

HERBERT HOLDINGS LIMITED

**ANNUAL REPORT & ACCOUNTS
2018 - 2019**

INDEPENDENT AUDITOR'S REPORTTo The Members of **HERBERT HOLDINGS LIMITED**,**Report on the Standalone Financial Statements****Opinion**

We have audited the standalone financial statements of **HERBERT HOLDINGS LIMITED** ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 10 in the financial statements, which indicates that during the year under review, Reserve Bank of India (RBI) has cancelled the Non Banking Financial Company certificate of the company. The Company made an appeal to the RBI to reconsideration its decision. Pending decision of the appeal, the financial statement is prepared as Going Concern Basis. As stated in Note 10, pending such decision, there is material uncertainty with subject to Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

The Company's Board of Directors is responsible for the Other Information. The other information comprises the information included in the Board's Report, Corporate Governance and Shareholders Information but does not include in the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusions thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of our knowledge obtained in the audit or otherwise appears to be materially misstated.

HERBERT HOLDINGS LIMITED

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If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to be report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity)60 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2016 ("the Order"), issued by the Central Government of India in terms of Section 143) of the Act, we give in the Annexure "A" a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable to the Company.
2. As required by the "Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 1998", we further state that we have submitted a Report to the Board of Directors of the Company containing a statement on the matters of supervisory concern to the Reserve Bank of India as specified in the said Directions, namely the following:-

i) The Company, incorporated prior to January 9, 1997, has applied for registration as provided in section 45IA of the Reserve Bank of India Act, 1934 (2 of 1934). The Company has been granted certificate of registration as NBFC by the Reserve Bank of India & the Registration no. is 05.06541 dated 04th April 2005. During the year Reserve Bank of India cancelled the registration. The Company has preferred an appeal to Reserve bank of India in this respect. (Refer Note No. 10)

ii) - The assets/income pattern of the Company as on 31st March, 2019 is as follows:

Investment Income to Total Income:	100%
Total Investment to Total Assets:	99.37%

In view of above ratios, the Company is entitled to hold Certificate of Registration issued by the Reserve bank of India as on 31.03.2019.

iii) The Company has not been classified as Assets Finance Company as defined in Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions,



1998 with reference to the business carried on by it during the financial year under reference.

- iv) The Company has not been classified as Micro Finance Institutions as defined in Non-Banking Financial Company – Micro Finance Institutions (Reserve Bank) Direction 2011 with reference to the business carried on by it during the financial year under reference.
- v) The Board of Directors of the Company has passed a resolution its meeting held on 06th November, 2018 for not accepting any public deposit.
- vi) The Company has not accepted any public deposits during the year under reference.
- vii) The Company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning of bad doubtful debts as specified in the directions issued by the Reserve Bank of India in terms of the Non Banking Financial (Non-deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.

3. As required by section 143 (3) of the Act, we report that:

- 3.1. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- 3.2. 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.
- 3.3. The Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of the account.
- 3.4. In our opinion, the standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- 3.5. On the basis of written representations received from the directors, as on 31st March, 2019 taken on record by the Board of Directors, none of the director is disqualified as on 31st March, 2019 from being appointed as Director in terms of Section 164(2) of the Act.
- 3.6. With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure "B".
- 3.7. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has not any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For A L P S & CO.
Chartered Accountants
Firm's ICAI Regn. No. 313132E


(A.K. Khetawat)
Partner
M. No. 52751

Kolkata
Dated: 18th day of May, 2019

HERBERT HOLDINGS LIMITED



ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 1 of the Report on Other Legal and Regulatory Requirements of the Independent Auditor's Report to the members of the Company of even date)

- 1) The Company does not have any fixed assets and therefore reporting on provisions of clause 3(i) (a), (b) and (c) are not applicable to the Company.
- 2) The Company is not having any inventory, and therefore reporting on provisions of clause 3(ii) is not applicable to the Company.
- 3) According to information and explanation given to us, the Company does not granted any loans, secured or unsecured, to the companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and therefore, provisions of clauses 3(iii) (a), (b) and (c) of the order are not applicable to the Company,
- 4) In our opinion and according to the information and explanations given to us, the Company has not given loans, made investments, given guarantees and provided securities covered by provisions of the provisions of section 185 and 186 of the Act.
- 5) In our opinion and according to information and explanation given to us, during the year, the Company has not accepted any deposits from the public as defined under sections 73 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- 6) The Company does not require for maintenance of cost records under sub section (1) of section 148 of the Act.
- 7) (a) According to the records of the Company, the Company is regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax Cess and any other statutory dues applicable to it with the appropriate authorities. According to information and explanations given to us, there are no undisputed amounts payable in respect of aforesaid dues which were outstanding as at 31st March, 2019 for a period of more than six months from the date they became payable.

