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**SALEM ERODE INVESTMENTS LIMITED**

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**2019**

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**ANNUAL REPORT**

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# SALEM ERODE INVESTMENTS LIMITED

Registration no : L 31200 WB 1931 PLC 007116

Registered on 16th May, 1931

Authorised	CAPITAL	Subscribed
Rs 1,20,00,000	In equity shares of Re 1/-	Rs 1,14,65,520
<b>Rs. 1,20,00,000</b>		<b>Rs 1,14,65,520</b>

## INDEPENDENT DIRECTORS

V N Purohit -- Independent director  
Harsh V Bhardwaj -- Independent Director  
Prashant Gupta -- Independent director  
Ekta Goswami -- Women Independent Director

## NON EXECUTIVE DIRECTORS

Sunil Kumar Kanoria -- Non Executive Director

## EXECUTIVE DIRECTORS

Ashok Kumar Hamirbasia -- Managing Director

## OTHER KEY MANAGERIAL PERSONS

Ariandam Saha -- Chief Financial Officer  
Bela Parakh - Company Secretary

## AUDIT COMMITTEE

V N Purohit -- Independent director  
Harsh V Bhardwaj -- Independent Director  
Prashant Gupta -- Independent director

## NOMINATION & REMUNERATION COMMITTEE

V N Purohit -- Independent director  
Ekta Goswami -- Women Independent Director  
Prashant Gupta -- Independent director

## SHAREHOLDERS' GREVIANCE COMMITTEE

V N Purohit -- Independent director  
Prashant Gupta -- Independent director  
Harsh V Bhardwaj -- Independent Director

## SHARE TRANSFER COMMITTEE

V N Purohit -- Independent director  
Ashok Kumar Hamirbasia -- Managing Director  
Sunil Kumar Kanoria -- Non Executive Director

## CSR COMMITTEE

V N Purohit -- Independent director  
Prashant Gupta -- Independent director  
Ekta Goswami -- Women Independent Director

## REGISTERED OFFICE

14, Moti Lal Nehru Road,  
Kolkata - 700029.  
Telephone : (033) 2475-6029 / 2475 2834  
E-mail : salemerodeinvestmentsltd@gmail.com

## REGISTRAR & SHARE TRANSFER AGENT

M/s Niche Technologies Private Limited  
3A, Auckland Place, 7th Floor,  
Room No. 7A & 7B, Kolkata - 700017  
Telephone : 2280 6617  
E-mail : nichetechpl@nichetechpl.com

## STATUTORY AUDITOR

S Mandal & Co, Chartered Accountants.  
29D, Seven Tank Lane,  
Kolkata 700030.  
E-mail : s\_mondal\_co@yahoo.co.in

## INTERNAL AUDITOR

Hamirbasia & Associates  
51, Bhupen Bose Avenue,  
Kolkata - 700004  
E-mail : hamirbasia.associates@gmail.com

## SECRETARIAL AUDITOR

H M Choraria & Co.  
14/2, Old China bazar Street,  
4th Floor, R/no 401,  
Kolkata - 700001.  
E mail : hmchorira@gmail.com

## BANKERS

HDFC Bank Ltd.  
United Bank Of India.

## STOCK EXCHANGE

Listed with BSE Ltd.,  
ISIN NO: INE894E01028

## **SALEM ERODE INVESTMENTS LIMITED**

**Regd Off:** 1st Floor, 14 Motilal Nehru road, Kolkata – 700029  
Tel: (033) 2475 – 2834. E-mail: salemrodeinvestmentsltd@gmail.com  
CIN: L31200WB1931PLC007116

**NOTICE IS HEREBY GIVEN** that the 88<sup>th</sup> Annual General Meeting (herein after refer to as “AGM”) of the Members of SALEM ERODE INVESTMENTS LIMITED is scheduled to be held at Bhartiya Bhasha Parishad, 36A Shakespeare Sarani, Kolkata – 700017 on the 26th day of August, 2019 at 11.00 A.M to transact the following Business:

### **ORDINARY BUSINESS**

1. To Consider; approve and adopt the Balance Sheets as on 31<sup>st</sup> March, 2019, the profit and Loss Account and Cash Flow Statement for the year ended on that date together with the Auditors Report thereon and the report of the Board.
2. To appoint Sunil Kumar Kanoria, DIN 00789030, who retire by rotation at this meeting and being eligible offer himself for re-appointment.
3. To Consider and, if thought fit, to pass, with or without modification(s), the following resolution as ORDINARY RESOLUTION.

**"RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any modification(s) and or re-enactment(s) thereof, for the time being in force) and subject to the approval of the members of the company, **M/s. S. Mandal & Co., Chartered Accountants (FRN 314188E)** who was appointed as the Statutory auditor of the company at its 85<sup>th</sup> Annual General Meeting to hold office for 3 (three) conclusive years up to the conclusion of the 88<sup>th</sup> Annual General Meeting subject to ratification by the members of the company at every Annual General Meeting, is put in place for appointment by the members of the Company for a period of 5 years from the conclusion of 88th Annual General Meeting till the conclusion of 93rd Annual General Meeting subject to ratification by the members of the company at every Annual General Meeting at such remuneration plus GST, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed upon between the Board of Directors of the Company and the statutory auditor."

### **For and on Behalf of the Board**

Sd/-

**Bela Parakh**  
**Company Secretary.**  
**Membership no : 49847**

**Place: Kolkata**  
**Date: 22nd July, 2019**

NOTES

1. **A Member entitled to attend and vote at the Annual General Meeting ('AGM') may appoint a proxy to attend and vote in his/her behalf. A proxy need not be a Member of the Company.**

*Proxies, in order to be effective, must be received at the registered office of the company at 14, Motilal Nehru Road, Kolkata – 700 029, at least forty eight hours before the commencement of the AGM i.e. by 11.00 A.M. on 24th August, 2019.*

2. **Corporate Members are requested to send to the registered office at 14 Motilal Nehru Road, Kolkata – 700029 a certified copy of the Board Resolution, pursuant to section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the AGM.**

3. Members are requested to bring their admission slips to the AGM. Kindly note that duplicate admission Slips / or copies of the Report and Accounts will not be provided at the AGM.

4. The Register of Member and the Share Transfer Books of the Company will remain closed from 20th day of August, 2019 to 26th day of August, 2019 (both days inclusive).

5. Members who wish to update or register their e-mail addresses and / or any other relevant detail may do so by writing to the Registrar and Share Transfer Agent (RTA) and / or to the Company.

6. Pursuant to SEBI Circular, the Shareholders holding shares in physical form are requested to submit self attested copy of PAN at the time of sending their request for share transfer/transmission of name/transposition of name.

7. Members holding shares in physical form in the same set of names under different folios are requested to apply for consolidation of such folios along with relevant Share Certificates to **Niche Technologies Private Limited**, Registrar and Share Transfer Agent of the Company and / or to the company, at its registered address.

8. **Voting through electronic means**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting ("AGM") by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited ("CDSL").

- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

## SALEM ERODE INVESTMENTS LIMITED

### I. The process and manner for remote e-voting are as under:

- (i) The remote e-voting period commences on 23rd August, 2019 at 10:00 am and ends on 25th August, 2019 at 5:00 pm. During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 19th August, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- (ii) The shareholders should log on to the e-voting **website [www.evotingindia.com](http://www.evotingindia.com)** during the voting period
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	* Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company /Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format
Bank Account Number (DBD)	Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio. <ul style="list-style-type: none"> <li>• Please Enter the DOB or Bank Account Number in order to Login.</li> <li>• If both the details are not recorded with the depository or company then please enter the member-id / folio number in the Bank Account Number details field as mentioned in above instruction ( iv ).</li> </ul>

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

## SALEM ERODE INVESTMENTS LIMITED

- (xi) Click on the EVSN for the relevant Company Name i.e. **SALEM ERODE INVESTMENTS LIMITED** on which you choose to vote.
  - (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
  - (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
  - (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
  - (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
  - (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
  - (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - (xviii) Note for Institutional Shareholders & Custodians :
    - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
    - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
    - After receiving the login details they have to create a compliance user which should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
    - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
    - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact them at 1800 200 5533
  - (xx) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
9. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at [choraria123@vsnl.net](mailto:choraria123@vsnl.net) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) on or before 25th August, 2019 up to 5:00 pm without which the vote shall not be treated as valid.
10. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 19th August, 2019. A person who is not a member as on cut off date should treat this notice for information purpose only.
11. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / register of beneficial owners maintained by depositories as at closing hours of business on 19th day of July, 2019.

## SALEM ERODE INVESTMENTS LIMITED

12. The shareholders shall have one vote per equity share held by them as on the cut-off date of 19th August, 2019. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
13. Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 19th August, 2019. The shareholders who are not casting their vote electronically, may only cast their vote at the Annual General Meeting.
14. Notice of the AGM along with attendance slip, proxy form along with the process, instructions and the manner of conducting e-voting is being sent electronically to all the members whose e-mail IDs are registered with the Company / Depository Participant(s). For members who request for a hard copy and for those who have not registered their email address, physical copies of the same are being sent through the permitted mode.
15. Investors who became members of the Company subsequent to the dispatch of the Notice / Email and holds the shares as on the cut-off date i.e. 19th July, 2019, are requested to send the written / email communication to the Company at [salemerodeinvestmentsltd@gmail.com](mailto:salemerodeinvestmentsltd@gmail.com) by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.
16. H. M Choraria, (Practicing Company Secretary having Certificate of Practice Number 1499) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a fair and transparent manner. The Scrutinizer will submit, not later than 2 days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
17. The Results declared along with the Scrutinizer's Report shall be placed on the website of company and CDSL. The same will be communicated to the listed stock exchanges viz. **BSE LTD**.
18. Details of Directors seeking appointment/re-appointment at the Annual General Meeting of the Company to be held on 26th August, 2019 and are provided in **Annexure A** of this Notice



## SALEM ERODE INVESTMENTS LIMITED

### Annexure A

**Details of Directors as required to be provided pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting (“SS – 2”) issued by ICSI and approved by the central Government are provided herein below :**

Particulars	Mr. Sunil Kumar Kanoria	Ms. Bela Parakh
Age	63 years	28 years
Qualification	Graduate in Commerce	Graduate in Commerce and Qualified Company Secretary from ICSI
Experience	More than 38 years of experience in the Distinguishing area of Operation and Finance, Reporting,.	Above 1 year in the area of SEBI Laws, Corporate Laws, and Economic Law matter.
Terms and Conditions	-	-
Date of Appointment on the Board	04.07.2014	26.04.2019
Shareholding in the company	NIL	NIL
Relationship with other Directors/ KMP	None	None
Number of Board Meetings attended during the year under review	6	N.A
Directorship in other Companies	1. Mozuffarpore Electric Supply Co Ltd. 2. Tara Investments Limited 3. Raj Rajeshwari Projects Pvt Ltd 4. Chaudhary Investments Co Pvt Ltd	NIL
Membership / Chairmanship of Committees of other Board	NIL	NIL

# SALEM ERODE INVESTMENTS LIMITED

## DIRECTOR REPORT

To,  
The Members,

Your Directors have pleasure in presenting their **88<sup>th</sup> Annual Report** on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2019.

