly Paid up)				
Karur Vysya Bank Limited @ Rs. 6/- Paid-up) ...	10	11,120	834,000	-
(Acquired during the Year)				
Wire and Wireless (India) Ltd @				
Rs. 0.50 Paid-up)	1	-	-	47,250
Sub - Total - (b)			834,000	47,250
(c) Debentures (Non-convertible Secured)				
RBS Financial Service (India) Pvt. Ltd. - SR-F-20	100000	200	20,400,000	20,400,000
(Date of redemption 16.01.2013)				
DR. Reddy's Laboratories Limited	5	24,000	-	-
(Alloted as Bonus Debentures during the Year)				
(Date of redemption After 36 months from 24.03.2011)				
Sub-Total-(d)			20,400,000	20,400,000
Total IA [a + b + c]			116,712,739	108,447,253
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)				
Citifinancial Consumer Finance India Limited Series 400	100000	50	-	5,000,000
[Sub Total (b)]			-	5,000,000
(c) Mutual Fund				
BNP Paribas Fixed Term Fund-SER.-20 B				
Dividend on Maturity.	10	1,000,000	10,000,000	-
(Units Acquired during the year)				
Birla Sunlife Qtrly Interval-Series 4-	-			
Dividend Pay-out.	10	2,000,000	20,000,000	-
(Units Acquired during the year)				
DWS Twin Advantage Fund Regular Monthly Dividend	10	-	-	20,000,000
(Units redemed during the year)				
HDFC Mutual Fund - Income Plan-Long Term				
Quarterly Dividend	10	1,541,325	20,000,646	20,000,646
IDFC Fixed Maturity Plan-Qtrly-Series 61-				
Dividend Payout.	10	1,000,000	10,000,000	-
(Units Acquired during the year)				

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Schedules Forming Part Of The Balance Sheet As At 31st March 2011

SCHEDULE - 4 — INVESTMENTS.

Name of the Company	Face Value Rupees	Holding 31.03.2011	As at 31.03.2011 Rupees	As at 31.03.2010 Rupees
IL & FS Milestone Fund - II.	1000	20,000	20,000,000	20,000,000
JM Interval Fund Quarterly Plan (Units Acquired during the year)	10	2,037,861	20,378,611	-
JM Money Manager Fund Super Plus Pl. Daily Dividend. (67,471 Units Acquired during the year)	10	1,154,967	11,555,790	10,880,683
Master Plus -1991 Unit Trust of India	10	40,000	775,039	775,039
[Sub Total (c)]			112,710,086	71,656,368
Total I B [a + b + c]			112,712,977	76,659,259
TOTAL - I (A + B)			229,425,716	185,106,512
II A. Current Quoted				
(a) Equity Shares (Fully Paid)				
Abbott India Limited	10	1,200	1,480,808	-
Axis Bank Limited	10	1,950	2,518,728	-
Adhunik Metaliks Limited	10	-	-	2,163,070
Bajaj Crop Limited	5	2,273	1,132,750	-
Bharat Heavy Electricals Limited	10	785	1,619,180	715,635
Camlin Limited	1	24,000	965,155	-
Eicher Motors Limited	10	1,562	1,992,228	-
Gillett India Limited	1	-	-	1,814,209
Heidelberg Cement India Limited	10	40,500	1,773,900	-
IDFC Limited	10	21,710	3,356,366	2,408,446
ITC Limited	1	-	-	909,292
Jindal Saw Ltd.....	2	-	-	446,660
Larsen & Toubro Limited	2	-	-	-
Lupin Limited	2	3,350	369,835	827,988
Modern Dairies Limited	10	-	-	287,235
Pantaloon Retail (India) Limited	2	4,150	1,073,605	-
Reliance Industries Limited	10	1,340	1,367,296	1,598,394
Siemens Limited	2	-	-	244,720
Sterlite Industries (India) Limited	1	7,500	1,250,786	-
Suzlon Energy Limited	10	-	-	934,700
Tata Motors Limited	10	-	-	377,850
Tata Tea Limited	10	-	-	2,828,105
Titan Industries Limited	10	1,425	1,910,099	1,910,099
Unichem Laboratories Limited	2	8,750	1,668,625	-
Sub Total - (a)			22,479,361	17,466,403
(b) Mutual fund				
Benchmark Mutual Fund - Liquid Bees (PP) ... (442 Units Sold during the year)	1000	349	348,534	790,715
Sub Total - (b)			348,534	790,715
TOTAL - II A (a +b)			22,827,895	18,257,118
II B Current Unquoted				
Mutual fund				
BNP Paribas Short Term Income Fund Institutional Plan - weekly dividend (Fortis Mutual Fund - Short Term Income Fund.)	10	854,975	8,557,962	10,633,862
TOTAL - II B (a)			8,557,962	10,633,862
TOTAL - II (A + B)			31,385,857	28,890,980
TOTAL OF (I + II)			260,811,573	213,997,492
Aggregate Cost of Quoted Investments			139,540,634	126,704,371
Aggregate Cost of Unquoted Investments			121,270,939	87,293,121
Market Value of Quoted Investments			2,827,590,282	2,194,322,142

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Schedules Forming Part Of The Balance Sheet As At 31st March 2011

SCHEDULE - 5 - CURRENT ASSETS, LOANS AND ADVANCES

	As at 31.03.2011 Rupees	As at 31.03.2010 Rupees
(a) Current Assets		
(i) Cash and Bank Balances		
In Current Accounts	6,998,521	4,705,324
In Dividend Accounts	1,545,665	1,378,169
Cash on Hand	11,555	7,403
	8,555,741	6,090,896
(b) Loans and Advances. (Unsecured and considered good)		
Advance recoverable in cash or in kind or for value to be received	63,729	28,379
Advance payment of Income-tax (Net of Provision)	111,072	-
Advance payment of Fringe Benefit Tax (Net of Provision)	177	209
	174,978	28,588
	8,730,719	6,119,484

SCHEDULE - 6 - CURRENT LIABILITIES AND PROVISIONS

	As at 31.03.2011 Rupees	As at 31.03.2010 Rupees
(a) Current Liabilities :		
@ Sundry Creditors	1,315,348	734,547
* Unclaimed Dividend	1,545,665	1,378,169
	2,861,013	2,112,716
(b) Provisions :		
Proposed Dividend	31,997,900	9,308,480
Tax on Proposed Dividend	5,190,859	1,581,976
For Tax	-	89,128
	37,188,759	10,979,584
	40,049,772	13,092,300

@ 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 2011

SCHEDULE - 7 - MANAGEMENT EXPENSES

	2010- 2011 <i>Rupees</i>	2009 - 2010 <i>Rupees</i>
Salaries	549,399	460,912
Legal and Professional Fees	690,918	517,803
Printing and Stationary	75,859	66,902
Rates and Taxes	107,917	95,781
Miscellaneous Expenses	325,589	274,692
Directors' Sitting Fees	82,000	76,000
Auditors' Remuneration:		
Audit Fees	40,000	40,000
Certifications etc.	33,000	33,000
Expenses	7,519	7,519
	80,519	80,519
Commision to Directors	900,000	450,000
Repairs and Maintenance Expenses	30,769	26,940
	<u>2,842,970</u>	<u>2,049,549</u>

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Schedules Forming Part Of The Accounts For The Year Ended 31st March 2011

SCHEDULE - 8 - NOTES FORMING PART OF THE ACCOUNTS

1. ACCOUNTING POLICIES:

(a) Basis of preparation

The financial statements have been prepared on historical cost convention and on accrual basis. The financial statements have been prepared in accordance with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006 and referred to in Section 211 (3C) of the Companies Act, 1956.