(b) According to the records of the Company and according to information and explanations given to us, the Company does not have any outstanding disputed statutory dues as on 31st March, 2019.
- 8) The Company has not borrowed any amount from any financial institutions or banks or government or by way of issue of debenture, therefore provisions of clause 3(viii) of the order are not applicable to the Company.
- 9) During the year, the Company has neither raised any money by way of initial public offer or further public offer nor taken any term loan therefore provisions on clause 3(ix) of the Order are not applicable to the Company.
- 10) In our opinion and according to information and explanations given to us, during the year, no material fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.
- 11) During the year, the Company has not paid any managerial remuneration and therefore provisions of clause 3(xi) of the order are not applicable to the Company.
- 12) The Company is not a Nidhi Company and therefore provisions of clause 3(xii) of the order are not applicable to the Company.
- 13) According to the information and explanations given to us, there has been no transaction with the related parties during the year and therefore clause 3(xiii) of the orders are not applicable of the Company.



- 14) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and therefore provisions of clause 3(xiv) of the order are not applicable to the Company.
- 15) According to information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year and therefore provisions of clause 3(xv) of the order are not applicable to the Company.
- 16) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. The Company has obtained the Registration vide Registration No. B.05.06541 dated 4th April 2005 During the year under review, reserve Bank of India (RBI) has cancelled the certificate The Company has preferred an appeal before RBI (Refer Note No. 10).

For A L P S & CO.
Chartered Accountants
Firm's ICAI Regn. No. 313132E


(A.K.Khetawat)
Partner
M. No. 52751

Kolkata
Dated: 18th day of May, 2019



ANNEXURE "B" TO THE AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **HERBERT HOLDINGS LIMITED ("the Company")**, as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.



Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Kolkata

Dated: 18th day of May, 2019

For A L P S & CO.
Chartered Accountants
Firm's ICAI Regn. No. 313132E

(A.K.Khetawat)

Partner

M. No. 52751



Herbert Holdings Limited
Balance Sheet as at 31st March, 2019

	<u>Note Number</u>	<u>As at</u> <u>31st March,</u> <u>2019</u> <u>Rs.</u>	<u>As at</u> <u>31st March,</u> <u>2018</u> <u>Rs.</u>
I EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2.1	2,200,000	2,200,000
(b) Reserves and Surplus	2.2	18,445,741	13,859,356
(2) Current Liabilities			
(a) Other Current Liabilities	2.3	11,800	11,800
(b) Short Term Provision	2.4	1,500	-
TOTAL		20,659,041	16,071,156
II ASSETS			
(1) Non-current Assets			
Non-current Investments	2.5	2,799,727	3,351,013
(2) Current assets			
(a) Current Investments	2.6	17,728,363	12,375,061
(b) Cash and Cash Equivalents	2.7	130,951	345,082
TOTAL		20,659,041	16,071,156
Significant Accounting Policies	1		

Notes form an integral part
of the Financial Statements

This is the Balance Sheet referred to in our
report of even date.

For ALPS & Co.
Chartered Accountants

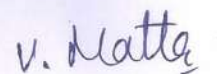


A. K. Khetawat
Partner
Membership No.052751
Kolkata, 18th May, 2019

For and on behalf of the Board



(A. V. Lodha - DIN : 00036158)
Director



(V. Matta - DIN : 00338911)
Director



Herbert Holdings Limited
Statement of Profit and Loss
for the year ended 31st March, 2019