### **1. FINANCIAL SUMMARY OR HIGHLIGHTS / PERFORMANCE OF THE COMPANY**

Your Board is pleased to present the highlights of the standalone financial statement of your company for the financial year 2018-19 and 2017-18 as under:

<b>Particulars</b>	<b>2018 - 19</b>	<b>2017 - 18</b>
Profit Before Interest and Depreciation	68,155,741	1,12,11,572
Less: Depreciation & Amortization	160,436	5,57,505
Less: Finance Cost	Nil	Nil
Profit Before Tax	67,995,305	10,654,067
Provision for Tax	6,980,542	23,08,381
Profit After Tax	61,014,763	83,45,686
Amount Transferred to Reserves	12,202,953	16,69,137
Transfer to contingent provisions against Standard Assets	Nil	Nil
Balance as per last Balance sheet	119,147,986	11,24,83,307
<b>Surplus carried to Balance Sheet</b>	<b>168,102,954</b>	<b>119,147,986</b>

### **1. BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR / STATE OF COMPANY'S AFFAIR**

The profit of the company (PAT) for the year under review is Rs. 61,014,763/- as against profit of Rs 8,345,686/- in the previous year. This increase in the profit of the company is due to sale of Investments which is non-recurring in nature.

### **2. CHANGE IN THE NATURE OF BUSINESS, IF ANY**

Your Directors are please to inform you that there was no change in the nature of business of your Company during the Financial Year under review.

### **3. DIVIDEND**

Your Directors in its Board meeting held on 27th May, 2019 decided and declare to plough back the profits for the year under review and therefore does not recommend any dividend for the year under review.

### **4. RESERVES**

Your company has not transferred any amount to the reserves of the company except to the statutory reserve amounting to Rs. 12,202,953/- this is pursuant to provisions of section 411C of Reserve Bank India (RBI) Act.

**6. CHANGE OF NAME**

Yours's company name is SALEM ERODE INVESTMENTS LIMITED and there is no change in its name during the year under review.

**7. SHARE CAPITAL**

Your Directors further ensures that during the year under review your company has not bought back any of its securities or issued any Sweat Equity Shares or issued any Bonus Shares or provided any Stock Option Scheme to the employees

**9. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**a) Retire by Rotation:**

Mr. Sunil Kumar Kanoria (DIN 00789030), who retire by rotation at the ensuing general meeting pursuant to section 152 of the Companies Act, 2013 and being eligible offer himself for re-appointment. Your Director recommends his re-appointment. The details are given in **Annexure I** forming part of the Board Report.

**b) Appointment and Resignation of Directors and Key Managerial Persons**

There has been one resignation of the director during the financial year under review. However, there has been a change in the Compliance Officer of the Company vide their resignation details of which is given herein below:

Ms. Dolly Prasad resigned from the Company vide her resignation letter dated 03.08.2018. The reason for her resignation is her professional engagement elsewhere due to which she was unable to devote her time towards the affairs of the company. The Board of directors of your company appreciates the services rendered by her and released her from all her responsibilities from the date of her resignation.

Mr. Himanshu Maheshwari was appointed as the new Compliance Officer of the Company w.e.f. 31.08.2018 and resigned vide his resignation letter 22.04.2019. The reason for his resignation is his professional engagement elsewhere due to which he was unable to devote his time towards the affairs of the company. The Board of directors of your company appreciates the services rendered by his and released him from all his responsibilities from the date of his resignation. The details are given in **Annexure I** forming part of the Board Report.

Ms. Bela Parakh was appointed as a new company secretary and Compliance Officer of the Company w.e.f. 26.04.2019 an continues till date. The details are given in **Annexure I** forming part of the Board Report.

Vishal Gupta (DIN 07720208) cease to be director of your company vide his resignation letter dated 25.04.2018. The reason for his resignation is his professional engagement elsewhere due to which he was unable to devote his time towards the affairs of the company. The Board of directors of your company appreciates the services rendered by him and released him from all his responsibilities from the date of his resignation.

**10 DECLARATION BY INDEPENDENT DIRECTOR**

Your Company has received declaration from all the Independent Directors of the company, pursuant to the provisions of Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of Independence as laid down under section 149(6) of the Companies Act, 2013.

## SALEM ERODE INVESTMENTS LIMITED

### 11 **PARTICULARS OF EMPLOYEES**

Your Directors ensures that none of the employees of your company is in receipt of salary and / or remuneration in excess of the threshold limit, pursuant to the provisions of Rule 2 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Further details are given in **Annexure II** forming part of the Board Report.

### 12 **MEETINGS**

#### **BOARD MEETINGS**

A calendar of Meetings is prepared and circulated in advance to the Directors. During the Financial Year 2018-19 six (6) Board Meetings were held, the dates of the meeting being 27.04.2018, 25.05.2018, 03.08.2018, 31.08.2018, 09.11.2018, and 08.02.2019. The intervening gap between any two meetings held during the year was not more than one hundred and twenty days.

#### **AUDIT COMMITTEE MEETING**

A calendar of Audit Committee Meetings is prepared and circulated in advance to the Members of the Committee. During the Financial Year 2018-19 five (5) meeting of the Committee was held, the date of the meetings was 27.04.2018, 25.05.2018, 03.08.2018, 09.11.2018, and 08.02.2019.

#### **NOMINATION AND REMUNERATION COMMITTEE MEETING**

A calendar of Nomination and Remuneration Committee Meeting is prepared and circulated in advance to the Members of the Committee. During the Financial Year 2018 – 19 one (1) meeting of the Committee was held, the date of the meeting was 31.08.2018.

#### **SHAREHOLDERS GREIVANCE COMMITTEE MEETING**

A calendar of Shareholders Grievance Committee Meeting is prepared and circulated in advance to the Members of the Committee. During the Financial Year 2018 – 19 five (5) meeting of the Committee was held, the date of the meeting was 11.04.2018, 13.07.2018, 20.10.2018, 14.01.2019 and 11.02.2019.

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE MEETING**

A calendar of Shareholders Grievance Committee Meeting is prepared and circulated in advance to the Members of the Committee. During the Financial Year 2018 – 19 four (4) meeting of the Committee was held, the date of the meeting was 25.05.2018, 03.08.2018, 09.11.2018 and 08.02.2019.

### 13 **COMPOSITION OF BOARD OF DIRECTORS AND COMMITEES**

#### **BOARD OF DIRECTORS**

The Board of the company is headed by the Mr. Vishwa Nath Purohit, Independent Director, an eminent person of high credentials and of considerable professional experience who actively contributed in the deliberation of the Board. As on close of business hours of March 31, 2019 the Board comprised of six directors as mentioned below:

Sl. No	Name	DIN	Category	Designation
1	Ashok Kumar Hamirbasia	00291954	Executive	Managing Director
2	Vishwa Nath Purohit	00291853	Independent	Non-Executive Director
3	Prashant Gupta	06915283	Independent	Non-Executive Director
4	Sunil Kumar Kanoria	00789030	Non – Independent	Non-Executive Director
5	Ekta Goswami	07412983	Independent	Non-Executive Woman director
6	H V Bhardwaj	02819677	Independent	Non-Executive Director

• **AUDIT COMMITTEE**

The chairman of the Audit Committee of the Company constituted under Section 177 of the Companies Act, 2013 by the Board is headed by the Mr. Vishwa Nath Purohit, Independent Director of the company. He is an eminent person of high credentials and of considerable professional experience. As on close of business hours of March 31, 2019 the Board of Audit Committee comprised of three directors as mentioned below

S. No	Name	DIN No	Designation
1.	Vishwa Nath Purohit	00291853	Independent Director, Chairman
2.	Prashant Gupta	06915283	Independent Director, Member
3.	H V Bhardwaj	02819677	Independent Director, Member

• **NOMINATION AND REMUNERATION COMMITTEE**

The chairman of the Nomination and Remuneration Committee of the Company constituted under Section 178 of the Companies Act, 2013 by the Board is headed by the Mr. Vishwa Nath Purohit, Independent Director of the company. He is an eminent person of high credentials and of considerable professional experience. As on close of business hours of March 31, 2019 the Board of Nominated and Remunerated comprised of three directors as mentioned below

S. N	Name	DIN No	Designation
1.	Vishwa Nath Purohit	00291853	Independent Director, Chairman
2.	Prashant Gupta	06915283	Independent Director, Member
3	Ekta Goswami	07412983	Independent Director, Woman Director

• **SHAREHOLDERS GRIEVANCE COMMITTEE**

This committee was headed by the Mr. Vishwa Nath Purohit, Independent Director of the company. He is an eminent person of high credentials and of considerable professional experience. As on close of business hours of March 31, 2019 the Board of Shareholders Grievance Committee comprised of three directors as mentioned below.

S no	Name	DIN No	Designation
1.	Vishwa Nath Purohit	00291853	Independent Director, Chairman
2.	Prashant Gupta	06915283	Independent Director, Member
3.	H V Bhardwaj	02819677	Independent Director, Member

• **CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**

This committee was headed by the Mr. Vishwa Nath Purohit, Independent Director of the company. He is an eminent person of high credentials and of considerable professional experience. As on close of business hours of March 31, 2019 the Board of CSR Committee comprised of three directors as mentioned below.

S no	Name	DIN No	Designation
1.	Vishwa Nath Purohit	00291853	Independent Director, Chairman
2.	Prashant Gupta	06915283	Independent Director, Member
3	Ekta Goswami	07412983	Independent Director, Woman Director

**14 DETAILS OF SUBSIDIARY/JOINT VENTURES / ASSOCIATE COMPANIES**

Pursuant to the provisions of section 129 of the Companies Act, 2013 and the rules framed thereunder, if any, the statement containing the salient feature of the financial statement of a company's subsidiary or subsidiaries, associate company or companies and joint venture or ventures as forming part of this report. **Your Director is please to inform you that as on the close of the 31<sup>st</sup> March, 2019 your company ensures that there is no subsidiary or subsidiaries, associate or associates and joint venture or ventures.**

## SALEM ERODE INVESTMENTS LIMITED

### 15 **VIGIL MACHANISM AND WHISTLE BLOWER POLICY**

Your directors are pleased to inform you that the company has adopted a vigil mechanism which comprises whistle blower policy for directors, employees, and vendors of the company. This policy provides a formal mechanism for directors' employees and vendors to approach the chairman of Audit committee to report concerns about unethical, actual or suspected fraud or violation of company code of conduct and thereby ensuring that activities of the company are conducted in a fair and transparent manner. The policy is also available at the company website.

### 16 **AUDITORS AND THEIR REPORT**

**M/s S. Mandal & Co.**, *Chartered Accountants (FRN 314188E)*, was appointed as a statutory auditor of the company at the 85th Annual General Meeting to hold office till the conclusion of the 88th Annual General Meeting, retire at this ensuing Annual General Meeting. Pursuant to the provisions of section 139 of Companies Act, 2013 and applicable Rule of the Companies (Audit & Auditors) Rules, 2014, if any, **M/s S. Mandal & Co., Chartered Accountants being eligible for Re-appointment be and is** hereby proposed for re-appointment as the auditor for a period of 5 (Five) Consecutive years from the conclusion of this Annual General Meeting till the conclusion of 93rd Annual General Meeting subject to ratification by the members at every Annual General Meeting. Accordingly, M/s S. Mandal & Co., is put in place for re-appointment as a statutory auditor of the company by the shareholders.

