

**THIRTY THIRD ANNUAL REPORT 2018 – 2019**

**BOARD OF DIRECTORS**

Surendra Banthia  
Manish Banthia  
Giriraj Kumar Dammani

Chairman  
Whole – Time Director  
Managing Director

**AUDITORS**

**Statutory Auditors:**

M/s. Vivek Khandor & Associates  
Chartered Accountants

**Secretarial Auditors:**

M/s. P. P. Shah & Co.  
Practicing Company Secretaries, Mumbai

**BANKERS**

Oriental Bank of Commerce  
HDFC Bank

**REGISTERED OFFICE**

11, Camac Street, Kolkata – 700 017  
Phone No: +91 - 033- 28821628 / 2422503  
Fax No: +91 - 033- 22822633

**CORPORATE OFFICE**

3, Surya Mahal, 3<sup>rd</sup> Floor, Nagindas Master Road,  
Fort, Mumbai – 400 023  
Phone No: +91 - 022 - 66359001 / 9002  
Email ID: info@firstcustodianfund.com

**REGISTRAR & SHARE TRANSFER AGENTS**

**Sharex Dynamic (India) Private Limited,**  
Unit No.1, Luthra Industrial Premises,  
Safed Pool Andheri Kurla Road, Andheri East,  
Mumbai – 400 072  
Tel: 022 – 2851 5606 / 2851 5644  
Fax: 022 – 2851 2885  
Email: investor@sharexindia.com  
Website: www.sharexindia.com

# THE FIRST CUSTODIAN FUND (INDIA) LTD.



## NOTICE

**NOTICE** is hereby given that the Thirty – Third Annual General Meeting of the Members of **THE FIRST CUSTODIAN FUND (INDIA) LIMITED** will be held on Saturday, 21<sup>st</sup> September, 2019 at 11.00 a.m. at the Registered Office of the Company situated at 11, Camac Street, Kolkata – 700 017 to transact the following business:

### ORDINARY BUSINESS:

1. To consider and adopt the Audited Annual Financial Statement of the Company for the financial year ended 31<sup>st</sup> March, 2019 and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Surendra Banthia (DIN No.: 00116969), who retires by rotation and being eligible, offer himself for re-appointment.
3. Appointment of Statutory Auditors.

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014, (the Rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s. Vivek Khandor & Associates, Chartered Accountants, Mumbai having ICAI Firm Registration No. 133055W, who have offered themselves for re-appointment and have confirmed their eligibility to be appointed as Auditors, in terms of provisions of Section 141 of the Act, and Rule 4 of the Rules and certificate issued by the Peer Review Board of ICAI, be and are hereby re-appointed as Statutory Auditors of the Company for the Company’s financial year 2019 – 2020, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to Goods and Service Tax and reimbursement of out of pocket expenses incurred by them in connection with the audit of Accounts of the Company.”

### NOTES:

1. Since, there is no special business to be transacted at the Annual General Meeting (the AGM or Meeting), the relative Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 is not annexed to the Notice.
2. In terms of provisions of Section 105 of the Companies Act, 2013, A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and such proxy need not be a member of the Company. The instrument appointing a proxy, in order to be effective, should be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Annual General Meeting i.e. by 11.00 a.m. on Thursday, 19<sup>th</sup> September, 2019. As per Secretarial Standard 2 on General Meeting, the proxy should carry a valid photo-id card to the venue to tender vote.



3. A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.
4. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
5. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID / Folio No.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
7. Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.
8. Pursuant to the provisions of Section 91 of the Act, the Register of Members and Share Transfer Books of the Company shall remain closed on all days from Saturday, 14<sup>th</sup> September, 2019 to Saturday, 21<sup>st</sup> September, 2019, both days inclusive.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.
10. Members desiring any relevant information on the Accounts at the Annual General Meetings are requested to write to the Company at least seven days in advance, so as to enable the Company to keep the information ready. Members can also email their queries at the email address of the Compliance Officer, Mr. Chandrakant Pandey ([tfcfil@rediffmail.com](mailto:tfcfil@rediffmail.com))
11. Members holding shares in electronic form are requested to intimate immediately, any change in their address or bank mandates to their Depository Participant(s) with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company or its Registrar and Share Transfer Agent, Sharex Dynamics (India) Private Limited.
12. Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Act, are requested to submit details to the Registrar and Transfer Agents of the Company, in the prescribed Form SH – 13 for this purpose.



13. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses with the Company's Registrar and Transfer Agents for receiving communication from the Company in electronic form. Members of the Company, who have registered their e-mail ID, are entitled to receive such communications in physical form upon request.
14. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s), unless the Members have registered their request for a physical copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.
15. Information required under Regulation 36(3) of the SEBI (LODR) Regulations, 2015 and Secretarial Standard 2 on General Meeting relating to documents & information to the Shareholders with respect to the Director retiring by rotation and being eligible, seeking re-appointment is as under:

Name	Mr. Surendra Banthia
Director Identification Number(DIN)	00116969
Date of Birth	25/07/1953
Nationality	Indian
Date of Appointment on Board	21/08/1995
Qualifications	B. Com
Shareholding in The First Custodian Fund (India) Limited	74,500 Shares
Expertise in specific functional areas	Wide experience in Share Trading since last 20 years
Directorships in other Public Limited Companies* Memberships of Committees in other Public Limited Companies* (includes only Audit & Shareholders / Investors Grievances Committee)	Nil

16. Route Map showing directions to reach to the venue of the 33<sup>rd</sup> AGM is given at the end of this Notice as per the requirement of the Secretarial Standards 2 on General Meetings.

## PROCESS FOR MEMBERS OPTING FOR E-VOTING

### **Voting through electronic means**

#### **In case of members receiving e-mail:**

- (i) The voting period begins on Wednesday, 18<sup>th</sup> September, 2019 at 9.00 a.m. and ends on Friday, 20<sup>th</sup> September, 2019 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (Record Date) of Saturday, 14<sup>th</sup> September, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (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.
- (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:

#### **For Members holding shares in Demat Form and Physical Form**

#### **PAN**

Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. 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.

#### **Dividend Bank**

#### **Details OR**

#### **Date of Birth (DOB)**

Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (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 field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.



- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant 'THE FIRST CUSTODIAN FUND (INDIA) 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 votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login 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) **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. Apple 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.**
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be emailed 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.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**Other Instructions:**

1. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
2. The voting rights of Members shall be in proportion to the shares held by them on the Paid-up Equity Share Capital of the Company as on Saturday, 14<sup>th</sup> September, 2019 and as per the Register of Members of the Company.
3. M/s. P.P. Shah & Co., Practicing Company Secretaries, has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
4. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses (not in the employment of the Company) and make out a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
5. The Chairman shall, at the General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting, as provided in clauses (a) to (h) of sub-rule (1) of Rule 21 of the Companies (Management and Administration) Rules, 2014, as applicable, with the assistance of scrutinizer, by use of postal ballot or polling paper for all those members who are present at the general meeting but have not cast their votes by availing the remote e-voting facility.
6. A Member can opt for only one mode of voting i.e. either through e-voting or in physical form. If a Member casts his / her vote by both modes, then voting done through e-voting shall prevail and the vote by ballot shall be treated as invalid.
7. The results declared along with the Scrutinizer's Report shall be placed on the BSE's website and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com) within two days of the passing of the Resolutions at the 33<sup>rd</sup> AGM of the Company and communicated to BSE Limited where the shares of the Company are listed.

**By order of the Board  
For The First Custodian Fund (India) Limited**

**Manish Banthia  
Whole – Time Director**

**Place: Mumbai  
Dated: 30<sup>th</sup> May, 2019**

## BOARD'S REPORT

### TO THE MEMBERS OF THE FIRST CUSTODIAN FUND (INDIA) LIMITED

The Directors take pleasure in presenting the Thirty – Third Annual Report together with the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2019.