(b) 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.

(c) Depreciation

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

(d) Investments

(i) Investments have been categorised as Long Term or Current by the Board of Directors.

(ii) Long Term Investments are stated at cost plus brokerage and other relevant charges. A Provision for diminution is made to recognise a decline, other than temporary, if any.

(iii) Current Investments are valued at lower of Cost or Market value.

(e) Revenue Recognition

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

(f) Retirement Benefits

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

(g) Taxes on Income:

(i) Current Tax

Provision for Income Tax is determined in accordance with the provisions the Income Tax Act, 1961.

(ii) Deferred Tax

Deferred tax is recognised on timing differences being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period(s).

(h) Provisions and Contingent Liabilities:

(i) A provision is recognised when there is present obligation as a result of past event and it is 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. NIL).

(ii) In respect of Shares partly paid-up Rs. 8,34,000 (Previous year Rs. 52,500/-)

(iii) Liability in respect of disputed property tax levied by Brihanmumbai Mahanagarपालिका on the Society where in the Company is a member, the amount of which is not ascertainable.

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

	2010-2011	2009-2010
	Rupees	Rupees
Profit before tax as per Profit and Loss Account	59,761,278	39,245,022
Add: Directors' Sitting Fees	82,000	76,000
Commission to Directors	900,000	450,000
	60,743,278	39,771,022
Commission payable to non-whole time Directors (restricted to 3% of the net profits)	900,000	450,000

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 2011

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

5. Related Party Disclosure :

A. Name of the related party and nature of relationship where control exists : (As certified by the management.)

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	-	66,000	-	16,000	-	-	-	82,000
Commission	(-)	(60,000)	(-)	(16,000)	(-)	(-)	(-)	(76,000)
	-	360,000	-	540,000	-	-	-	900,000
	(-)	(180,000)	(-)	(270,000)	(-)	(-)	(-)	(450,000)
Dividend paid	-	32,800	72,288	19,200	212,064	-	5,818,512	6,154,864
	(-)	(24,600)	(54,216)	(22,800)	(159,048)	(-)	(4,221,876)	(4,482,540)
Dividend Received	-	-	-	-	-	44,625,000	-	44,625,000
	(-)	(-)	(-)	(-)	(-)	(19,635,000)	(-)	(19,635,000)
Legal and Professional Fees	-	90,046	-	-	-	-	-	90,046
	(-)	(90,890)	(-)	(-)	(-)	(-)	(-)	(90,890)
Amount outstanding at the end of the year								
- Payable	-	405,041	-	486,000	-	-	-	891,041
	(-)	(243,801)	(-)	(243,000)	(-)	(-)	(-)	(486,801)

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 Key Management Personnel	New Holding And Trading Company Limited 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 2011

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

On account of timing Difference of	As at March 31, 2011.	As at March 31, 2010.
Depreciation	Rs.10,657	Rs.11,579

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 figures have been regrouped wherever necessary to conform current year 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 31.03.2011 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

Schedules Forming Part Of The Accounts For The Year Ended 31st March 2011

(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

Deferred Tax

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

Signatures to Schedules 1 to 8

As per our report attached

For N. M. RAJI & CO.,
Chartered Accountants

CA. Y. N. THAKKAR

Partner

Mumbai, 23rd May, 2011

For and on behalf of the Board Of Directors

A. V. SETALVAD

CHAIRMAN

A. R. BROACHA

V. C. VAIDYA

GAURAV SWARUP

} DIRECTORS

MUMBAI, 23rd May, 2011

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, 2011.
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, 2011 amount to –
 - (I) for the subsidiary financial year ended as above Rs. 23,36,622
 - (ii) for the previous financial years of the
Subsidiary since it become the Holding
Company's subsidiary..... Rs. 2,68,04,108
 - (b) Dealt with in the accounts of The Industrial & Prudential
Investment Company Limited for the year ended
March 31, 2011 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
V. C. VAIDYA } **DIRECTORS**
GAURAV SWARUP

Place : Mumbai
Date : 23rd May, 2011

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		Amount outstanding	Amount overdue
(1)	<p><u>Liabilities side :</u></p> <p>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</p> <p>(c) Term Loans</p> <p>(d) Inter-corporate loans and borrowing</p> <p>(e) Commercial Paper</p> <p>(f) Public Deposits*</p> <p>(g) Other Loans (specify nature)</p> <p>* Please see Note 1 below</p>	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</p> <p>(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security</p> <p>(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</p> <p>(b) Unsecured</p>	NIL	
(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 :</p> <p>(a) Financial lease</p> <p>(b) Operating lease</p> <p>(ii) Stock on hire including hire charges under sundry debtors :</p> <p>(a) Assets on hire</p> <p>(b) Repossessed Assets</p> <p>(iii) Hypothecation loans counting towards EL/HP activities</p> <p>(a) Loans where assets have been repossessed</p> <p>(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</p> <p>(iii) Units of mutual funds</p> <p>(iv) Government Securities</p> <p>(v) Others (please specify)</p> <p>2. Unquoted :</p> <p>(i) Shares : (a) Equity (b) Preference</p> <p>(ii) Debentures and Bonds</p> <p>(iii) Units of mutual funds</p> <p>(iv) Government Securities</p> <p>(v) Others (please specify)</p>	<p>224.79</p> <p>-</p> <p>3.48</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>85.58</p> <p>-</p> <p>-</p>	

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

STATEMENT OF NET OWNED FUNDS AS ON MARCH 31, 2011

(Rs. in thousand)

	AMOUNT
i Paid-up Equity Capital	5,821
ii Free Reserves	223,695
iii Total (i + ii)	229,516
iv Accumulated balance of loss	-
v Deferred Revenue Expenditure	-
vi Other intangible assets	-
vii Total (iv+v+vi)	-
viii Owned Funds (iii - vii)	229,516
ix Investment in shares of :	
a. Subsidiaries	3
b. Companies in the same Group	-
c. Other non-banking financial companies	4,819
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)}	4,822
xii Amount of item xi in excess of 10 % of item viii above.	-
xiii Net Owned Funds (viii - xii)	224,694

As per our report attached
For **N. M. RAIJI & CO.**,
Chartered Accountants

CA. Y. N. THAKKAR
Partner
MUMBAI, 23rd May, 2011

For and on behalf of the Board Of Directors

A. V. SETALVAD **CHAIRMAN**
A. R. BROACHA
V. C. VAIDYA } **DIRECTORS**
GAURAV SWARUP

MUMBAI, 23rd May, 2011

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 2011, 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. 29,643,230 as at 31st March 2011, the total revenues of Rs.2,412,693 and cash inflows amounting to Rs.2,294,185 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 2011;
 - (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.