The Auditors' Report does not contain any qualification, reservation or adverse remark. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

### 17 **SECRETARIAL AUDIT REPORT**

Your Directors has appointed Mr. H. M CHORARIA, a *practicing Company Secretary*, as Secretarial Auditor pursuant to the provisions of section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Person) Rules, 2014, to undertake the secretarial audit of the company for the financial year 2018-19. The Secretarial Audit Report in form MR 3 is given as **Annexure III** forming part of this report.

The Board of Directors of your company in its meeting held on 22nd July, 2019 appointed Mr. H. M CHORARIA to undertake the secretarial audit of the company for the Financial year 2019 – 20.

The Secretarial Auditors' Report for the financial year 2018-19 does not contain any qualification, or adverse remark subject to contain observation. Auditors remark in their report are self - explanatory and do not call for further comments.

### 18 **INTERNAL AUDIT & CONTROLS**

The Company continues to engage M/s. HAMIRBASIA & ASSOCIATES, *Chartered Accountants (FRN 328744E)* as its Internal Auditor. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

The Board of Directors of your company in its meeting held on 22nd July, 2019 appointed HAMIRBASIA AND ASSOCIATES, *Chartered Accountants* to undertake the internal audit of the company for the Financial year 2019 – 20.

### 19 **INTERNAL FINANCIAL CONTROL (IFC) SYSTEM AND ADEQUECY**

The Board of Directors of the company is responsible for insuring the IFC have been laid down in the company and that such control is adequate and operating effectively. Your directors ensure final IFC framework has been laid down in your company and it is commensurate with the size scale and complex of its operation.

**20 EXTRACT OF ANNUAL RETURN**

Your company, pursuant to the provisions of section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, has given in **Annexure IV** an extract of Annual Return as forming part of this report. The extract of annual return is given in MGT 9.

**21 MATERIAL CHANGES AND COMMITMENTS**

Your Director ensures that no material changes occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report that **affecting the financial position of the company**.

**22 SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS**

**There were no significant and material orders passed by the Regulators or Courts or Tribunals during the year impacting the going concern status of the company and its future business and operations.**

**23 DEPOSITS**

Your Company has not accepted any Deposits from public within the meaning section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014 during the year under review.

**24 DISCLOSURE OF SEXUAL HARASSMENT OF WOMEN AT WORK PLACE**

In order to prevent sexual harassment of women at work place a new act "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" has been notified with effect from 9th December, 2013. As per section 4 read with section 6 of the act applies to companies having 10 employees or more and such companies shall be required to constitute internal complaint committee.

Your Directors are pleased to inform you that as the number of employees in your company is below the threshold limit, hence, it is not required to constitute such committee.

Your directors are also pleased to inform you that there is no such case has been reported during the year under review.

**25 PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

Pursuant to Section 186(11) of the Companies Act, 2013 read with Rule 11 of the Companies (Meeting and Power of the Board) Rules, 2014, except sub section 1, the provisions of section 186 does not apply to Non Banking Financial Company (NBFC) engaged in the business of Lending and Investment, hence, the provisions of section 186 except section 186(1) does not apply to NBFC.

Your directors are also pleased to inform you that your company has not made any investment through more than two layers of investment companies during the year under review.

**26 PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

The particulars of every contract or arrangements entered into by the Company with related parties including certain arm's length transactions thereto shall be disclosed in AOC 2. Your directors ensure that no such contract was entered by the company with the any such Related Party during the year under review.

**27 CORPORATE GOVERNANCE**

Pursuant to regulation 15 of chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, regulation 17, 27 & other regulations under this statute relating to corporate governance is not applicable to your company and a declaration in this effect is submitted with the Stock Exchange at regular interval, however, your directors ensure good governance in the company.

## SALEM ERODE INVESTMENTS LIMITED

### 28 CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Pursuant to the provisions of section 134 of the Companies Act, 2013 the details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

Conservation of energy	NIL
Technology absorption	NIL
Foreign exchange earnings and Outgoing	NIL

### 29 HUMAN RESOURCES

Your Company treats its "Human Resources" as one of its most important assets. Your Company continuously invest in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

### 30 DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirms that:

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures
- They had selected such accounting policies and applied them consistently and made judgments and estimates that 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 and loss of the company for that period;
- They had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- They had prepared the annual accounts on a going concern basis;
- They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 31 TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of the Investor Education Protection Fund (IEPF) and the rules framed thereunder, your directors ensure that amount of **Rs. 41,622/-** lying unpaid or unclaimed for a period of seven years since 2012 shall be deposited with the IEPF.

### 32 AMOUNT OF CSR SPEND

Your Directors ensure that amount of CSR for the financial years 2015 - 2016, 2016 - 2017 and 2017 - 2018 amounting to Rs. 99,635, 817,768 and 821,231 respectively is spend by way of deposition into Prime Minister's Relief Fund. Your Director further ensures that the amount of CSR for the financial year 2018-19 amounting to Rs.645,302 shall be deposited into the Prime-Minister Relief Fund.

### 33 ACKNOWLEDGEMENTS

Your Director would like to record its appreciation for the co – operation and support received from its employees, shareholders and all other stakeholders.

For and on behalf of the Board of Directors

**Ashok Kumar**  
**Hamirbasia**  
M Director  
DIN : 0291954

**Sunil Kumar Kanoria**  
Director  
DIN : 0789030

Place : Kolkata  
Date : 22nd July, 2019

**Arindam Saha**  
CFO

**Bela Parakh**  
Company Secretary



**1. Sunil Kumar Kanoria**

Mr. Sunil Kumar Kanoria, aged 63 years, hold degree in commerce. He has an extensive and distinguishing experience in the field of operation, finance and reporting. During his long career of 35 years in the distinguishing areas he was responsible for policy framing, budgeting and other financial and administrative functions. Further in his such a long career he has closely witnessed and worked in interpreting and implications of de-regulations, re-regulations and progressive transformation of various policy framework and code of conducts.

At Present Mr. Sunil Kumar Kanoria holds the position of Non-Executive director of the company and does not hold any equity shares in the company.

**2. Bela Parakh**

Ms. Bela Parakh, aged 28 years, is a graduate in commerce with honours degree and also a qualified Company Secretary from Institute of Company Secretaries of India (ICSI). She has a good knowledge and experience of Company Law. She has command over the Secretarial Matters, Legal due diligence and SEBI matters and Stock exchange issues.

At Present Ms. Bela Parakh holds the position of Company secretary cum compliance officer of your Company. She is associated with your company since April 26, 2019.

**3. Himanshu Maheshwari**

Mr. Himanshu Maheshwari, aged 28 years, is a graduate in commerce with honours degree and also a qualified Company Secretary from Institute of Company Secretaries of India (ICSI). He also holds the degree in Law from F.M University, Odisha. He has a good knowledge and experience of Company Law and also has command over the Secretarial Matters, Legal due diligence and SEBI matters and Stock exchange issues.

Mr. Himanshu Maheshwari was appointed in your company as company secretary cum compliance officer with effect from August 31, 2018 and hold such position and resigned from this position as on 22nd April, 2019. He resigned due his career growth job opportunity in another company.

ANNEXURE IISTATEMENT OF PARTICULARS OF EMPLOYEES  
PURSUANT TO THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONAL) RULES, 2014

Sl. No.	Name	Designation/ Nature of Duties	Remuneration Received (Rs.)	Qualification	Experience in years	Age in years	Date of commencement of Employment	Last employment held
1	Ashok Kumar Hamirbasia	Managing Director	Rs. 9,21,800/-	Commerce Graduate	40 Years	63 Years	27.01.2016	--
2	Arindam Saha	Chief Financial Officer	Rs. 3,52,400/-	Commerce Graduate; and MBA in Finance from SMU	7 Years	29 Years	30.05.2017	--
3	Dolly Prasad	Company Secretary cum Compliance Officer	Rs. 50,000/-	Commerce Graduate; and ACS (ICSI)	2 Years	26 Years	03.03.2018	03.08.2018
4	Himanshu Maheshwari	Company Secretary cum Compliance Officer	Rs. 70,000/-	Commerce Graduate; Law Graduate; and ACS (ICSI)	3 Years	30 Years	31.08.2019	22.04.2019

## SALEM ERODE INVESTMENTS LIMITED

H. M. CHORARIA & CO  
Practising Company Secretaries,

14/2 OLD CHINA BAZAR STREET,  
4th Floor R.No. 401,  
KOLKATA –700 001

### ANNEXURE III

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2019

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

The Members,  
Salem Erode Investments Limited  
14, Motilal Nehru Road,  
Kolkata-700029

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Salem Erode Investments Limited (hereinafter called “the company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Salem Erode Investments Limited for the financial year ended on 31<sup>st</sup> March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

# SALEM ERODE INVESTMENTS LIMITED

## H. M. CHORARIA & CO

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) We further report that after considering the compliance system prevailing in the Company, and after carrying out test checks of the relevant records and documents maintained by the Company, it has complied with the following laws that are applicable specifically to the Company :
  - a) Non Banking Financial ( Non deposit accepting or holding) company (NBFC) prudential norms ( Reserve bank) Direction 2007 & 2015 and other relevant guidelines and circular issued by RBI from time to time and to the extend of capital adequacy norms and periodical reporting done by the Company.
  - b) NBFC regulations issued by the RBI. We have also examined compliance with the applicable clauses of the following:
    - (i) Secretarial Standards issued by The Institute of Company Secretaries of India,
    - (ii) The Listing Agreements entered into by the Company with Madras Stock Exchange and SEBI ( Listing obligation & Disclosure Requirements) Regulation 2015During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, subject to the following observations:
    1. Pursuant to the provisions of section 135 of the Companies Act, 2013, the Company was liable to incur the expenses on Corporate Social Responsibility ( CSR) for the year ended on 31.03.2019, but has not spent any amount on Corporate Social Responsibility, however for the earlier year the required amount of CSR was deposited in Prime Minister's relief fund.
    2. Notices of the closure of the Trading Window pursuant to the SEBI ( prohibition to insider trading) Regulations, 2015 were not given to the Stock exchange, however it was reported that the same has been to the concerned persons in the Company, Further there is hardly any trading in the shares and prices are also moving in a narrow range only, however The Company is in process to regularize the matter

### **We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decisions is carried through at the Meetings of the Board and Committees and the dissenting members' views, if any, are captured and recorded as part of the minutes of respective meetings.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period no specific event has happened having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

H M Choraria & Co.  
Practising Company Secretaries

Place : Kolkata:  
Date : 27.05.2019

( H M Choraria)  
Proprietor  
FCS No: 2398  
C P No.: 1499

# SALEM ERODE INVESTMENTS LIMITED

FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN  
As on financial year ended on 31-03-2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1)  
of the Company (Management & Administration) Rules, 2014.