#### 1. FINANCIAL RESULTS

Key highlights of the financial results for The First Custodian Fund (India) Limited for the financial year 2018 – 19 is tabulated below:

PARTICULARS	Year Ended 31/03/2019	(Rs. in Lacs) Year Ended 31/03/2018
Gross Income	81.73	105.05
Total Expenditure	36.69	33.22
Interest Expenses	3.99	2.44
Gross Profit	41.05	69.39
Depreciation	8.69	5.41
Profit / (Loss) Before Tax	32.36	63.98
Less : Income Tax	7.50	8.50
Less /Add : Deferred Tax	1.91	1.58
Less : Income Tax Paid – W/ Off	0.04	0.04
Net Profit / (Loss) After Tax	22.91	53.94
Add : Profit brought forward from previous year	855.85	801.91
<b>APPROPRIATIONS</b>	<b>0.00</b>	<b>0.00</b>
Profit Carried Forward to Balance Sheet	878.76	855.85

#### 2. HIGHLIGHTS OF PERFORMANCE

- Total income for the financial year 2018 – 19 decreased by 22.20% to Rs. 81.73 Lacs as compared to Rs. 105.05 Lacs in the previous financial year 2017 – 18.

- Total Profit before Tax for the financial year 2018 – 19 is Rs. 32.36 Lacs as compared to profit of Rs. 63.98 Lacs in the previous financial year 2017 – 18.

#### 3. TRANSFER TO RESERVES

The Board of Directors has not recommended transfer of any amount to reserves.

#### 4. DIVIDEND

With a view to deploy the profits into the existing operations of your Company, Board of Directors has not recommended any dividend for the year.

#### 5. BUSINESS OPERATIONS

Your Company is a member of National Stock Exchange (NSE) registered as Stock Broker and carrying on the business in brokerage in shares. Your Company is an investor in shares and also trades in futures & options. There was no change in nature of business of your Company, during the year under review.

#### 6. DISCLOSURES UNDER SECTION 134 (3) (I) OF THE COMPANIES ACT, 2013

No material changes and commitments which could affect your Company's financial position have occurred between the end of the financial year of your Company and date of this report.



## **7. SHARE CAPITAL**

The paid up Equity Share Capital as on 31<sup>st</sup> March, 2019 was Rs. 1,50,00,000/-. During the year under review, your Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. There was no change in your Company's share capital during the year under review. The Promoter and Promoter Group are holding 7,88,571 shares equivalent to 52.57% of the total Issued and Paid-up Share Capital.

## **8. DIRECTORS**

### **8.1 Retirement by Rotation**

Pursuant to Section 152(6) of the Companies Act, 2013 and in terms of the Articles of Association of your Company, Mr. Surendra Banthia, Director retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

### **8.2 Key Managerial Personnel**

The following persons have been designated as Key Managerial Personnel of your Company pursuant to Section 2(51) and Section 203 of the Act, read with Rule 8(5)(iii) of the Companies (Accounts) Rules, 2014 framed thereunder:

1. Mr. Manish Banthia, Whole – Time Director
2. Mr. Giriraj Dammani, Managing Director

None of the Key Managerial Personnel have resigned during the year under review.

### **8.3 Meetings of the Board**

A calendar of Meetings is prepared and circulated in advance to the Directors.

During the year your Company has held 4 (four) Board Meetings which were held on 30<sup>th</sup> May, 2018; 14<sup>th</sup> August, 2018; 13<sup>th</sup> November, 2018 and 13<sup>th</sup> February, 2019. The Board Meetings has been held during the year in such a manner that not more than 120 days shall intervene between two consecutive meetings of the board as prescribed under Section 173 of the Companies Act, 2013. As per Section 167(1)(b), all the directors have attended atleast one Board Meeting held during the financial year.

## **9. PARTICULARS OF EMPLOYEES**

During the year, there was no employee in receipt of remuneration as prescribed in the Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## **10. DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a) that in the preparation of the Annual Financial Statements for the year ended 31<sup>st</sup> March, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in Note 1 to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at 31<sup>st</sup> March, 2019 and of the profit of your Company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;

- d) that the Annual Financial Statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## **11. INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY**

Your Company maintains an adequate and effective Internal Control System commensurate with its size and complexity. We believe that these internal control systems provide, among other things, a reasonable assurance that transactions are executed with Management authorization and that they are recorded in all material respects to permit preparation of financial statements in conformity with established accounting principles and that the assets of your Company are adequately safe-guarded against significant misuse or loss.

An independent Internal Audit function is an important element of your Company's internal control system. The internal control system is supplemented through an extensive internal audit programme and periodic review by Management.

Your Company has in place, adequate Internal Financial Controls with reference to Financial Statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

## **12. SUBSIDIARY COMPANIES**

Your Company has no Subsidiary Company.