<u>Particulars</u>	<u>Note Number</u>	For the year ended	For the year ended
		31st March, 2019 Rs.	31st March, 2018 Rs.
I Revenue from Operations	2.8	5,737,402	506,425
II Total Revenue		<u>5,737,402</u>	<u>506,425</u>
III Expenses :			
Other Expenses	2.9	63,017	30,763
Total Expenses		<u>63,017</u>	<u>30,763</u>
IV Profit Before Tax (II - III)		5,674,385	475,662
V Tax Expenses			
(1) Current Tax		1,088,000	-
(2) Deferred Tax (Note No.7)		-	-
(3) Income Tax relating to earlier year		-	-
VI Profit After Tax (IV - V)		<u>4,586,385</u>	<u>475,662</u>
VII Earning per Equity Share :			
Basic and Diluted	8	20.85	2.16
(Face Value of Rs.10 each per share)			

Significant Accounting Policies

1

Notes form an integral part
of the Financial Statements

This is the Statement of Profit & Loss referred to
in our report of even date.

For ALPS & Co.
Chartered Accountants



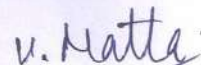
A. K. Khetawat
Partner

Membership No.052751
Kolkata, 18th May, 2019

For and on behalf of the Board



(A. V. Lodha - DIN : 00036158)
Director



(V. Matta - DIN : 00338911)
Director



HERBERT HOLDINGS LIMITED

CASH FLOW STATEMENT

	Year ended 31st March,	
	2019	2018
	Rs.	Rs.
A. Cash Flow from Operating Activities		
Profit before Tax	5,674,385	475,662
Operating Profit before Working Capital Changes	5,674,385	475,662
Adjustment for : Current Liabilities	-	-
Outstanding Liabilities	-	(2,000)
Cash (Utilised in)/Generated from Operating Activities	5,674,385	473,662
Direct Tax (Net)	(1,086,500)	-
Net Cash (Utilised in)/Generated from Operating Activities	4,587,885	473,662
B Cash Flow from Investing Activities		
Purchase of Investments	(4,802,016)	(363,764)
Net Cash (utilised in)/ Generated from Investment Activities	(4,802,016)	(363,764)
C. Cash Flow from Financing Activities		
Net increase/(Decrease) in Cash & Cash Equivalent	(214,131)	109,898
Cash and Cash Equivalents(Opening Balance)	345,082	235,184
Cash and Cash Equivalents (Closing Balance)	130,951	345,082
	(214,131)	109,898

Note : i) The Cash Flow Statement has been prepared in indirect method in accordance with Accounting Standard (AS) 3 on " Cash Flow Statements ".

i i) Cash and Cash Equivalents represent Cash and Bank Balances.

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

for Alps & Co.
Chartered Accountants

A. K. Khetawat
Partner
Membership No.052751

Kolkata, 18th May, 2019



For and on behalf of the Board

A. V. Lodha

(A. V. Lodha - DIN : 00036158)
Director

V. Matta

(V. Matta - DIN : 00338911)
Director

HERBERT HOLDINGS LIMITED

NOTES TO ACCOUNTS

1 SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of Financial Statements

The Financial Statements are prepared on accrual basis under the historical cost convention on the basis of going concern and in accordance with the provisions of the Companies Act, 2013 ('the Act') and Accounting Standards specified under section 133 of 'the Act', read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India.

Use of Estimates

In preparing the Financial Statements in conformity with accounting principles generally accepted in India, Management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of Financial Statements and the amount of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to such estimates is recognised in the period the same is determined.

Revenue Recognition

Income is accounted for on accrual basis except in cases where amount receivable cannot be determined with reasonable accuracy.

Investments

Non Current Investments are stated at cost less provision for diminution in value other than temporary, if any. Current investments are valued at cost or net realisable value whichever is lower. Dividend is accounted for as and when the right to receive the same is established.

Taxes on Income

Income tax is accounted for in accordance with accounting Standard (AS - 22) - 'Accounting for Taxes on Income'. Current tax is calculated on taxable income using prevailing tax rate and applicable tax laws. Deferred tax is provided and recognised on timing differences between taxable income and accounting income subject to prudential consideration. Deferred tax assets on unabsorbed depreciation and carry forward losses are not recognised unless there is a virtual certainty about availability of future taxable income to realise such assets.

Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when there is a present legal or statutory obligation as a result of past event and where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Contingent Liabilities are recognised only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of the future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an on going basis and only those having a largely probable outflow of resources are provided for.