## ANNEXURE IV

### I. REGISTRATION & OTHER DETAILS:

1	CIN	L31200WB1931PLC007116
2	Registration Date	5/16/1931
3	Name of the Company	Salem Erode Investments Limited
4	Category/Sub-category of the Company	Company Limited by shares Indian Non- Government Company
5	Address of the Registered office & contact details	14, Motilal Nehru Road, Kolkata – 700029 West Bengal, Phone: +91 (033)24756029, 24752834 E-mail : salemerodeinvestmentsltd@gmail.com
6	Whether listed company	Listed with BSE Ltd
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Niche Technologies Private Limited 3A, Auckland Place, 7th Floor, Room No. 7A & 7B, Kolkata 700017 PH : 2280 6616 / 2280 6617 Email : nichetechpl@nichetechpl.com

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	INVESTMENT & LENDING	64990	100%

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES : NIL

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
Nil					

# SALEM ERODE INVESTMENTS LIMITED

## IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

### (i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	2,591,000	-	2,591,000	22.60%	2,591,000	-	2,591,000	22.60%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (1)	2,591,000	-	2,591,000	22.60%	2,591,000	-	2,591,000	22.60%	0.00%
(3) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals -	-	-	0.00%	-	-	-	0.00%	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	2,591,000	-	2,591,000	22.60%	2,591,000	-	2,591,000	22.60%	0.00%
B. Promoter Group									
(1) Indian									
a) Individual/ HUF	3,827,120	-	3,827,120	33.38%	3,827,120	-	3,827,120	33.38%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	2,097,120	-	2,097,120	18.29%	2,097,120	-	2,097,120	18.29%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (B) (1)	5,924,240	-	5,924,240	51.67%	5,924,240	-	5,924,240	51.67%	0.00%
(2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals -	-	-	0.00%	-	-	-	0.00%	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (B) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (B)	5,924,240	-	5,924,240	51.67%	5,924,240	-	5,924,240	51.67%	0.00%
TOTAL (A+B)	8,515,240	-	8,515,240	74.27%	8,515,240	-	8,515,240	74.27%	0.00%
C. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI	-	84,000	84,000	0.73%	-	84,000	84,000	0.73%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (C)(1)-	-	84,000	84,000	0.73%	-	84,000	84,000	0.73%	0.00%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	104,000	128,400	232,400	2.03%	104,000	128,400	232,400	2.03%	0.00%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	220,416	1,841,844	2,062,260	17.99%	220,416	1,841,844	2,062,260	17.99%	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	567,120	4,500	571,620	4.99%	567,120	4,500	571,620	4.99%	0.00%
c) Others (specify)									
Non Resident Indians	-	-	-	0.00%	-	-	-	0.00%	0.00%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	-	-	-	0.00%	-	-	-	0.00%	0.00%
Trusts	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Bodies - D R -	-	-	0.00%	-	-	-	0.00%	0.00%	0.00%
Sub-total (C)(2):-	891,536	1,974,744	2,866,280	25.00%	891,536	1,974,744	2,866,280	25.00%	0.00%
Total Public (C)	891,536	2,058,744	2,950,280	25.73%	891,536	2,058,744	2,950,280	25.73%	0.00%
D. Shares held by Custodian for GDRs & ADRs	-	-	-	0.00%	-	-	-	0.00%	0.00%
Grand Total (A+B+C+D)	9,406,776	2,058,744	11,465,520	77.40%	9,406,776	2,058,744	11,465,520	77.40%	0.00%

**SALEM ERODE INVESTMENTS LIMITED**

**(ii) Shareholding of Promoter and Promoter Group**

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Padma Kanoria	2,591,000	22.60%	-	2,591,000	22.60%	-	0.00%
2	Kusum Kanoria	3,827,120	33.38%	-	3,827,120	33.38%	-	0.00%
3	Tara Investments Limited	2,097,120	18.29%	-	2,097,120	18.29%	-	0.00%

**(iii) Change in Promoters and Promoter Group Shareholding :**

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Padma Kanoria						
	At the beginning of the year	4/1/2018		2,591,000	22.60%	2,591,000	22.60%
	Changes during the year			No Changes During the Year			
	At the end of the year	3/31/2019		2,591,000	22.60%	2,591,000	22.60%
2	Kusum Kanoria						
	At the beginning of the year	4/1/2018		3,827,120	33.38%	3,827,120	33.38%
	Changes during the year			No Changes During the Year			
	At the end of the year	3/31/2019		3,827,120	33.38%	3,827,120	33.38%
3	Tara Investments Limited						
	At the beginning of the year	4/1/2018		2,097,120	18.29%	2,097,120	18.29%
	Changes during the year			No Changes During the Year			
	At the end of the year	3/31/2019		2,097,120	18.29%	2,097,120	18.29%

# SALEM ERODE INVESTMENTS LIMITED

## (iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Rosy Bhawan Private Limited						
	At the beginning of the year	4/1/2018		468,046	4.08%	468,046	4.08%
	Changes during the year					No Changes During the Year	
	At the end of the year	3/31/2019		468,046	4.08%	468,046	4.08%
2	Hanuman Share & Stock Brokers Ltd.						
	At the beginning of the year	4/1/2018		24,000	0.21%	24,000	0.21%
	Changes during the year	12/7/2018	Transfer	76,000	0.66%	100,000	0.87%
	At the end of the year	3/31/2019		100,000	0.87%	100,000	0.87%
3	Maruti Business Services Ltd						
	At the beginning of the year	4/1/2018		76,000	0.66%	76,000	0.66%
	Changes during the year	12/7/2018	Transfer	(76,000)	-0.66%	-	0.00%
	At the end of the year	3/31/2019		-	0.00%	-	0.00%
4	R G Radhakrishnan						
	At the beginning of the year	4/1/2018		53,200	0.46%	53,200	0.46%
	Changes during the year					No Changes During the Year	
	At the end of the year	3/31/2019		53,200	0.46%	53,200	0.46%
5	Mavillapalli Lavanya						
	At the beginning of the year	4/1/2018		47,120	0.41%	47,120	0.41%
	Changes during the year					No Changes During the Year	
	At the end of the year	3/31/2019		47,120	0.41%	47,120	0.41%
6	Ankit Jain						
	At the beginning of the year	4/1/2018		6,000	0.05%	6,000	0.05%
	Changes during the year	4/20/2018	Transfer	46,690	0.41%	52,690	0.46%
	At the end of the year	3/31/2019		52,690	0.46%	52,690	0.46%
7	Neha Purohit						
	At the beginning of the year	4/1/2018		-	0.00%	-	0.00%
	Changes during the year	4/6/2018		104,280	0.91%	104,280	0.91%
	Changes during the year	4/20/2018		3,750	0.03%	108,030	0.94%
	Changes during the year	4/27/2018		(13,500)	-0.12%	94,530	0.82%
	Changes during the year	6/15/2018		4,000	0.03%	98,530	0.86%
	Changes during the year	12/28/2018		10,750	0.09%	109,280	0.95%
	At the end of the year	3/31/2019		109,280	0.95%	109,280	0.95%
8	Shekhar L. Kulkarni						
	At the beginning of the year	4/1/2018		62,400	0.54%	62,400	0.54%
	Changes during the year					No Changes During the Year	
	At the end of the year	3/31/2019		62,400	0.54%	62,400	0.54%
9	State Bank Of India						
	At the beginning of the year	4/1/2018		60,000	0.52%	60,000	0.52%
	Changes during the year					No Changes During the Year	
	At the end of the year	3/31/2019		60,000	0.52%	60,000	0.52%
10	Sushila Dattatraya Shrikhande						
	At the beginning of the year	4/1/2018		76,000	0.66%	76,000	0.66%
	Changes during the year					No Changes During the Year	
	At the end of the year	3/31/2019		76,000	0.66%	76,000	0.66%
11	P P Zibi Jose						
	At the beginning of the year	4/1/2018		104,280	0.91%	104,280	0.91%
	Changes during the year	4/6/2018	Transfer	(104,280)	-0.91%	-	0.00%
	At the end of the year	3/31/2019		-	0.00%	-	0.00%
12	Jer Rusi Patel						
	At the beginning of the year	4/1/2018		48,000	0.42%	48,000	0.42%
	Changes during the year					No Changes During the Year	
	At the end of the year	3/31/2019		48,000	0.42%	48,000	0.42%
13	Vummidi Mohan						
	At the beginning of the year	4/1/2018		46,690	0.41%	46,690	0.41%
	Changes during the year	4/20/2018		(46,690)	-0.41%	-	0.00%
	At the end of the year	3/31/2019		-	0.00%	-	0.00%



**(v) Shareholding of Directors and Key Managerial Personnel:**

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Ashok Kumar Hamirbasia						
	At the beginning of the year	01.04.2018		-	0.00%	-	0.00%
	Changes during the year			No Changes During the Year			
	At the end of the year	31.03.2019		-	0.00%	-	0.00%
2	V N Purohit						
	At the beginning of the year	01.04.2018		-	0.00%	-	0.00%
	Changes during the year			No Changes During the Year			
	At the end of the year	31.03.2019		-	0.00%	-	0.00%
3	Harsh V Bhardwaj						
	At the beginning of the year	01.04.2018		-	0.00%	-	0.00%
	Changes during the year			No Changes During the Year			
	At the end of the year	31.03.2019		-	0.00%	-	0.00%
4	Sunil Kumar Kanoria						
	At the beginning of the year	01.04.2018		-	0.00%	-	0.00%
	Changes during the year			No Changes During the Year			
	At the end of the year	31.03.2019		-	0.00%	-	0.00%
5	Ekta Goswami						
	At the beginning of the year	01.04.2018		1	0.00%	1	0.00%
	Changes during the year			No Changes During the Year			
	At the end of the year	31.03.2019		1	0.00%	1	0.00%
6	Prashant Gupta						
	At the beginning of the year	01.04.2018		-	0.00%	-	0.00%
	Changes during the year			No Changes During the Year			
	At the end of the year	31.03.2019		-	0.00%	-	0.00%
7	Arindam Saha						
	At the beginning of the year	01.04.2018		-	0.00%	-	0.00%
	Changes during the year			No Changes During the Year			
	At the end of the year	31.03.2019		-	0.00%	-	0.00%
8	Himanshu Maheswari						
	At the beginning of the year	01.04.2018		-	0.00%	-	0.00%
	Changes during the year			No Changes During the Year			
	At the end of the year	31.03.2019		-	0.00%	-	0.00%

## SALEM ERODE INVESTMENTS LIMITED

### V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment: Nil

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1	Name	Ashok Kumar Hamirbasia	
2	Designation	Managing Director	
3	Gross Salary		
a	Salary as per Provision of Sec 17(1) of the Income Tax Act, 1961	921,800	921,800
b	Value of Perquisites U/s 17(2) of the Income Tax, 1961		
4	Stock Options	-	-
5	Sweat Equity	-	-
6	Commission		
	- as a % of Profit	-	-
	- Others, Specify	-	-
7	Others, Please Specify	-	-
8	Total (A)	921,800	921,800
9	Ceiling as per the Act		