## **13. COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES**

There are no companies which have become or ceased to be its Subsidiaries, Joint Venture or Associate Companies during the financial year 2018 – 19.

## **14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

## **15. RELATED PARTY TRANSACTIONS**

During the year your company has not entered into any related party transactions except payment of remuneration and sitting fees to the directors.

## **16. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The criteria prescribed for the applicability of Corporate Social Responsibility under Section 135 of the Companies Act, 2013 is not applicable to your Company.

## **17. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is as under:

### **A. Conservation of Energy, Technology absorption, adaptation and innovation**

Your Company is not engaged in any manufacturing activity. Your Company is in service industry. Hence, your Company has not taken any energy conservation measures. There are no additional investments and proposals, for reduction of consumption of energy. Your Company has not deployed any Research and Development facility or absorbed any technology. Hence, no disclosures are required to be given.

## B. Foreign Exchange Earning & Outgo

Foreign Exchange Earnings/Outgo	(Rs. In Millions)
Foreign Exchange Earned	Nil
Foreign Exchange Outgo	Nil

### 18. **BUSINESS RISK MANAGEMENT**

The nature of business is investment, arbitrage and trading in shares. The inheritant risks to the business of your company are as follows:

- a. Monetary Policy of the Country
- b. Interest Rate Cycle
- c. Fluctuation in crude oil and commodity prices
- d. Changes in Government policies
- e. Status of Indian & World Economy

The nature of risk is dynamic of business and entrepreneurship. Your Company has not formed Risk Management Committee since it is not applicable under Regulation 21 of the SEBI (LODR) Regulations, 2015.

### 19. **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The provision of regulations of the SEBI (LODR) Regulations, 2015 regarding Vigil Mechanism and Whistle Blower Policy is not applicable to your Company.

### 20. **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of your Company and its future operations.

### 21. **AUDITORS**

#### 21.1 **Statutory Auditors**

Your Company's Auditors, M/s. Vivek Khandor & Associates, Chartered Accountants who retire at the forthcoming Annual General Meeting of your Company are eligible for re-appointment. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder for re-appointment as Auditors of your Company. As required under Regulation 33 of SEBI (LODR) Regulations, 2015, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

#### 21.2 **Statutory Auditors' Observations**

The Report given by the Auditors on the financial statements of your Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

#### 21.3 **Secretarial Audit**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed M/s. P. P. Shah & Co., Practicing Company Secretaries to undertake the Secretarial Audit of your Company. The Report of the Secretarial Audit Report is annexed herewith as "Annexure A".

## 21.4 Qualifications in Secretarial Audit Report

### A. Appointment of Company Secretary & Chief Financial Officer:

As per Section 203 (1) (ii) & (iii), the Company is required to appoint Company Secretary & Chief Financial Officer. *The Company has not appointed Company Secretary & Chief Financial Officer, consequently the Annual Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2018 were not signed by Company Secretary & Chief Financial Officer.* In this regard the management of the Company has provided the following reply:

- (i) The Company has appointed Mr. Chandrakant Pandey as Compliance Officer of the Company who looks after the compliance of the Companies Act, 2013 and the SEBI Act and rules made there under;
- (ii) The Company has availed the services of Practicing Company Secretary for advising on compliance of Companies Act, 2013 and SEBI Act and rules made there under;
- (iii) The Volume and Scope of work for the Company Secretary and Chief Financial Officer are less and it is not a full time work and the job of Company Secretary and Chief Financial Officer are not attractive commensurate with the scope of work and salary.

### B. Constitution of Audit Committee & Nomination and Remuneration Committee:

As per Section 177 and 178 of the Act, the Company is required to constitute Audit Committee & Nomination and Remuneration Committee. *The Company has not constituted Audit Committee & Nomination and Remuneration Committee.* In this regard the management of the Company has provided the following reply:

- (i) The Volume and Nature of business is very small. The Company does not have the function of Audit Committee & Nomination and Remuneration Committee.

### C. Appointment of Internal Auditor:

As per Section 138 of the Act, the Company is required to appoint Internal Auditor. *The Company has not appointed Internal Auditor.* In this regard the management of the Company has provided the following reply:

- (i) The size of operation of the Company is very small, accordingly, it is not viable to appoint Internal Auditor but the Company has established the internal control system.