For **N. M. RAIJI & CO.**,
Chartered Accountants
Firm Registration No. 108296W

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

Place : Mumbai
Date : 23rd May, 2011

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Consolidated Balance Sheet As At 31st March 2011

	SCHEDULE		As at 31.03.2011 Rupees	As at 31.03.2010 Rupees
SOURCES OF FUNDS				
SHAREHOLDERS' FUNDS				
Share Capital	1		5,821,122	5,821,122
Reserves and Surplus	2		<u>253,401,164</u>	228,589,351
			259,222,286	<u>234,410,473</u>
DEFERRED TAX LIABILITY				
			<u>10,657</u>	11,579
			259,232,943	<u>234,422,052</u>
APPLICATION OF FUNDS				
FIXED ASSETS				
Gross block	3		1,099,279	1,075,043
Less: Depreciation			<u>999,586</u>	981,775
Net block			99,693	<u>93,268</u>
INVESTMENTS				
	4		287,086,398	240,232,317
CURRENT ASSETS, LOANS AND ADVANCES				
5				
Current Assets			11,949,435	7,190,405
Loans and Advances			<u>174,978</u>	28,588
			12,124,413	<u>7,218,993</u>
Less:				
CURRENT LIABILITIES AND PROVISIONS				
6				
Current Liabilities			2,888,785	2,136,813
Provisions			<u>37,188,776</u>	10,985,713
			40,077,561	<u>13,122,526</u>
NET CURRENT ASSETS			(27,953,148)	<u>(5,903,533)</u>
			<u>259,232,943</u>	<u>234,422,052</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, 23rd May, 2011

For and on behalf of the Board Of Directors

A. V. SETALVAD	CHAIRMAN
A. R. BROACHA	} DIRECTORS
V. C. VAIDYA	
GAURAV SWARUP	

MUMBAI, 23rd May, 2011

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Consolidated Profit And Loss Account For The Year Ended 31st March 2011

	SCHEDULE	2010- 2011 Rupees	2009 - 2010 Rupees
INCOME			
Dividend on Investments (Gross)			
Long Term		61,482,066	29,971,484
Current		<u>616,062</u>	<u>702,075</u>
		62,098,128	30,673,559
Distributable income from Mutual Funds		1,375,000	416,667
Profit on sale of Long Term Investments (Net)		566,443	1,825,062
Profit on sale of Current Investments (Net)		1,973,687	5,124,453
Miscellaneous Income		-	47,195
Provision for diminution in the value of Current Investment no longer required (Net)		-	4,762,672
		<u>66,013,258</u>	<u>42,849,608</u>
EXPENDITURE			
Management expenses	7	2,919,023	2,119,826
Provision for diminution in the value of Current Investments		978,507	-
Interest		-	70,162
Depreciation		17,810	21,712
		<u>3,915,340</u>	<u>2,211,700</u>
Profit before Tax		62,097,918	40,637,908
Less: Provision for Taxation			
Current Tax			
- for the year		150,018	1,006,129
- relating to earlier years		(15,796)	1,113,306
Deferred Tax		(922)	(2,564)
		<u>133,300</u>	<u>2,116,871</u>
Profit after Tax		61,964,618	38,521,037
Add: Balance as per last Balance Sheet.		112,604,451	96,753,870
Amount available for appropriations		<u>174,569,069</u>	<u>135,274,907</u>
Less: Appropriations			
Transfer to			
Special reserve		12,470,000	7,780,000
General reserve		6,250,000	4,000,000
Proposed Dividend		31,997,900	9,308,480
Tax on Proposed Dividend		5,154,905	1,581,976
Balance Carried to balance sheet		118,696,264	112,604,451
		<u>174,569,069</u>	<u>135,274,907</u>
Basic and Diluted Earning per Equity Share (Nominal Value per share Rs. 10)		106.51	66.21

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, 23rd May, 2011

For and on behalf of the Board Of Directors

A. V. SETALVAD **CHAIRMAN**
A. R. BROACHA
V. C. VAIDYA } **DIRECTORS**
GAURAV SWARUP
MUMBAI, 23rd May, 2011

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Consolidated Cash Flow For The Year Ended 31st March 2011

	Rupees	31.03.2011 Rupees	31.03.2010 Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES.			
Net Profit before tax		62,097,918	40,637,908
Adjusted for			
Depreciation	17,810		21,712
Investment income	(66,013,258)		(38,039,741)
Provision for diminution in the value of Investments (Net)	978,507		(4,762,672)
		(65,016,941)	(42,780,701)
Operating (Loss) before Working Capital Changes ...		(2,919,023)	(2,142,793)
Changes in			
Trade & Other Receivable ..		(19,522)	289,805
Trade Payables.....		584,476	15,041
NET CASH USED IN OPERATING ACTIVITIES		(2,354,069)	(1,837,947)
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets	(24,236)		-
Purchase of Investments	(236,453,882)		(227,091,611)
Sale of Investments	191,161,425		202,798,720
Dividend Received	62,098,128		30,673,559
Distributable Income from Mutual Fund	1,375,000		416,667
Cash Generated from Investing Activities		18,156,435	6,797,335
Direct Taxes Paid		(356,330)	(1,296,658)
NET CASH FROM INVESTING ACTIVITIES		17,800,105	5,500,677
C. CASH FLOW FROM FINANCIAL ACTIVITIES			
Dividend Paid	(9,140,984)		(6,872,715)
Tax on Dividend	(1,546,022)		(1,186,482)
NET CASH USED IN FINANCIAL ACTIVITIES		(10,687,006)	(8,059,197)
NET CHANGES IN CASH & CASH EQUIVALENT (A+B+C) .		4,759,030	(4,396,467)
CASH AND CASH EQUIVALENTS - OPENING BALANCE ...		7,190,405	11,586,872
CASH AND CASH EQUIVALENTS - CLOSING BALANCE..		11,949,435	7,190,405

NOTES:

- 1 All figures in brackets are outflows.
- 2 Cash and Bank Balances includes balance lying with designated Banks in unclaimed dividend accounts Rs. 15,45,665/- (Previous year Rs. 13,78,169/-).
- 3 Previous year figures have been regrouped wherever necessary.