Contingent Assets are not recognised in the Financial Statements.



Herbert Holdings Limited
2 Notes forming part of Balance Sheet

2.1. SHARE CAPITAL

Authorised

249,000 - Equity shares of Rs.10 each

(2018 - 249,000)

100 - Redeemable Preference Shares of Rs.100 each

(2018 - 100)

Issued, Subscribed and Paid-up

220,000 - Equity Shares of Rs.10 each

fully paid up

(2018 - 220,000)

As at
31-03-2019
Rs.

2,490,000

10,000

2,500,000

2,200,000

2,200,000

As at
31-03-2018
Rs.

2,490,000

10,000

2,500,000

2,200,000

2,200,000

2.1.1 There has been no change / movement in the number of shares outstanding at the beginning and at the end of the reporting period.

2.1.2. All equity shares are held by Alfred Herbert (India) Limited the holding Company and its nominees

2.1.3 The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity is entitled to one vote per share. The Company may declare and pay dividends. The dividend, if any proposed by the Board of Directors of the Company is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to the number of equity shares held by equity shareholder.

2.2 RESERVES AND SURPLUS

Capital Reserve

(As per last Account)

50,000

50,000

Capital Redemption Reserve

(As per last Account)

700

700

Security Premium Reserve

(As per last Account)

4,800,000

4,800,000

Special Reserve (Under Section 45 IC of Reserve Bank of

India Act.) - opening balance (As per last Account)

1,350,650

1,255,150

Add : Transferred from surplus

917,500

95,500

2,268,150

1,350,650

General Reserve

(As per last Account)

2,000,000

2,000,000

Surplus in the Statement of Profit & Loss - opening balance

5,658,006

5,277,844

Add : Profit after tax transferred from statement of Profit & Loss

4,586,385

475,662

Surplus available for appropriation

10,244,391

5,753,506

APPROPRIATIONS

Special Reserve

917,500

95,500

Surplus - closing balance

9,326,891

5,658,006

TOTAL

18,445,741

13,859,356

2.3 OTHER CURRENT LIABILITIES

Others

11,800

11,800

11,800

11,800

2.4 SHORT TERM PROVISION

Provision for Taxation (Net of Advance Tax)

1,500

1,500

2.5 NON-CURRENT INVESTMENTS

Long Term, (Non-Trade), Quoted

(At Cost)

Equity Shares of Rs.10 each except

where otherwise stated (fully paid)

4,000 (2018 - 4,000) Reliance Industries Ltd.
- (2018 - 50) Reliance Capital Ltd.
- (2018 - 250) Reliance Power Ltd.
- (2018 - 1,000) Reliance Communication Ltd.
(Face Value Rs.5 per share)
- (2018 - 75) Reliance Infrastructure Ltd
- (2018 - 50) Reliance Home Finance Ltd

369,727

369,727

-

9,110

-

4,977

-

275,162

-

51,904

-

133

(share received as per scheme of Arrangement with
Reliance Capital Limited - Ratio 1:1)

369,727

711,013

5,452,201

3,618,182

Aggregate Market Value of Quoted Investments

Unquoted Shares

Equity Shares of Rs.10 each except

where otherwise stated (fully paid)

243,000 (2018 - 264,000) Lodha Capital Markets Limited

2,430,000

2,640,000

2,799,727

3,351,013



Herbert Holdings Limited

As at
31-03-2019
Rs.

As at
31-03-2018
Rs.

Notes forming part of Balance Sheet and Statement of Profit and Loss (Contd.)