**B. Remuneration to other Directors**

SN.	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	V N Purohit	Prashant Gupta	Ekta Goswami	Harsh V Bhardwaj	
a	Fee for attending Board Meeting	2500	2500	2500	2500	10000
b	Fee for attending Board Meeting					
c	Commission	-	-	-	-	
d	Other, Please Specify	-	-	-	-	
	Total (1)					
2	Non Executive Directors	Sunil Kumar Kanoria		-	-	
a	Fee for attending Board Meeting	2500		-	-	2500
b	Fee for attending Board Meeting			-	-	
c	Commission			-	-	
d	Other, Please Specify			-	-	
	Total (2)			-	-	
	Total (B)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					12500

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

SN.	Particulars of Remuneration	Name of Key Managerial Person			Total Amount
1	Name	Arindam Saha	Dolly Prasad	Himanshu Maheshwari	
2	Designation	CFO	CS	CS	
3	Gross Salary	352400	50000	70000	472400
	a) Salary as per Provision of Sec 17(1) of the Income Tax Act, 1961				
	b) Value of Perquisites U/s 17(2) of the Income Tax, 1961				
4	Stock Options	-	-	-	-
5	Sweat Equity	-	-	-	-
6	Commission	-	-	-	-
	- as a % of Profit	-	-	-	-
	- Others, Specify	-	-	-	-
7	Others, Please Specify	-	-	-	-
8	Total (A)	352400	50000	70000	472400

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

	Type	Section of the Companies Act	Brief Description		Details of Penalty / Punishment/ Compounding fees imposed		Authority [RD / NCLT/ COURT]		Appeal made, if any (give Details)
A.	COMPANY								
	Penalty	-	-	-	-	-	-	-	-
	Punishment	-	-	-	-	-	-	-	-
	Compounding	-	-	-	-	-	-	-	-
B.	DIRECTORS								
	Penalty	-	-	-	-	-	-	-	-
	Punishment	-	-	-	-	-	-	-	-
	Compounding	-	-	-	-	-	-	-	-
C.	OTHER OFFICERS IN DEFAULT								
	Penalty	-	-	-	-	-	-	-	-
	Punishment	-	-	-	-	-	-	-	-
	Compounding	-	-	-	-	-	-	-	-

# S. MANDAL & CO. CHARTERED ACCOUNTANTS

## Independent Auditor's Report

To the Members of **SALEM ERODE INVESTMENTS LIMITED**  
**Report on the Standalone Financial Statements**

### Opinion

We have audited the accompanying standalone financial statements of **SALEM ERODE INVESTMENTS LIMITED** ('the Company'), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement for the year ended on that date, and a summary of the 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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read including accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2019, the profit/loss (**financial performance**) including other comprehensive income, and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone 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 (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Key Audit Matters

Key Audit Matters Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Serial No.	Key Audit Matter	Auditor's Response
1.	Valuation of Investment	We have assessed the procedure of sale and purchase of investments including year end valuation. We have obtained all sources of documents for valuation of unquoted shares and its subsequent sale.
2.	Revenue Recognition and Provision for doubtful debts	We have reviewed the procedure of revenue recognition in relation to interest income. No income has been recorded for NPA assets. The loans which have become NPA, necessary provisions are made in the books.
3.	Evaluation for provision for investments	We assessed the Company's process to identify the reason for making provision on appreciation/diminution in the value of investments. Provisions are made when there is a difference between cost and market value of Rs.25,000/- or above.

## **Management's Responsibility for 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, total comprehensive income and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the company's financial reporting process.

## **Auditor's Responsibility for the Audit of the Standalone 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

## SALEM ERODE INVESTMENTS LIMITED

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.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure-A a statement on the matters specified in the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (b) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (c) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) The observations on financial transactions do not reveal any matters which have any adverse effect on the functioning of the Company.
  - (f) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (g) There is no qualification in relation to accounts maintained by the Company.
  - (h) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure-B.
  - (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - 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, in accordance with the provisions of Companies Act, 2013 (18 of 2013) and rules made there under.

For **S. MANDAL & CO.**  
Chartered Accountants  
(Firm's Registration No. **314188E**)

Place: Kolkata  
Date: The 27th day of May, 2019

**(S. L. Mandal)**  
Partner  
Membership No. **051834**

# SALEM ERODE INVESTMENTS LIMITED

## ANNEXURE – “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 under “Report on Other Legal and Regulatory Requirements” section of our report to the Members of **SALEM ERODE INVESTMENTS LIMITED** (The Company) of even date.)

1. a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.  
b) These assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification.  
c) According to the information and explanation given to us the company does not hold any immovable properties in its name.
2. Clause (ii) of the order is not applicable in case of this Company.
3. a) The Company has granted unsecured loan to a party covered in the register maintained under section 189 of the Companies Act, 2013 and the maximum amount involved during the year is ₹ 538 Lacs however year ending balance is Nil.  
b) The company is regular in receipt of Principal and interest due on loan.  
c) No amount is overdue for more than 90 days.
4. According to the information and explanation given to us the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
5. The Company has not accepted any deposits under the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013.
6. Clause (vi) of the order is not applicable in case of this company.
7. a) The Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales Tax, Service tax, Goods and Services Tax, Value Added Tax, Custom Duty, Excise Duty, Cess and any other statutory dues applicable to it with the appropriate authorities.  
b) There has been no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Sales Tax, Service tax, Goods and Services Tax, Value Added Tax, Custom Duty, Excise Duty, Cess and any other statutory dues in arrears as at 31<sup>st</sup> March 2019 for a period of more than six (6) months from the date they became payable.  
b) According to the information and explanation given to us there is no disputed amount in case of Income tax, Sales Tax, Service Tax, Value Added Tax, Goods and Services tax which has not been deposited as at 31<sup>st</sup> March 2019.
8. Clause (viii) of the order is not applicable in case of this company as it has not taken any loan from banks, financial institution or debenture holders.
9. Clause (ix) of the order is not applicable in case of this company as it has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans.
10. According to the information and explanations given to us there is no noticed or unreported fraud on or by the company during the year under audit.
11. According to the information and explanations given to us and based on our examination of records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by provisions of Section 197 read with Schedule V to the Act.
12. Clause (xii) is not applicable in case of this Company as it is not a Nidhi Company.
13. According to the information and explanations given to us all transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc as required by the accounting standards and Companies Act, 2013.
14. The Company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review.
15. According to the information and explanations given to us the Company has not entered into any non-cash transactions with directors or persons connected with him.
16. The Company is registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **S. MANDAL & CO.**  
Chartered Accountants  
(Firm's Registration No. **314188E**)

**(S. L. Mandal)**  
Partner

Membership No. **051834**

Place: Kolkata

Date: The 27th day of May, 2019

# SALEM ERODE INVESTMENTS LIMITED

## ANNEXURE – 'B' TO AUDITORS' REPORT

(Referred to in paragraph 3(h) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

### **Report on the Internal Financial Controls over Financial Reporting 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 **SALEM ERODE INVESTMENTS LIMITED** as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Board of Director of the Company 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. 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 judgement, 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.

**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 March 31, 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".

For **S. MANDAL & CO.**  
Chartered Accountants  
(Firm's Registration No. **314188E**)

**(S. L. Mandal)**  
Partner  
Membership No. **051834**

Place : Kolkata  
Date : The 27th day of May, 2019

**SALEM ERODE INVESTMENTS LIMITED**

**SALEM ERODE INVESTMENTS LIMITED**  
**Balance Sheet as at 31st March, 2019**

<b>Particulars</b>	<b>Note No</b>	<b>31st March, 2019 (₹)</b>	<b>31st March, 2018 (₹)</b>
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholder's funds</b>			
Share capital	2	11,465,595	11,465,595
Reserves and surplus	3	222,199,732	161,041,811
<b>Current liabilities</b>			
Other current liabilities	4	550,463	316,499
Short-term provisions	5	17,251,677	6,740,414
<b>Total.</b>		<b>251,467,467</b>	<b>179,564,319</b>
<b>II.ASSETS</b>			
Non-current assets			
Fixed assets			
Tangible assets	6	-	1,216,195
Non-current investments	7	8,000,000	73,037,340
Long term loans and advances	8	14,982,444	82,123,589
Current assets			
Current investment	9	202,500,000	6,494,778
Inventories	10	-	5,212
Cash and Bank balances	11	3,110,788	10,692,308
Short-term loans and advances		-	-
Other current assets	12	22,713,482	5,821,173
Deferred tax assets	13	160,753	173,724
<b>Significant accounting policies &amp; notes on accounts</b>	1 to 25		
<b>Total.</b>		<b>251,467,467</b>	<b>179,564,319</b>

The accompanying notes are an integral part of the financial statements.

As per our report of even date  
 For S. Mandal & Co.  
 Chartered Accountants  
 Firm Registration Number: 314188E

For and on behalf of the Board

(S. L. Mandal)  
 Partner  
 Membership Number: 051834

Ashok Kumar Hamirbasia  
 M Director  
 DIN : 0291954

Sunil Kumar Kanoria  
 Director  
 DIN : 0789030

Place: Kolkata  
 Date: The 27th day of May, 2019

Arindam Saha  
 CFO

Bela Parakh  
 Company Secretary

**SALEM ERODE INVESTMENTS LIMITED**

**SALEM ERODE INVESTMENTS LIMITED**  
**Statement of Profit and Loss for the period ended 31st March, 2019**

<b>Particulars</b>	<b>Note No</b>	<b>Year ended 31.03.2019</b> <b>(₹)</b>	<b>Year ended 31.03.2018</b> <b>(₹)</b>
I. Revenue from operations	14	74,447,399	14,150,689
II. Other income		-	-
III. Total Revenue (I +II)		74,447,399	14,150,689
IV. Expenses:			
Change in inventories	15	5,211	11,087
Employee benefit expenses	16	1,709,900	1,512,620
Administrative expenses	17	4,496,547	1,346,961
Auditor's remuneration	18	80,000	68,450
Depreciation and amortization expense	6	160,436	557,505
IV. Total Expenses		6,452,094	3,496,623
V. Profit before exceptional and extraordinary items and tax	(III - IV)	67,995,305	10,654,067
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax	(V - VI)	67,995,305	10,654,067
VIII. Extraordinary Items		-	-
IX. Profit before tax and prior period items	(VII - VIII)	67,995,305	10,654,067
X. Prior period items			
Prior period expenses		-	-
XI. Profit before tax	(IX - X)	67,995,305	10,654,067
XII. Tax expense:			
(1) Current tax		13,206,961	2,361,000
(2) Deferred tax		12,971	(52,619)
(3) MAT Credit		(6,239,390)	-
		6,980,542	2,308,381
XIII. Profit(Loss) from the period from continuing operations	(XI - XII)	61,014,763	8,345,686
XIV. Earning per equity share:			
(1) Basic	19	5.32	0.73
(2) Diluted	19	5.32	0.73
Significant accounting policies & notes on accounts	1 to 25		

The accompanying notes are an integral part of the financial statements.