As per our report attached
For **N. M. RAIJI & CO.**,
Chartered Accountants

CA. Y. N. THAKKAR
Partner
MUMBAI, 23rd May, 2011

For and on behalf of the Board Of Directors

A. V. SETALVAD **CHAIRMAN**
A. R. BROACHA
V. C. VAIDYA } **DIRECTORS**
GAURAV SWARUP }

MUMBAI, 23rd May, 2011

CONSOLIDATED

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Schedules Forming Part Of The Balance Sheet As At 31st March 2011

SCHEDULE - 1 - SHARE CAPITAL

	As at 31.03.2011 Rupees	As at 31.03.2010 Rupees
Authorised:		
10,00,000 Equity Shares of Rs. 10 each.	<u>10,000,000</u>	<u>10,000,000</u>
Issued, Subscribed and Paid-up:		
5,81,780 Equity Shares of Rs. 10 each	<u>5,817,800</u>	<u>5,817,800</u>
Forfeited Shares	<u>3,322</u>	<u>3,322</u>
	<u>5,821,122</u>	<u>5,821,122</u>

SCHEDULE - 2 - RESERVES AND SURPLUS

	As at 31.03.2011 Rupees	As at 31.03.2010 Rupees
Capital Reserve		
Balance as per last Balance Sheet	<u>64,900</u>	<u>64,900</u>
General Reserve		
Balance as per last Balance Sheet	<u>54,800,000</u>	<u>50,800,000</u>
Add: Transferred from Profit and Loss Account	<u>6,250,000</u>	<u>4,000,000</u>
	<u>61,050,000</u>	<u>54,800,000</u>
Special Reserve		
(in terms of Section 45-IC of Reserve Bank of India, Act.)		
Balance as per last Balance Sheet.	<u>61,120,000</u>	<u>53,340,000</u>
Add: Transferred from Profit and Loss Account	<u>12,470,000</u>	<u>7,780,000</u>
	<u>73,590,000</u>	<u>61,120,000</u>
Profit and Loss Account	<u>118,696,264</u>	<u>112,604,451</u>
	<u>253,401,164</u>	<u>228,589,351</u>

SCHEDULE - 3 - FIXED ASSETS

PARTICULARS	GROSS BLOCK			As at 31.03.2011 Rupees	DEPRECIATION			As at 31.03.2011 Rupees	NET BLOCK	
	As at 01.04.2010 year Rupees	Additions during the year Rupees	Deductions/ Adjustments Rupees		Up to 01.04.2010 Rupees	For the year during the year Rupees	Deductions/ Adjustments Rupees		As at 31.03.2011 Rupees	As at 31.03.2010 Rupees
1 Office Premises	151,532	-	-	151,532	116,022	1,776	-	117,798	33,734	35,510
2 Furnitures, Fixtures and Fittings	380,480	-	-	380,480	364,296	2,399	-	366,695	13,785	16,184
3 Office Equipments	101,061	15,836	-	116,897	79,884	3,313	-	83,198	33,699	21,177
4 Computers and Systems	441,970	8,400	-	450,370	421,573	10,322	-	431,895	18,475	20,397
TOTAL	1,075,043	24,236	-	1,099,279	981,775	17,810	-	999,586	99,693	93,268
Previous year:	1,075,043	-	-	1,075,043	960,063	21,712	-	981,775	93,268	114,980

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

CONSOLIDATED
THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Schedules Forming Part Of The Balance Sheet As At 31st March 2011

SCHEDULE - 4 — INVESTMENTS.

Name of the Company	Face Value Rupees	Holding As at 31.03.2011	As at 31.03.2011	As at 31.03.2010 Rupees
Rupees				
I. A. Quoted Long Term				
(a) Equity Shares (Fully Paid)				
3i Infotech Limited	10	35,000	1,979,130	-
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	7,800	1,199,818	1,199,818
BEML Limited	10	8,500	1,876,742	1,876,742
Bharat Electronics Limited	10	3,000	1,195,858	1,195,858
Bharat Forge Limited	2	16,000	1,383,093	1,383,093
Bharti Airtel Limited	5	17,500	2,274,031	2,274,031
Bosch Limited	10	2,000	11,393	11,393
Cambridge Solutions Limited	10	100	153,532	153,532
Century Textile and Industries Limited	10	1,000	425,966	425,966
Dish TV India Limited	1	6,612	136,640	136,640
DR. Reddy's Laboratories Limited	5	4,000	2,028,636	2,028,636
Federal Bank Limited	10	3,000	1,041,266	-
Gail (India) Limited	10	28,500	4,322,177	4,322,177
GlaxoSmithkline Pharmaceuticals Limited	10	1,000	1,099,536	1,099,536
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
GTL Limited	10	4,000	1,035,555	1,035,555
GTL Infrastructure Limited	10	8,000	182,417	182,417
Hindustan Unilever Limited	1	73,000	190,867	190,867
ICICI Bank Limited	10	6	2,500	2,500
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	112,800	5,256,641	5,256,641
ISMT Limited	5	43,750	737,741	737,741
ITC Limited	1	18,000	1,127,463	1,127,463
Karur Vysya Bank Limited	10	26,880	1,922,508	1,922,508
KSB Pumps Limited	10	3,700,000	28,409,286	28,409,324
LIC Housing Finance Limited	2	7,500	1,462,774	-
Mahanagar Telephone Nigam Limited	10	7,000	1,435,407	1,435,407
Mahindra Satyam Computers Limited	2	25,000	1,869,412	-
Monsanto India Limited	10	800	673,359	673,359
NCC Limited (Nagarjuna Construction Company Limited)...	2	54,000	1,458,262	1,458,262
Nestle India Limited	10	14,000	177,657	177,657
Neyveli Lignite Corporation Limited	10	10,000	402,413	402,413
NTPC Limited	10	21,000	1,683,921	1,683,921
Onward Technology Limited	10	2,500	328,321	328,321
Orient Abrasives Limited	1	90,000	1,262,592	1,262,592
Piramal Glass Ltd.	10	12,356	1,128,081	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
PVP Ventures Limited	10	100	153,533	153,533
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	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	11,000	804,671	804,671
Siemens Limited	2	25,000	194,598	194,598
State Bank of India	10	7,100	3,947,023	3,947,023
Tata Chemicals Limited	10	700	43,888	43,888

CONSOLIDATED

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Schedules Forming Part Of The Balance Sheet As At 31st March 2011

SCHEDULE - 4 — INVESTMENTS.