	<u>No. of units</u>	
2.6 CURRENT INVESTMENTS (Unquoted)		
Units of Rs.10 each in IDFC Banking and PSU Debt Fund - Growth	830,269.710 (2018 - 46,947.916)	12,421,416 500,000
Units of Rs.10 each in IDFC Super Saver Income Fund - Growth	- (2018 - 16,893.775)	- 500,000
Units of Rs.10 each in IDFC Money Manager Fund - Monthly Div. Payout	- (2018 - 40536.703)	- 414,624
Units of Rs.10 each in IDFC Ultra Short Term Fund - Weekly Div. Reinvestment	- (2018 - 45,655.102)	- 458,632
Units of Rs.10 each in IDFC Low Duration - Growth	209,958.2540 (2018 - NIL)	5,306,947 -
Units of Rs.1000 each in UTI Treasury Advantage Fund-Flexi Div. Plan-Payout	- (2018 - 2433.020)	- 2,634,446
Units of Rs.1000 each in UTI Treasury Advantage Fund-Weekly Dividend Reinvestment	- (2018 - 7,837.095)	- 7,867,359
Aggregate Market Value of Investments (NAV as on 31st March,)	17,728,363 18,913,048	12,375,061 12,802,457
2.7 CASH AND CASH EQUIVALENTS		
Balances with Scheduled Banks : On Current Accounts	130,951 130,951	345,082 345,082
	For the year ended 31-03-2019 Rs.	For the year ended 31-03-2018 Rs.
2.8 REVENUE FROM OPERATIONS		
Dividend from Shares (Long Term)	24,000	23,200
Dividend from Investment in Mutual Fund (Short Term)	60,084	483,225
Profit of Sale of Investment (Net)	5,653,318	-
	5,737,402	506,425
2.9 OTHER EXPENSES		
Rates and Taxes	4,776	4,650
Legal & Secretarial Expenses	7,400	13,485
Printing & Stationery	-	-
Professional Fees	17,500	-
Miscellaneous expenses (i)	33,341	12,628
	63,017	30,763
(i) Miscellaneous expenses Includes		
Auditors' Remuneration : (Exclusive of Tax)		
Statutory Audit Fees	10,000	10,000
Other services	2,360	-



Herbert Holdings Limited

Notes forming part of Balance Sheet and Statement of Profit and Loss (Contd.)

(3) The Company does not have any employee of its own, hence provisions of The Employees' Provident Funds Act, 1952, Employees State Insurance Act, 1948, The Payment of Bonus Act, 1965, The Payment of Gratuity Act, 1972 are not applicable to the Company.

(4) Related Party disclosure as identified by the management in accordance with the Accounting Standard 18 are as follows :-

- (i) Name of Related Party
Alfred Herbert (India) Limited Holding Company

There is no transaction with related parties during the year

(5) There are no reported Micro Enterprise and Small Enterprise, as defined in the Micro, Small and Medium Enterprises Development Act, 2006, to whom Company owes dues.

(6) The Directors have waived their respective sitting fees payable to them.

(7) As there is no timing difference items hence deferred tax is not applicable to the Company in accordance with Accounting Standard (AS) 22 on "Taxes on Income".

	For the year ended 31st March, 2019 Rs.	For the year ended 31st March, 2018 Rs.
(8) Earnings Per Share (EPS)		
i) Net Profit after tax as per Statement of Profit & Loss attributable to Equity Shareholders (Rs.)	4,586,385	475,662
ii) Number of shares used in computing earning per share - Basic & Diluted	220,000	220,000
iii) Basic and Diluted Earnings per share (Rs.)	20.85	2.16
iv) Face Value per equity share (Rs.)	10.00	10.00

(9) The Company operates mainly in one business segment and therefore, the Segment Reporting as per the Accounting Standard (AS - 17) is not applicable to the Company

(10) The Company had received a letter dated 29th October, 2018 from Reserve Bank of India [RBI] enclosing an Order intimating about the cancellation of Certificate of Registration under the RBI Act 1934 on the ground of not attaining the Net Owned Fund of Rs.2 crores as prescribed by the RBI. The Company has filed an appeal against the above Order with the appropriate authorities intimating the actual Net Worth of the Company was much higher than the threshold limit of 2 crores as prescribed by RBI if market values of its investments were considered and to avoid any further ambiguity and comply. The Company had divested some investments in September, 2018 and already attained the Net Owned Fund criteria of Rs.2 crores before the said Order was received.

The Company will take suitable actions once depending on the outcome of the said Appeal.

(11) The disclosure requirement as envisaged in Notification G.S.R. 308 (E) dated 30th March, 2017 is not applicable to the Company.

(12) Previous year's figures have been regrouped / rearranged / reclassified wherever necessary, to make it comparable with current year figures.

For and on behalf of the Board

(A. V. Lodha - DIN : 00036158)
Director



(V. Matta - DIN : 00338911)
Director

Kolkata, 18th May, 2019