As per our report of even date  
For S. Mandal & Co.  
Chartered Accountants  
Firm Registration Number: 314188E

For and on behalf of the Board

(S. L. Mandal)  
Partner  
Membership Number: 051834

Ashok Kumar Hamirbasia  
M Director  
DIN : 0291954

Sunil Kumar Kanoria  
Director  
DIN : 0789030

Place: Kolkata  
Date: The 27th day of May' 2019

Arindam Saha  
CFO

Bela Parakh  
Company Secretary

**SALEM ERODE INVESTMENTS LIMITED**

**SALEM ERODE INVESTMENTS LIMITED**  
**Cash Flow Statement for the year ended March, 2019**

Particulars	31st March, 2019 (₹)	31st March, 2018 (₹)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and extra-ordinary items	67,995,305	10,654,067
Adjustments for :-		
Excess provision written back	(1,545,698)	(486,972)
Profit on sale of Fixed Assets	(160,436)	-
Provision for standard, sub standard & Doubtful debt	(159,308)	-
Interest on IT Refund	(47,445)	-
Provision for advances	275,000	-
Depreciation	160,436	557,505
Provision for diminution in value of investment	-	89,533
Profit/Loss on sale of investments	(59,272,440)	(745,613)
Operating profit before working capital changes	7,245,414	10,068,520
Adjustments for :-		
Other current assets	(3,764,006)	5,161
Change in Inventory	5,211	11,087
Trade Payable	-	(13,400)
Other current liabilities	258,464	64,617
Cash Generated from operations	3,745,083	10,135,985
Direct taxes paid	(14,087,700)	(2,052,033)
Net cash from operating activities	(10,342,617)	8,083,952
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Investments	(313,248,612)	(39,741,576)
Sale/Redemption of investments	241,553,172	7,528,396
Loan (Given) / Refund	73,240,342	22,089,805
Sale of fixed assets	1,216,195	-
Net cash used in investing activities	2,761,097	(10,123,375)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Unclaimed Dividends paid	-	(36,606)
Net Cash used in financing activities	-	(36,606)
Net (decrease) / increase in cash and cash equivalent	(7,581,520)	(2,076,029)
Cash and cash equivalent Opening balance	10,692,308	12,768,338
Cash and cash equivalent Closing balance	3,110,788	10,692,308

The accompanying notes are an integral part of the financial statements.

As per our report of even date  
 For S. Mandal & Co.  
 Chartered Accountants  
 Firm Registration Number: 314188E

(S. L. Mandal)  
 Partner  
 Membership Number: 051834

Place: Kolkata  
 Date: The 27th day of May' 2019

For and on behalf of the Board

Ashok Kumar Hamirbasia  
 M Director  
 DIN : 0291954

Sunil Kumar Kanoria  
 Director  
 DIN : 0789030

Arindam Saha  
 CFO

Bela Parakh  
 Company Secretary

**COMPANY OVERVIEW**

Salem Erode Investments Ltd is carrying on its business as a Non Banking Financial Company. It deals in shares, stocks, debentures and securities issued by Government of India and Companies incorporated in India. The Company also lends money with or without security. The Company has been listed with Bombay Stock Exchange.

**1. SIGNIFICANT ACCOUNTING POLICIES****1.1 BASIS OF PREPARATION**

"The financial statements are prepared under the historical cost convention, on an accrual basis and comply with the Accounting Standards (AS) notified by the Companies (Accounting Standards) Rules, 2006. The management takes absolute responsibility for the preparation of the financial statements which provides true and fair view of the financial position, financial performance and cash flows of the company in accordance with the Accounting Standards referred to in section 133 of the Companies Act 2013. This responsibility includes the design, implementation and maintenance of internal control 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. All Assets and Liabilities have been classified as current or non current as per Schedule III of Companies Act, 2013 and the statement of profit and loss has also been drawn up in compliance with the same."

**1.2 Use of Estimates:**

The preparation of the financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as on the date of the financial statements and the reported income and expenses. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.

**1.3 Tangible Assets**

Tangible Assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Any expected loss is recognised immediately in the Statement of Profit and Loss. Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

**1.4 Depreciation**

Depreciation on fixed assets has been provided at the rates and in the manner prescribed in Schedule – II of the Companies Act, 2013.

**1.5 Impairment**

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset /cash generating unit is made. Asset whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

**1.6 Investments**

- a) Long term Investments as per Accounting Standard (AS) 13- 'Accounting for Investments are stated at cost except when there is a diminution other than temporary, for which the provision is made'.
- b) Current Investments as per Accounting Standard (AS) 13- 'Accounting for Investments are stated at the lower of cost and fair value, considered category wise'.

**1.7 Inventories**

Inventories comprise of shares and securities which are stated at cost.

## SALEM ERODE INVESTMENTS LIMITED

### 1.8 Revenue Recognition

**(Sale of Shares):** The sale is recognised as on the date of contract note and or value as certified by the merchant banker / auditor in case of group companies shares . The sale amount recognised is the gross sale proceeds and brokerage and STT is booked under the respective heads of expenses. **(Interest Income):** Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rates applicable. **(Rental Income):** The income is recognised as and when it falls due as per the agreement. **(Dividend):** Dividend income is recognised when the right to receive dividend is established.

### 1.9 Current tax, deferred tax and MAT Credit :

#### **Current Taxes:**

Provision for current tax is determined on the basis of taxable income computed in accordance with the provisions of the Income Tax Act, 1961.

#### **Deferred Taxes:**

Deferred tax asset and liability is recognized by computing the tax effect on timing differences which arise during the year and reverse during the subsequent period. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

#### **MAT Credit :**

Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

### 1.10 Provisions and Contingent Liabilities

**Provisions :** Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

**Contingent Liabilities :** Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.

### 1.11 Cash Flow statement

Cash Flows are reported using Indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating financing and investing activities of the company are segregated. Cash and cash equivalents in the Balance Sheet comprise cash at bank, cash/cheques in hand and short term investments with an original maturity of 3 months and less.

### 1.12 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

### 1.13 Employee Benefits

Employee benefits will be recorded in accordance with Revised Accounting Standard 15 – Employee Benefits (Revised 2005) issued by ICAI.

## SALEM ERODE INVESTMENTS LIMITED

Significant Accounting Policies and Notes to Financial Statements for the Period ended 31st March, 2019

### OTHER NOTES TO FINANCIAL STATEMENTS

#### 2. Share Capital

(₹)

a.	Particulars	31st March, 2019	31st March, 2018
	<b>Authorised Share Capital</b> 1,20,00,000 nos Equity Shares of Re. 1/- (P.Y 1,20,00,000 nos Equity Shares)	12,000,000	12,000,000
		12,000,000	12,000,000
	<b>Issued Shares Capital :</b> 1,14,65,820 (P.Y 1,14,65,520) Equity Shares of Rs. 1/- each	11,465,820	11,465,820
		<b>11,465,820</b>	<b>11,465,820</b>
	<b>Subscribed and Fully Paid-up Share Capital</b> 1,14,65,520 (P.Y 1,14,65,520) Equity Shares of Rs. 1/- each fully paid up	11,465,520	11,465,520
	Forfeited Shares	75	75
		11,465,595	11,465,595

#### b. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

(₹)

Particulars	31st March, 2019		31st March, 2018	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the period	11,465,520	11,465,520	11,465,520	11,465,520
Issued during the year	-	-	-	-
Outstanding at the end of the period	11,465,520	11,465,520	11,465,520	11,465,520

#### c. Terms / Rights attached to equity shares.

The Company has only one class of shares referred to as Equity Shares having a par value of Rs. 1/-. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends, if any in Indian Rupees.

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, if any. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

#### d. Details of shareholders holding more than 5% shares in the Company

Particulars	31st March, 2019		31st March, 2018	
	No. of Shares	% of Holding	No. of Shares	% of Holding
M/s Tara Investments Ltd	20,97,120	18.29%	20,97,120	18.29%
Mrs Padma Kanoria	25,91,000	22.60%	25,91,000	22.60%
Mrs Kusum Kanoria	38,27,120	33.38%	38,27,120	33.38%

## SALEM ERODE INVESTMENTS LIMITED

<b>3. Reserves and Surplus</b>			
<b>Particulars</b>		(₹)	
		<b>31st March, 2019</b>	<b>31st March, 2018</b>
Capital Reserve			
Balance as per last balance sheet	A	<b>2,319,780</b>	2,319,780
		<b>2,319,780</b>	2,319,780
General Reserve			
Balance as per last balance sheet		<b>7,569,114</b>	7,569,114
Less: Transferred to Share capital account	B	-	-
		<b>7,569,114</b>	7,569,114
Statutory Reserve Fund			
Balance as per balance sheet		<b>32,004,931</b>	30,335,794
Add: Transferred from surplus	C	<b>12,202,953</b>	1,669,137
		<b>44,207,884</b>	32,004,931
Surplus as per Statement of Profit & Loss			
Balance as per last balance sheet		<b>119,147,986</b>	112,483,307
Add : Profit for the year		<b>61,014,763</b>	8,345,686
Add : Income tax adjustment for earlier years		<b>1,43,158</b>	(11,870)
Transfer to Statutory reserve	D	<b>(12,202,953)</b>	(1,669,137)
		<b>168,102,954</b>	119,147,986
<b>Total Reserves and Surplus (A+B+C+D)</b>		<b>222,199,732</b>	161,041,811
<b>4. Other Current Liabilities</b>			
		(₹)	
		<b>31st March, 2019</b>	<b>31st March, 2018</b>
Liability for expenses		<b>4,26,346</b>	1,87,112
TDS deducted		<b>36,160</b>	6,000
Unpaid dividends		<b>87,957</b>	1,23,387
		<b>5,50,463</b>	3,16,499
<b>5. Short Term Provisions</b>			
		(₹)	
		<b>31st March, 2019</b>	<b>31st March, 2018</b>
Provision for diminution in value of investments in MF (ELSS)		<b>9,06,358</b>	2,452,056
Provision for taxation		<b>16,345,319</b>	4,288,358
		<b>17,251,677</b>	6,740,414



**SALEM ERODE INVESTMENTS LIMITED**

(₹)