Name of the Company	Face Value Rupees	Holding As at 31.03.2011	As at 31.03.2011	As at 31.03.2010 Rupees
Rupees				
Tata Motors Limited	10	4,000	388,114	388,114
Tata Motors Limited (DVR)	10	7,850	3,394,993	3,394,993
Tata Power Company Limited	10	26,000	779,633	779,633
Tata Steel Limited	10	17,686	3,743,325	3,743,325
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
TV TO-DAY Network Limited	5	8,000	840,563	840,563
Wire And Wireless (India) Limited	1	15,000	477,641	301,891
Zee Entertainment Enterprises Limited	1	25,188	1,411,517	1,379,893
Zee Learn Ltd.....	1	3,149	32,343	-
Zee News Limited	1	5,198	83,049	147,015
Sub - Total - (a)			119,827,841	112,273,105
(b) Equity Shares(Partly Paid up)				
Karur Vysya Bank Limited @ Rs. 6/- Paid-up)	10	11,120	834,000	-
Wire and Wireless (India) Ltd @ Rs. 0.50 Paid-up) ...	1	-	-	83,250
Sub - Total - (b)			834,000	83,250
(c) Debentures : (Non-convertible Secured)				
RBS Financial Service (India) Pvt. Ltd. - SR-F-20 (Date of redemption 16.01.2013)	100000	200	20,400,000	20,400,000
DR. Reddy's Laboratories Limited	5	24,000	-	-
(Alloted as Bonus Debentures during the Year) (Date of redemption After 36 months from 24.03.2011)				
Sub-Total - (d)			20,400,000	20,400,000
Total I A [a + b + c]			141,061,841	132,756,355
I B Unquoted Long Term				
(a) Equity Shares (Fully Paid)				
(i) Others				
Niyuprene Plastics Company Limited	10	1,000	1	1
Siltronics (India) Limited	10	30	390	390
[Sub Total (a)]			391	391
(b) Debentures: (Non-convertible Secured)				
Citifinancial Consumer Finance India Limited Series 400	100000	50	-	5,000,000
[Sub Total (b)]			-	5,000,000
(c) Mutual Fund				
BNP Paribas Fixed Term Fund-SER.-20 B Dividend on Maturity.	10	1,000,000	10,000,000	-
Birla Sunlife Qtrly Interval-Series 4- Dividend Pay-out.	10	2,000,000	20,000,000	-
DWS Twin Advantage Fund Regular Monthly Dividend	10	-	-	20,000,000
HDFC Mutual Fund - Income Plan-Long Term Quarterly Dividend	10	1,925,872	25,000,646	25,000,646
IDFC Fixed Maturity Plan-Qtrly-Series 61- Dividend Payout.	10	1,000,000	10,000,000	-
IL & FS Milestone Fund - II.	1000	20,000	20,000,000	20,000,000
JM Interval Fund Quarterly Plan	10	2,037,861	20,378,611	-
JM Money Manager Fund Super Plus Pl. Daily Dividend.	10	1,154,967	11,555,790	10,880,683
Kotak Contra-option-Dividend Payout	10	4,890	50,000	50,000
Master Plus -1991 Unit Trust of India	10	40,000	775,039	775,039
PrincipalEmerging Blue Chips Fund - Regular Dividend...	10	9,784	167,900	167,900
[Sub Total (c)]			117,927,986	76,874,268
Total I B [a + b + c]			117,928,377	81,874,659
TOTAL - I (A + B)			258,990,218	214,631,014

CONSOLIDATED
THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Schedules Forming Part Of The Balance Sheet As At 31st March 2011

SCHEDULE - 4 — INVESTMENTS.

Name of the Company	Face Value Rupees	Holding As at 31.03.2011	As at 31.03.2011	As at 31.03.2010 Rupees
Rupees				
Less: Provision for diminution in value of Investments			3,289,677	3,289,677
TOTAL - I (A + B)			255,700,541	211,341,337
II A. Current Quoted				
(a) Equity Shares (Fully Paid)				
Abbott India Limited	10	1,200	1,480,808	-
Axis Bank Limited	10	1,950	2,518,728	-
Adhunik Metaliks Limited	10	-	-	2,163,070
Bajaj Crop Limited	5	2,273	1,132,750	-
Bharat Heavy Electricals Limited	10	785	1,619,180	715,635
Camlin Limited	1	24,000	965,155	-
Eicher Motors Limited	10	1,562	1,992,228	-
Gillett India Limited	1	-	-	1,814,209
Heidelberg Cement India Limited	10	40,500	1,773,900	-
IDFC Limited	10	21,710	3,356,366	2,408,446
ITC Limited	1	-	-	909,292
Jindal Saw Ltd.....	2	-	-	446,660
Larsen & Toubro Limited	2	-	-	-
Lupin Limited	2	3,350	369,835	827,988
Modern Dairies Limited	10	-	-	287,235
Pantaloon Retail (India) Limited	2	4,150	1,073,605	-
Reliance Industries Limited	10	1,340	1,367,296	1,598,394
Siemens Limited	2	-	-	244,720
Sterlite Industries (India) Limited	1	7,500	1,250,786	-
Suzlon Energy Limited	10	-	-	934,700
Tata Motors Limited	10	-	-	377,850
Tata Tea Limited	10	-	-	2,828,105
Titan Industries Limited	10	1,425	1,910,099	1,910,099
Unichem Laboratories Limited	2	8,750	1,668,625	-
Sub Total - (a)			22,479,361	17,466,403
(b) Mutual fund				
Benchmark Mutual Fund - Liquid Bees (PP)	1000	349	348,534	790,715
(442 Units Sold during the year)				
Sub Total - (b)			348,534	790,715
TOTAL - II A (a +b)			22,827,895	18,257,118
II B Current Unquoted				
Mutual fund				
BNP Paribas Short Term Income Fund Institutional Plan - weekly dividend (Fortis Mutual Fund - Short Term Income Fund.)	10	854,975	8,557,962	10,633,862
TOTAL - II B (a)			8,557,962	10,633,862
TOTAL - II (A + B)			31,385,857	28,890,980
TOTAL OF (I + II)			287,086,398	240,232,317
Aggregate Cost of Quoted Investments			163,889,736	151,013,473
Aggregate Cost of Unquoted Investments			126,486,339	92,508,521
Market Value of Quoted Investments			2,938,825,786	2,286,760,610

CONSOLIDATED

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Schedules Forming Part Of The Balance Sheet As At 31st March 2011

SCHEDULE - 5 - CURRENT ASSETS, LOANS AND ADVANCES

CURRENT ASSETS, LOANS AND ADVANCES

(a) Current Assets

(i) Cash and Bank Balances with scheduled Banks.

In Current Accounts

10,389,497

5,804,416

In Dividend Accounts

1,545,665

1,378,169

Cash on Hand

14,273

7,820

11,949,435

7,190,405

11,949,435

7,190,405

(b) Loans and Advances.

(Unsecured and considered good)

Advance recoverable in cash or in kind or for value to be received

63,729

28,379

Advance payment of Income-tax (Net of Provision)

111,072

-

Advance payment of Fringe Benefit Tax

(Net of Provision)

177

209

174,978

28,588

12,124,413

7,218,993

SCHEDULE - 6 - CURRENT LIABILITIES AND PROVISIONS.

CURRENT LIABILITIES AND PROVISIONS

(a) Current Liabilities :

Other Liabilities

1,343,120

758,644

Unclaimed Dividend

1,545,665

1,378,169

2,888,785

2,136,813

(b) Provisions :

Proposed Dividend

31,997,900

9,308,480

Tax on Proposed Dividend

5,190,859

1,581,976

For Tax

17

95,257

37,188,776

10,985,713

40,077,561

13,122,526

CONSOLIDATED
THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Schedules Forming Part Of The Accounts For The Year Ended 31st March 2011

SCHEDULE - 7 - MANAGEMENT EXPENSES

	2010-2011 <i>Rupees</i>	2009-2010 <i>Rupees</i>
Salaries	549,399	460,912
Legal and Professional Fees	690,918	517,803
Printing and Stationary	75,859	66,902
Rates and Taxes	107,917	95,781
Miscellaneous Expenses	395,883	338,660
Directors' Sitting Fees	84,450	79,000
Auditors' Remuneration:		
Audit Fees	43,000	43,000
Certifications etc.	33,000	33,000
Expenses	7,828	7,828
	83,828	83,828
Commision to Directors	900,000	450,000
Repairs and Maintenance Expenses	30,769	26,940
	2,919,023	2,119,826

Schedules Forming Part Of The Accounts For The Year Ended 31st March 2011

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. Nil).
 - (ii) In respect of Shares partly paid-up Rs. 8,34,000/- (Previous year Rs. 92,500/-)
 - (iii) Liability in respect of disputed property tax levied by Brihanmumbai Mahanagarpalika on the Society where in the Company is a member, the amount of which is not ascertainable.
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 2011

5. Related Party Disclosures:

A. Related Party Transactions:

Nature of Transactions	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	68,000 (62,400)	- (-)	16,450 (16,600)	- (-)	- (-)	- (-)	84,450 (79,000)
Commission	360,000 (180,000)	- (-)	540,000 (270,000)	- (-)	- (-)	- (-)	900,000 (450,000)
Dividend paid	32,800 (24,600)	72,288 (54,216)	19,200 (22,800)	212,064 (159,048)	- (-)	5,818,512 (4,221,876)	6,154,864 (4,482,540)
Dividend Received	- (-)	- (-)	- (-)	- (-)	46,250,000 (20,350,000)	- (-)	46,250,000 (20,350,000)
Legal and Professional Fees	90,046 (90,890)	- (-)	- (-)	- (-)	- (-)	- (-)	90,046 (90,890)
Amount outstanding at the end of the year							
- Payable	405,041 (243,801)	- (-)	486,000 (243,000)	- (-)	- (-)	- (-)	891,041 (486,801)

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 figures are shown within Brackets.
- (iv) The related parties included in the various categories above, where transactions have taken place are given below:
(As certified by the management.)

Key Management Personnel	Mr. A. V. Setalvad Mr. A. R. Broacha
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Relatives of key Management personnel.	Mr. H. V. Setalvad Mrs. J. A. Setalvad
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CONSOLIDATED
THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

Schedules Forming Part Of The Accounts For The Year Ended 31st March 2011

Individuals having significant influence over the enterprise.	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	<u>As at March 31, 2011</u>	<u>As at March 31, 2010</u>
Depreciation	Rs.10,657	Rs.11,579

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 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, 23rd May, 2011

For and on behalf of the Board Of Directors

A. V. SETALVAD **CHAIRMAN**
A. R. BROACHA
V. C. VAIDYA } **DIRECTORS**
GAURAV SWARUP

Mumbai, 23rd May, 2011

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, 2011.

1. ACCOUNTS:

	<u>2010-2011</u>	Rs. in lacs <u>2009-2010</u>
Income	24.13	14.63
Expenses	0.76	0.70
Profit / (Loss) before Taxation	23.37	13.93
Less: Provision for Tax	-	0.06
Net Profit after Tax	23.37	13.87
Add: Balance brought forward from Balance Sheet	99.84	90.77
Profit for Appropriation	<u>123.21</u>	<u>104.64</u>
Appropriation:		
Special Reserve (in terms of Section 45-IC of RBI Act, 1934)..	4.70	2.80
General Reserve	2.50	2.00
Balance Carried to Balance Sheet	<u>116.01</u>	<u>99.84</u>
	<u>123.21</u>	<u>104.64</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. A. V. Setalvad 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. 2nd May, 2011.

For and on behalf of the Board Of Directors

A. V. SETALVAD
Chairman

NEW HOLDING AND TRADING COMPANY LIMITED

Auditors' Report To The Member

The Members,

NEW HOLDING AND TRADING COMPANY LIMITED

We have audited the attached Balance Sheet of **NEW HOLDING AND TRADING COMPANY LIMITED** as at 31st March, 2011 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 31st March, 2011 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 2011
 - (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 ACCOUNTANTS
FRN:102870W

BIREN C. GABHAWALA
PARTNER
M. NO. 40496

Place : Mumbai
Dated : 2nd May, 2011.

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 31st March 2011. 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 ACCOUNTANTS
FRN:102870W

BIREN C. GABHAWALA
PARTNER
M. NO. 40496

Place : Mumbai
Dated : 2nd May, 2011.

NEW HOLDING AND TRADING COMPANY LIMITED

Balance Sheet As At 31st March 2011

	SCHEDULE		As at 31.03.2011 Rupees	As at 31.03.2010 Rupees
SOURCES OF FUNDS				
SHAREHOLDERS' FUNDS				
Share Capital	1	502,500		502,500
Reserves and Surplus	2	29,140,730	29,643,230	26,804,108
			<u>29,643,230</u>	<u>27,306,608</u>
APPLICATION OF FUNDS				
INVESTMENTS	3		26,277,325	26,237,325
CURRENT ASSETS, LOANS AND ADVANCES 4				
Current Assets		3,393,694		1,099,509
		<u>3,393,694</u>		<u>1,099,509</u>
Less:				
CURRENT LIABILITIES AND PROVISIONS 5				
Current Liabilities		27,772		24,097
Provisions		17		6,129
		<u>27,789</u>		<u>30,226</u>
NET CURRENT ASSETS			3,365,905	1,069,283
			<u>29,643,230</u>	<u>27,306,608</u>
NOTES FORMING PART OF THE ACCOUNTS	7			

As per our report attached
For C. M. GABHAWALA & Co.,
 Chartered Accountants
 FRN:102870W

BIREN C. GABHAWALA
 Partner
 Membership No. 40496
 Mumbai, 2nd May, 2011

For and on behalf of the Board Of Directors

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

Mumbai, 2nd May, 2011

NEW HOLDING AND TRADING COMPANY LIMITED

Profit And Loss Account For The Year Ended 31st March, 2011

	SCHEDULE	As at 31.03.2011 Rupees	As at 31.03.2010 Rupees
INCOME			
Dividend on investments		2,412,598	1,423,493
Profit on Sale of Investment		95	39,670
		2,412,693	1,463,163
EXPENDITURE			
Management expenses	6	76,053	70,277
		76,053	70,277
Profit before Tax		2,336,640	1,392,886
Less: Provison for Tax		18	6,129
Profit after Tax		2,336,622	1,386,757
Balance brought forward		9,984,108	9,077,351
Amount available for appropriations		12,320,730	10,464,108
Appropriations			
Transfer to			
Special reserve		470,000	280,000
General reserve		250,000	200,000
Balance Carried to balance sheet		11,600,730	9,984,108
		12,320,730	10,464,108
Basic and Diluted Earning per Equity Share (Nominal Value per Share Rs. 100/-)		465.00	275.97
NOTE FORMING PART OF THE ACCOUNTS	7		