7. Non- Current Investment	31st March, 2019		31st March, 2018	
	Quantity (Nos.)	Amount	Quantity (Nos.)	Amount
Fixed Deposit with Banks and Other Financial Institutions	-	-	-	485,00,000
Fixed Deposit with REC Ltd	-	-	500	50,00,000
Investments in Mutual Fund				
Franklin India Smaller Companies Fund (G) (FV: Rs. 10/-)	-	-	8,841.14	5,00,000.00
Franklin India High Growth Companies Fund (G) (FV: Rs. 10/-)	-	-	54,420.14	20,00,000.00
Franklin India Prima Plus (G) (FV: Rs. 10/-)	-	-	3,632.58	20,00,000.00
DSP BLACK ROCK Tax Saver Fund (D) (FV: Rs. 10/-)	<b>2,00,796.51</b>	<b>35,00,000.00</b>	2,00,796.51	35,00,000.00
HDFC PRUDENCE FUND - (D) (FV: Rs. 10/-)	-	-	75,269.47	25,00,000.00
AXIS LONG TERM EQUITY FUND (D) (FV: Rs. 10/-)	<b>1,50,706.14</b>	<b>35,00,000.00</b>	1,50,706.14	35,00,000.00
Aditya Birla Sun Life Tax Relief96 (D) (FV: Rs. 10/-)	<b>6,156.50</b>	<b>10,00,000.00</b>	6,156.50	10,00,000.00
Aditya Birla Sun Life Frontline Equity Fund (G) (FV: Rs. 10/-)	-	-	4,751.05	10,00,000.00
ICICI Prudential Focused Bluechip Equity (G) (FV: Rs. 10/-)	-	-	26,476.04	10,00,000.00
Kotak Select Focus Fund (D) (FV: Rs. 10/-)	-	-	22,211.36	5,00,000.00
		<b>80,00,000.00</b>		710,00,000.00
Trade Investment				
Unquoted Investments				
The Mozufferpore Electric Supply Co. Ltd. (FV - Rs. 10/-)	-	-	13,055.00	1,05,840.00
			-	1,05,840.00
Unquoted Investments				
Investment in Associates:				
M D Network Commodities Pvt Ltd. (FV - Rs. 10/-)	-	-	1,92,150.00	19,21,500.00
			-	19,21,500.00
Other Investments				
Unquoted Investments				
The Arya Vaidya Pharmacy (Co.) Ltd. (FV - Rs. 10/-)	-	-	1,000.00	10,000.00
			-	10,000.00
<b>Total</b>		<b>80,00,000.00</b>		730,37,340.00
Aggregate value of Quoted Investment		-		1,05,840.00
Market value of Quoted Investment		-		1,05,840.00
Market Value of Mutual fund		<b>70,93,642.68</b>		171,70,728.06
Aggregate value of unquoted Investment		-		19,31,500.00

8. Long Term Loans and Advances	31st March, 2019		31st March, 2018	
	Quantity (Nos.)	Amount	Quantity (Nos.)	Amount
Other Loans and Advances				
Unsecured Advances to related parties (considered doubtful)		<b>2,75,000</b>		584,32,800
Unsecured Advances recoverable in cash or kind (considered good)		-		149,47,734
Unsecured Advances recoverable in cash or kind (considered doubtful)		<b>32,00,000</b>		32,00,000
Less: Provision for bad & doubtful debts		<b>(34,75,000)</b>		(32,00,000)
Less: Provision for standard assets		<b>(3,17,679)</b>		(3,17,679)
		-		
MAT Credit Entitlement		<b>153,00,123</b>		90,60,733
<b>Total</b>		<b>149,82,444</b>		821,23,589

# SALEM ERODE INVESTMENTS LIMITED

## Significant Accounting Policies and Notes to Financial Statements for the Period ended 31st March, 2019

### 9. Current Investment

Name of the Companies	Face Value (₹)	As at 31st March, 2019		As at 31st March, 2018	
		Nos	Book value (₹)	Nos	Book value (₹)
Investments in Equity Instruments					
Adani Power Ltd	10	-	-	1,000	57,090
Andhra Bank Ltd	10	-	-	1,000	1,37,393
ATV Projects India Ltd	10	-	-	1,000	7,000
Bank Of Baroda	2	-	-	500	82,780
Bharat Electronics Ltd	1	-	-	1,000	1,80,718
Bharat Heavy Electricals Ltd	2	-	-	750	78,290
CESC Ltd	10	-	-	700	1,04,090
Coal India Ltd.	10	-	-	125	38,433
Chennai Super Kings Cricket Ltd.	10	-	-	-	-
Diana Tea Company Ltd	5	-	-	500	16,187
GOL Offshore Ltd.	10	-	-	600	5,55,102
Greaves Cotton Ltd	2	-	-	500	73,245
HDFC Bank Ltd.	2	-	-	3,000	6,000
Hindalco Industries Ltd	1	-	-	1,000	1,954
Hindustan Unilever Ltd	1	-	-	600	273
Housing Development & Finance Corpn. Ltd	2	-	-	20,500	54,287
Housing Development and Infrastructure Ltd	10	-	-	2,000	1,30,134
Indian Oil Corporation Ltd	10	-	-	1,000	90,977
IFCI Ltd	10	-	-	5,000	1,17,936
ITC Ltd	1	-	-	200	57,858
James Warren Tea Co Ltd.	10	-	-	306	38,874
JSW Energy Ltd.	10	-	-	1,000	1,21,007
Karur Vysya Bank Ltd	2	-	-	500	61,932
KCP Sugars & Industries Corporation Ltd.	1	-	-	5,000	3,68,368
Larsen & Toubro	2	-	-	50	58,097
Mahanagar Telephone Nigam Ltd.	10	-	-	4,200	3,39,572
Marico Ltd	1	-	-	200	65,160
National Aluminium Company Ltd	5	-	-	-	-
Nagarjuna Fertilisers and Chemicals Ltd.	1	-	-	3,000	56,482
Nagarjuna Oil Refinery Ltd.	1	-	-	7,750	1,45,960
Origin Agrostar Ltd	5	-	-	-	-
Pentamedia Graphics Ltd.	1	-	-	1,540	2,69,806
Petronet LNG Ltd	10	-	-	500	1,26,810
Plethico Pharmaceuticals Ltd.	10	-	-	1,000	4,06,169
Pranavadi Spinning Mills Ltd. (PSMLTD)	10	-	-	50	1,250
Rallis India Ltd.	1	-	-	-	-
Reliance Broadcast Network Ltd	5	-	-	1,000	2,12,092
Reliance Capital Ltd	10	-	-	652	3,39,106
Reliance Home Finance Ltd	10	-	-	652	3,39,106
Reliance Industries Ltd	10	-	-	400	2,10,009
Reliance MediaWorks Ltd	5	-	-	1,000	2,12,092
Rural Electrification Corporation Ltd	10	-	-	1,000	1,69,663
State Bank of India	1	-	-	10,000	8,89,776
TATA Global Beverage Ltd	1	-	-	200	30,545
TATA Power Company Ltd	1	-	-	500	48,750
TGB Banquets and Hotels Ltd	10	-	-	500	28,344
The Methoni Tea	10	-	-	220	5,500
Vijaya Bank	10	-	-	1,000	69,013
VIP Clothing Ltd	2	-	-	500	49,950
Warren Tea Co Ltd.	10	-	-	306	41,600
Investments in Debt Instruments					
Fixed Deposit with Banks and Other Financial Institutions		-	2025,00,000	-	-
<b>Total</b>		-	2025,00,000	84,001	64,94,778
Market value of investments			-		502,91,589
Provision for diminution in value of investments			-		24,52,056

## 6. PROPERTY, PLANT &amp; EQUIPMENT AS AT 31ST MARCH, 2019

Sl. No.	Description of Assets	GROSS BLOCK			DEPRECIATION			NET BLOCK			
		Cost as at 31-03-2018	Additions during the year	Sales/Adjst. during the year	Cost as at 31-03-2019	Upto 31-03-2018	For the year	Adjustment / Sale	Total 31-03-2019	As on 31st March, 2019	As on 31st March, 2018
1	Computer	34,760	-	34,760	-	30,631	1,743	32,374	-	-	4,129
2	Vehicle	26,48,849	-	26,48,849	-	14,36,783	1,58,693	15,95,476	-	-	12,12,066
	<b>GRAND TOTAL:</b>	<b>26,83,609</b>	<b>-</b>	<b>26,83,609</b>	<b>-</b>	<b>14,67,414</b>	<b>1,60,436</b>	<b>16,27,850</b>	<b>-</b>	<b>-</b>	<b>12,16,195</b>
	Previous Year	26,83,609	-	-	26,83,609	9,09,909	5,57,505	-	14,67,414	12,16,195	17,73,700

## 10. Inventories

Name of the Companies QUOTED :	Face Value (₹)	As at 31st March, 2019		As at 31st March, 2018	
		Nos	Book value (₹)	Nos	Book value (₹)
Fully paid-up Equity shares					
Eveready Industries Ltd.	5	-	-	345	597
James Warren Tea Co Ltd.	10	-	-	306	375
Mcleod Tea Co. Ltd	10	-	-	345	597
Pranavadi Spinning Mills Ltd.	10	-	-	50	590
Tata Global Beverages Ltd	10	-	-	100	2,218
Titaghar Industries Ltd. /Titagarh Steels Ltd	10	-	-	400	460
Warren Tea Co Ltd.	10	-	-	306	375
Total		-	-	1,852	5,212

**SALEM ERODE INVESTMENTS LIMITED**

(₹)

<b>11. Cash &amp; Bank Balances</b>	<b>31st March, 2019</b>	<b>31st March, 2018</b>
Balances with Banks		
On Current accounts	<b>30,77,394</b>	106,84,303
Cash in Hand	<b>33,394</b>	8,005
(As per cash book & certified by the management)		
<b>Total</b>	<b>31,10,788</b>	106,92,308
<b>12 . Other Current Assets</b>		(₹)
	<b>31st March, 2019</b>	<b>31st March, 2018</b>
Balance lying with Revenue Authorities	<b>45,65,188</b>	55,56,950
Advance Income Tax for F.Y. 2018-19	<b>129,25,000</b>	
TDS		11,62,700
Accrued interest on fixed deposit	<b>40,60,594</b>	2,25,205
Prepaid Expenses	-	39,018
<b>Total</b>	<b>227,13,482</b>	58,21,173
<b>13. Deferred Tax Assets (Net)</b>		(₹)
	<b>31st March, 2019</b>	<b>31st March, 2018</b>
Depreciation	-	1,64,502
Provision on dimunition in value of investments	<b>1,60,753</b>	9,222
<b>Total</b>	<b>1,60,753</b>	1,73,724
<b>14. Revenue from Operations</b>		(₹)
<b>Particulars</b>	<b>31st March, 2019</b>	<b>31st March, 2018</b>
Interest income on Loan	<b>41,49,503</b>	77,79,557
Sale of Shares	<b>2,02,216</b>	79,411
Dividend income	<b>13,07,562</b>	12,27,158
Net Gain/ (Loss) on sale of investments	<b>592,72,440</b>	7,45,613
Profit in sale of Assets	<b>1,60,436</b>	-
Interest Income on fixed deposit	<b>75,11,566</b>	38,31,978
Interest on others	<b>2,26,033</b>	-
Provision in the diminution in value of Investment	<b>15,45,698</b>	-
Interest on I.T. Refund	<b>47,445</b>	-
Excess provision written back	<b>24,500</b>	4,86,972
<b>Total</b>	<b>744,47,399</b>	141,50,689
<b>15. Change in Inventories</b>		(₹)
	<b>31st March, 2019</b>	<b>31st March, 2018</b>
Opening balance	<b>5,211</b>	16,299
Less : Closing balance	-	5,212
<b>Total</b>	<b>5,211</b>	11,087
<b>16. Employee Benefit Expenses</b>		(₹)
	<b>31st March, 2019</b>	<b>31st March, 2018</b>
Salary & wages	<b>17,09,900</b>	15,12,620
<b>Total</b>	<b>17,09,900</b>	15,12,620