As per our report attached
For C. M. GABHAWALA & Co.,
Chartered Accountants
 FRN:102870W

BIREN C. GABHAWALA
Partner
 Membership No. 40496
 Mumbai, 2nd May, 2011

For and on behalf of the Board Of Directors

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

Mumbai, 2nd May, 2011

NEW HOLDING AND TRADING COMPANY LIMITED

Cash Flow For The Year Ended March 31, 2011

	Rupees	31.03.2011. Rupees	31.03.2010 Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES.			
Net Profit before tax and extra ordinary items....		2,336,640	1,392,886
Adjusted for			
Investment income	(2,412,693)		(1,463,163)
Provision for diminution in value of investment...	-		-
		(2,412,693)	(1,463,163)
Operating Profit/(Loss) before Working Capital Changes..		(76,053)	(70,277)
Changes in			
Trade & Other Receivable ..		-	675
Trade Payables.....		3,675	-
Cash Generated from Operations		3,675	675
Direct Tax Paid (Net).....		-	-
NET CASH FROM OPERATING ACTIVITIES.....		(72,378)	(69,602)
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Investments.....	(40,000)		(7,328,012)
Sale of Investments	95		4,399,318
Interest Received	-		-
Dividend Received	2,412,598		1,423,493
Direct Taxes Paid	(6,130)		-
NET CASH FROM INVESTING ACTIVITIES		2,366,563	(1,505,201)
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+)..		2,294,185	(1,574,803)
CASH AND CASH EQUIVALENTS - OPENING BALANCE..		1,099,509	2,674,312
CASH AND CASH EQUIVALENTS - CLOSING BALANCE..		3,393,694	1,099,509

For and on behalf of the Board Of Directors

A. V. SETALVAD **CHAIRMAN**
A. R. BROACHA } **DIRECTORS**
V. C. VAIDYA
MUMBAI, 2nd May, 2011.

AUDITORS CERTIFICATE

To
The Board of Directors
NEW HOLDINGS AND TRADING COMPANY LIMITED
125 Makers Chambers III, Nariman Point, Mumbai- 400 021.

We have examined the attached Cash Flow Statement of New Holding And Trading Company Limited for the year ended 31st March 2011. The Statement has been prepared by the company and in agreement with the books and records of the company and also the Profit & 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
FRN: 102870W
BIREN C.GABHAWLA
PARTNER
M.NO. 40496
MUMBAI, 2nd May, 2011.

NEW HOLDING AND TRADING COMPANY LIMITED

Schedules Forming Part Of The Balance Sheet As At 31st March 2011

SCHEDULE - 1 - SHARE CAPITAL

	As at 31.03.2011 Rupees	As at 31.03.2010 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 31.03.2011 Rupees	As at 31.03.2010 Rupees
Special Reserve		
Balance as per last Balance Sheet	6,120,000	5,840,000
Add: Transferred from Profit and Loss Account	470,000	280,000
	<u>6,590,000</u>	<u>6,120,000</u>
General Reserve		
Balance as per last Balance Sheet	10,700,000	10,500,000
Add: Transfer from Profit & Loss Account	250,000	200,000
	<u>10,950,000</u>	<u>10,700,000</u>
Profit and Loss Account	11,600,730	9,984,108
	<u>29,140,730</u>	<u>26,804,108</u>

NEW HOLDING AND TRADING COMPANY LIMITED

Schedules Forming Part Of The Balance Sheet For The Year Ended 31st March 2011

SCHEDULE - 3. INVESTMENT.

Name of the Company	Face Value Rupees	Holding As at 31.03.2011	As at 31.03.2011 Rupees	As at 31.03.2010 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 Technolgies 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	10	6,886	979,480	979,480
Wire & Wireless (India) Limited	1	5,000	206,955	130,955
Zee Entertainment Enterprises Limited	1	4,380	612,292	598,574
(190 Shares received on Demerger of Zee News Ltd.) (2,190 Bonus Shares received during the year)				
Zee Learn Limited	1	548	14,030	-
(548 Shares received on Demerger of Zee Entertainment Enterprises Ltd.)				
Zee News Limited	1	904	36,025	63,773
Sub-Total - A.-1.			24,349,102	24,273,102
2 Equity Shares (Partly Paid)				
Wire and Wireless (India) Ltd @ Rs. 0.50 Paid-up).....	1		-	36,000
Sub-Total - A.-2.			-	36,000
TOTAL - A. (A-1+ A-2)			24,349,102	24,309,102
B. UNQUOTED INVESTMENTS				
Mutual Fund				
HDFC Mutual Fund-Income Plan-Long Term-Qtrly Div.	10	384,547	5,000,000	5,000,000
Kotak Contra-Option-Div. Payout	10	4,890	50,000	50,000
Principal Emerging Blue Chips Fund-Regular Dividend	10	9,784	167,900	167,900
TOTAL - B.			5,217,900	5,217,900
TOTAL - (A+ B)			29,567,002	29,527,002
Less : Provision for diminution in the Value of Investments			3,289,677	3,289,677
TOTAL			26,277,325	26,237,325
Aggregate Cost of Quoted Investment			24,349,102	24,309,102
Aggregate Cost of Unquoted Investment			5,217,900	5,217,900
Market Value of Quoted Investment			111,235,504	92,438,468

NEW HOLDING AND TRADING COMPANY LIMITED

Schedules Forming Part Of The Balance Sheet As At 31st March 2011

SCHEDULE - 4. - CURRENT ASSETS, LOANS AND ADVANCES

	As at 31.03.2011 Rupees	As at 31.03.2010 Rupees
(a) Current Assets :		
Balance with Scheduled Banks :		
In Current Account	3,390,976	1,099,092
Cash on hand	2,718	417
	3,393,694	1,099,509
	3,393,694	1,099,509

SCHEDULE - 5. - CURRENT LIABILITIES AND PROVISIONS

	As at 31.03.2011 Rupees	As at 31.03.2010 Rupees
(a) Current Liabilities :		
Sundry Creditors	27,772	24,097
(b) Provisions		
Provision for Tax (Net of Taxes Paid)	17	6,129
	27,789	30,226
	27,789	30,226

SCHEDULE - 6. - MANAGEMENT EXPENSES

	As at 31.03.2011 Rupees	As at 31-03-2010. Rupees
Director's Fees	2,450	3,000
Audit Fees	3,309	3,309
General Charges	70,294	63,968
	76,053	70,277
	76,053	70,277

Schedules Forming Part Of The Accounts For The Year Ended 31st March 2011

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. Nil/- (Previous year Rs. 40,000/-.)

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) V. C. Vaidya	Individual having significant influence over the enterprise

NEW HOLDING AND TRADING COMPANY LIMITED

Schedules Forming Part Of The Accounts For The Year Ended 31st March 2011

SCHEDULE - 7. - NOTES FORMING PART OF THE ACCOUNTS. (Contd).

(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	1,000	1,200	-
A. R. Broacha	Key Management Personnel	Director fees	1,000	1,200	-
V. C. Vaidya	Individual having significant influence over the enterprise	Director fees	450	600	-
KSB Pumps limited	Enterprises over which key management personnel exercise significant influence.	Dividend Received	1,625,000	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 31,2011:

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:

	Current Year.	Previous Year.
Profit after tax	2,336,622	1,386,757
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	465.00	75.97

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

As per our report attached
For C. M. GABHAWALA & Co.,
 Chartered Accountants
 FRN:102870W

BIREN C. GABHAWALA
 Partner
 Membership No. 40496
 Mumbai, 2nd May, 2011

For and on behalf of the Board Of Directors

A. V. SETALVAD **CHAIRMAN**

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

Mumbai, 2nd May, 2011

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: 25981 of 1981

State Code : 11

(Refer Code List)

Balance Sheet Date 31 03 2011

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

Public issue

NIL

Right issue

NIL

Bonus issue

NIL

Private issue

NIL

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

Total Liabilities

29643

Total Assets

29643

SOURCES OF FUNDS

Paid-up Capital

503

Reserves and Surplus

29140

Secured Loans

NIL

Unsecured Loans

NIL

APPLICATION OF FUNDS

Next Fixed Assets

NIL

Investments

26277

Net Current Assets

3366

Misc. Expenditure

NIL

Accumulated Losses

NIL

Deferred Tax Balance

NIL

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

Turnover

2143

Total Expenditure

76

+/- Profit/Loss Before Tax

+ 2337

+/- Profit/Loss after tax

+ 2337

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

Earning per Share in Rs.

465.00

Dividend Rate %

NIL

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

Item Code No. (ITC Code)

NA

Product Description

INVESTMENTS

For and on behalf of the Board Of Directors

A. V. SETALVAD CHAIRMAN

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

Mumbai, 2nd May, 2011

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)	Liabilities side: Loans and advances availed by the NBF CS 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	Amount Overdue
		NIL	NIL
(2)	Break-up of (1) (f) above (Outstanding public deposits inclusive Of interest accrued thereon but net paid): (a) In the form of Unsecured debentures (b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security (c) Other public deposits* Please see Note 1 below	NIL	NIL
	Assets side:		
		Amount outstanding	
(3)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below]: (a) Secured (b) Unsecured	NIL	
(4)	Break-up of Leased Assets and stock on hire and hypothecation loans counting towards (i) Lease assets including lease rentals under sundry debtors: (a) Financial lease (b) Operating lease (ii) Stock on hire including hire charges under sundry debtors: (a) Assets on hire (b) Repossessed Assets (iii) Hypothecation loans counting towards EL/HP activities: (a) Loans where assets have been repossessed (b) Loans other than (a) above		
(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) 1. Unquoted: (I) Shares: (a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (please specify)	NIL	

NEW HOLDING AND TRADING COMPANY LIMITED

	Particulars	(Rs. in lakhs)		
	Long Term Investments : (AT COST) 1. Quoted : <ul style="list-style-type: none"> (i) Shares : (a) Equity <li style="padding-left: 40px;">(B) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (please specify) 2. Unquoted : <ul style="list-style-type: none"> (i) Shares : (a) Equity <li style="padding-left: 40px;">(b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (please specify) 	243.09	-	-
		-	-	-
		-	-	-
		52.18	-	-
		-	-	-
(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	-		-
	(b) Companies in the same group	-		-
	(c) Other related parties	741.65		110.08
	2. Other than related parties	423.39		152.69
	Total	1165.04		262.77
(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, 2011

(Rs. in thousand)

	AMOUNT
i Paid-up Equity Capital	502
ii Free Reserves	29,141
iii Total (i + ii)	29,643
iv Accumulated balance of loss	-
v Deferred Revenue Expenditure	-
vi Other intangible assets	-
vii Total (iv+v+vi)	29,643
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)	29,643

As per our report attached
For C. M. GABHAWALA & Co.,
 Chartered Accountants
 FRN:102870W

BIREN C. GABHAWALA
 Partner
 Membership No. 40496
 Mumbai, 2nd May, 2011

For and on behalf of the Board Of Directors

A. V. SETALVAD CHAIRMAN

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

Mumbai, 2nd May, 2011

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 holding 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

Place : Mumbai

Date : 23rd May, 2011

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

125, MAKER CHAMBERS III,
NARIMAN POINT,
MUMBAI- 400 021
Tel.: 22854243

Dear Sir/Madam

Pursuant to the Green Initiative in the Corporate Governance initiated by the Ministry of Corporate Affairs (MCA) vide Circular dated 21/4/2011 we propose to send the Notice/Annual Report/documents through electronic mode to our shareholders.

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

To support this green initiative in full measure, shareholders who have not registered their e-mail addresses, so far, are requested to do so in respect of electronic holding with the Depository through their concerned Participants. Shareholders who hold shares in physical form are requested to fill and send the '**e-Communication Registration Form**' to the Company at its Registered Office or to its Registrar & Transfer Agent: Link Intime India Pvt. Ltd., C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai 400 078. Email ID: rnt.helpdesk@linkintime.co.in for sending the future communication through Email

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

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

Thanking You,

Place : Mumbai.
Date : May 23rd, 2011.

For and on behalf of the Company,
A.V. Setalvad
Chairman

E-COMMUNICATION REGISTRATION FORM

To,
Link Intime India Pvt. Ltd.
Unit : The Industrial & Prudential Investment Co. Ltd.,
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West),
Mumbai - 400 078.

Dear Sir/Madam,

Re. : Green initiative in Corporate Governance

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

Folio No./DPID & Client ID :

Name of 1st Registered Holder :

Name of Joint Holder(s) :

Registered Address :

.....

.....

E-Mail ID :

Date : Signature of the 1st Shareholder

Notes :

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

THE INDUSTRIAL & PRUDENTIAL INVESTMENT COMPANY LIMITED

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

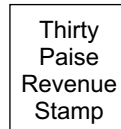
PROXY FORM
ANNUAL GENERAL MEETING

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 Fifth Annual General Meeting of the Company to be held on **Wednesday, the 25th August, 2011** at 3.00 p.m. at Bajaj Bhavan, Ground Floor (Kamalnayan Bajaj Hall), 220, Nariman Point, Mumbai - 400 021 and at any adjournment thereof.

Signed at.....this.....day of.....2011

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 Fifth ANNUAL GENERAL MEETING of the Company on **Wednesday, the 25th August, 2011** at 3.00 p.m. at Bajaj Bhavan, Ground Floor (Kamalnayan Bajaj Hall), 220, 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.