**SALEM ERODE INVESTMENTS LIMITED**

<b>17. Administrative &amp; Establishment Expenses</b>		(₹)
	<b>31st March, 2019</b>	<b>31st March, 2018</b>
Advertisements	13,667	15,794
Meeting Expenses	2,500	11,030
Bank charges	58	731
Books & Periodicals	-	948
Listing Expenses	2,50,000	2,87,500
Computer expenses	-	(3,400)
Depository charges	25,925	7,691
Director's fee	18,500	27,600
General charges	27,387	5,733
Goods and Services Tax	1,93,238	9,424
Insurance Charges	39,018	48,086
Motor car running expenses	22,594	67,850
Postage & Courier	43,246	31,090
Printing & stationary	67,612	66,578
Provision for advances	2,75,000	
Professional fees	4,31,520	3,85,000
Provision for dimunition in value of Investments in MF (ELSS)	-	89,533
Provision for doubtful debts	1,34,808	-
Corporate social responsibility (CSR)	17,38,634	-
Rates & taxes	79,650	4,700
Registrar & transfer agents fees	19,208	28,525
Rent Paid	60,000	69,900
Filing fees	20,200	68,600
Scrutinizer Fees	7,500	7,500
Security transaction tax & cess	51,571	14,259
Subscription expense	69,020	47,000
Traveling & Conveyance expenses	1,57,939	55,290
Interest paid	-	-
Loss on premature of FD	7,47,752	-
<b>Total</b>	<b>44,96,547</b>	<b>13,46,961</b>

<b>18. Auditor's Remuneration</b>		(₹)
	<b>31st March, 2019</b>	<b>31st March, 2018</b>
For Audit fees	20,000	20,000
For Other Capacities	18,500	10,450
For Secretarial audit fees	21,500	18,000
For Internal Auditor	20,000	20,000
	<b>80,000</b>	<b>68,450</b>

<b>19. Earnings Per Share (EPS)</b>		(₹)
<b>Particulars</b>	<b>31st March, 2019</b>	<b>31st March, 2018</b>
Net Profit as per Profit and Loss Statement (in ₹)	610,14,763	83,45,686
No. of Equity Shares outstanding	114,65,520	114,65,520
Face Value Per Share (in ₹)	1.00	1.00
Earnings Per Share (Basic and Diluted) (in ₹)	5.32	0.73

# SALEM ERODE INVESTMENTS LIMITED

## 20. Related Party Transactions as per AS-18

### (i) List of Parties :

	<u>Relationship</u>
1. M D Networks Commodities Pvt Ltd	Associates
2. Padma Kanoria	Individuals having significant influence over the enterprises
3. Kusum Kanoria	Individuals having significant influence over the enterprises
4. Tara Investments Ltd.	Enterprise over which (2) & (3) have significant influence.
5. Ashok Kumar Hamirbasia	KMP -Managing Director
6. Arindam Saha	KMP - C.F.O.
7. Dolly Prasad	KMP - Company Secretary
8. Hamirbasia & Associates	Relative of KMP
9. Himanshu Maheswari	KMP - Company Secretary

### (ii) Related Party Transaction

Particulars	Individuals having significant influence over the enterprises	Key Managerial Personnel	Relative of Key Managerial Personnel	Total
Professional Services	-	-	406,800	406,800
	-	-	(272,000)	(272,000)
Managerial Remuneration	-	1,394,200	-	1,394,200
	-	(1,159,040)	-	(1,159,040)
Sale of shares	18,984,420	-	-	18,984,420
	-	-	-	-
Interest Received	2,977,934	-	-	2,977,934
	(4,842,000)	-	-	(4,842,000)

### (iii) Balance Outstanding

Particulars	Associates	Enterprises over which individuals have significant influence	Total
Investments	-	-	-
	(1,921,500)	-	(1,921,500)
Loan Given	-	-	-
	(53,800,000)	-	(53,800,000)

Note 20.1- The amount mentioned in brackets are those of the previous years.

- 21 Contingent Liability:-The Company has received intimation order u/s 143(1) of Income Tax Act, 1961 for the A.Y. 2008-2009 whereby demand to tune of Rs.14,24,730 had been raised. The Company has filed the rectification petition against the said intimation order requesting to vacate the erroneous demand. The department has adjusted the refund related to several years with demand and the case is till date pending with the department. At present a sum of Rs.92,937 is been shown as outstanding demand for A.Y. 2008-2009.
22. Segment Reporting as per AS-17 The Company is a Non Banking Finance Company (NBFC). It is engaged in the business of financing and there is no other reportable segment.
- 23 The Company has not made actuarial valuation for gratuity and other annuity scheme as in the opinion of management provisions of the same is not applicable during this financial year.
24. In the opinion of management none of the assets have impaired in value as shown in books.
25. Previous year's figures have been reclassified and regrouped, wherever necessary.  
The accompanying notes are an integral part of the financial statements.

For S. Mandal & Co.  
Chartered Accountants  
Firm Registration Number: 314188E

For and on behalf of the Board

(S. L. Mandal)  
Partner  
Membership Number: 051834

Ashok Kumar Hamirbasia  
M Director  
DIN : 0291954

Sunil Kumar Kanoria  
Director  
DIN : 0789030

Place: Kolkata  
Date: The 27th day of May, 2019

Arindam Saha  
CFO

Bela Parakh  
Company Secretary

<b>Schedule to the Balance Sheet of a NBFC</b>		
<b>Particulars Liabilities side</b>	<b>Amount outstanding</b>	<b>Amount overdue</b>
(1) Loans and advances availed by the non- banking financial company 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		
(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :		
(a) In the form of Unsecured debentures	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
(c) Other public deposits	-	-
* Please see Note 1 below		
<b>Assets side</b>	<b>Amount outstanding</b>	
(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :		
(a) Secured	-	
(b) Unsecured	34,75,000	
(4) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
(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) Other loans counting towards AFC activities		
(a) Loans where assets have been repossessed	-	
(b) Loans other than (a) above	-	

## SALEM ERODE INVESTMENTS LIMITED

(5) Break-up of Investments	
Current Investments	
1. Quoted	
(i) Shares	
(a) Equity	
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (please specify)	-
2. Unquoted	
(i) Shares	
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others: Fixed Deposits with Banks and other Financial Institutions	202,500,000
Long Term Investments	
1. Quoted	
(i) Shares	
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	8,000,000
(iv) Government Securities	-
(v) Others (please specify)	-
2. Unquoted	
(i) Shares	
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others: Fixed deposit with Banks and other Financial Institutions	

**(6) Borrower group-wise classification of assets financed as in (3) and (4) above :**  
Please see Note 2 below

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties **			
(a) Subsidiaries	-	-	-
(b) "Companies in the same group "	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	-	3,475,000	3,475,000
<b>Total</b>	<b>-</b>	<b>3,475,000</b>	<b>3,475,000</b>



**(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :**

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	-	-
2. Other than related parties	210,500,000	210,500,000
Total	210,500,000	210,500,000

**\*\* As per Accounting Standard of ICAI (Please see Note 3)**

**(8) Other information**

Particulars	Amount
(i) Gross Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	-
(ii) Net Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	-
(ii) Assets acquired in satisfaction of debt	-

**Notes:**

1. As defined in point xix of paragraph 3 of Chapter -2 of these Directions.
2. Provisioning norms shall be applicable as prescribed in these Directions.
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 shall be disclosed irrespective of whether they are classified as long term or current in (5) above.

**SALEM ERODE INVESTMENTS LIMITED**

Regd Off: 1st Floor, 14 Motilal Nehru Road, Kolkata-700029  
Tel: (033) 2475 – 2834; E-mail: salemeroedinvestmentsltd@gmail.com  
CIN :L31200WB1931PLC007116  
Website : www.salemerode.com

**FORM NO. MGT-11**

**PROXY FORM**

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

CIN : L31200WB1931PLC007116  
Name of the Company : SALEM ERODE INVESTMENTS LTD.  
Regd Office : 14 Moti Lal Nehru Road, Kolkata – 700029  
Name of the Members :  
Registered Address :  
E-Mail Id :  
Folio No./Client No./ DP ID

I/ We, being the member(s) of ..... shares of the above Company, hereby appoint.

1 Name ..... Address .....

E-Mail Id : ..... Signature : ..... or failing him

2 Name ..... Address .....

E-Mail Id : ..... Signature : ..... or failing him

3 Name ..... Address .....

E-Mail Id : ..... Signature : .....

as my/ our proxy to attend and vote (on a poll) for me/us on my/our behalf at the AGM of the Company, to be held on 26th day of August, 2019 at 11:00 A.M. at Bhartiya Bhasha Parishad at 36A, Shakespeare Sarani, Kolkata – 700017 and at any adjournment thereof in respect of such resolution(s) as are indicated below.

	<b>Resolution</b>	<b>For</b>	<b>Against</b>
1.	To Consider; approve and adopt the Standalone Balance Sheet as on 31st March, 2019, the Profit and Loss Account and Cash Flow Statement for the Year ended on that date together with the Auditors Report thereon and the report of the Board.		
2.	To appoint Mr. Sunil Kumar Kanoria, DIN 00789030, who retire by rotation at this AGM and being eligible offer himself for re appointment.		
3.	Appointment of Auditors and to fix their remuneration.		

Signed this the 22nd day of July, 2019.

Signature of Shareholder.....

Signature of Proxy holder(s).....



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

**SALEM ERODE INVESTMENTS LIMITED**

Regd Off: 1st Floor, 14 Motilal Nehru Road, Kolkata-700029  
Tel : (033) 2475 - 2834; E-mail: salemrodeinvestmentsltd@gmail.com  
CIN : L31200WB1931PLC007116  
Website : www.salemerode.com

**ATTENDANCE SLIP**

<b>Regd. Folio/DP ID &amp; Client ID</b>	
<b>Name</b>	
<b>Address of the Shareholder</b>	
<b>No. of Shares Held</b>	

(To be handed over at the entrance of the meeting hall)

**(Annual General Meeting – 26th August, 2019)**

1. I hereby record my presence at the 88th Annual General Meeting of the Company, to be held on the 26th day of August, 2019 at 11:00 A.M. at Bhartiya Bhasha Parishad at 36A, Shakespeare Sarani, Kolkata - 700017.
2. Signature of the Shareholder/Proxy Present.

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3. Shareholder /Proxy holder willing to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance duly signed.
4. Share holder /Proxy holder desiring to attend the meeting may bring his/her copy of Annual Report for reference at the meeting.
5. Please read the instructions carefully before exercising your vote.

**ELECTRONIC VOTING PARTICULARS**

<b>EVSN</b> (E-Voting Sequence Number)	<b>USER – ID</b>	<b>PAN/ SEQUENCE NO.</b>
<b>190716013</b>		

E-Voting Facility is available during the following voting period:

<b>Commencement of E- Voting</b>	<b>End of E- Voting</b>
<b>23rd day of August, 2019 from 10:00 A.M (IST)</b>	<b>25th day of August, 2019 till 05:00 P.M. (IST)</b>

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**PRINTED MATTER-BOOK POST**

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*If undelivered please return to :-*  
**NICHE TECHNOLOGIES PVT. LTD.**  
Registrar & Transfer Agents  
Unit: **SALEM ERODE INVESTMENTS LIMITED**  
3A, Auckland Place, 7th Floor, Room No. 7A & 7B  
Kolkata - 700 017