### D. Website Posting:

As per the various sections of the Companies Act, 2013, regulations of the SEBI (LODR) Regulations, 2015 and Secretarial Standard – 2, the Company is required to post various information / policies on the website of the Company. *The Company has not posted some of the information / policies on the website of the Company.* In this regard the management of the Company has provided the following reply:

- (i) The Company is filing regularly all the information with BSE and all the information is available on the website of BSE.

### E. Composition of Board of Directors:

The present constitution of Board of Directors is represented by 2 Executive Director and 1 Non-Executive Promoter Director. As per Section 149 of the Companies Act, 2013, the Company is required to appoint Independent Director and Woman Director. *The Company has not appointed Independent Director and Woman Director.* In this regard the management of the Company has provided the following reply:

- (i) The Volume and Nature of business is very small. Therefore, it is not viable to appoint Independent Director and Woman Director.

**22. COMPLIANCE OF SECRETARIAL STANDARDS**

During the year under review, your Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

**23. EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as "Annexure B".

**24. HUMAN RESOURCES**

The relations of the employees of your Company have been cordial during the year. Employees are considered to be team members being one of the most critical resources in the business which maximize the effectiveness of the Organization. Human resources build the Enterprise and the sense of belonging would inculcate the spirit of dedication and loyalty amongst them towards strengthening your Company's Policies and Systems. Your Company maintains healthy, cordial and harmonious relations with all personnel and thereby enhancing the contributory value of the Human Resources.

**25. ENVIRONMENT AND SAFETY**

Your Company is conscious of the importance of environmentally clean and safe operations. Your Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources.

**26. ENHANCING SHAREHOLDERS VALUE**

Your Company believes that its Members are among its most important stakeholders. Accordingly, your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. Your Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively impact the socio-economic and environmental dimensions and contribute to sustainable growth and development.

**27. GREEN INITIATIVES**

Electronic copies of the Annual Report 2018 – 19 and Notice of the 33<sup>rd</sup> Annual General Meeting are sent to all members whose email addresses are registered with your Company / Depository participant(s). For members who have not registered their email addresses, physical copies of the Annual Report 2018 – 19 and Notice of the 33<sup>rd</sup> Annual General Meeting under Section 101 of the Companies Act, 2013 are sent in the permitted mode. Members requiring physical copies can send a request to your Company.

Your Company provides e-voting facility to all its members to enable them to cast their votes electronically on all resolutions set forth in the Notice. This is pursuant to the Section 108 of the Companies Act 2013 and Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015.

## **28. MANAGEMENT DISCUSSION AND ANALYSIS**

Your Company is an investor in shares and also trades in futures & options. The size of operation of your Company is very small. Accordingly, it is not viable to provide report on Management Discussion and Analysis. Hence, your Company has decided not to provide Management Discussion and Analysis Report for the financial year ended 31<sup>st</sup> March, 2019.

## **29. CORPORATE GOVERNANCE**

As per Regulation 15(2) of the SEBI (LODR) Regulations, 2015, the provisions of Corporate Governance are non-mandatory to the following class of Companies:

- a. Companies having Paid-up Equity Share Capital not exceeding Rs. 10 Crore and Net worth not exceeding Rs. 25 Crore, as on the last day of the previous financial year;

Provided that where the provisions of Regulation 27 becomes applicable to a company at a later date, such company shall comply with the requirements of Regulation 27 within six months from the date on which the provisions became applicable to the company.

- b. Companies whose equity share capital is listed exclusively on the SME and SME-ITP Platforms.

The Paid-up Share Capital of your Company is Rs. 1.5 Crores as on 31<sup>st</sup> March, 2019. The Reserve and Surplus is Rs. 9.15 Crores. Accordingly, the Paid-up Capital and Net Worth is below the prescribed limit for mandatory applicability of Corporate Governance clause as per Regulation 15(2)(a) of the SEBI (LODR) Regulations, 2015. Your Company has decided not to opt for compliance of Regulation 27 for the time being. The letter for the same has been filed with BSE on 03<sup>rd</sup> June, 2019.

## **30. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

Your Company firmly believes in providing a safe, supportive and friendly workplace environment – a workplace where our values come to life through the supporting behaviours. Positive workplace environment and a great employee experience are integral part of our culture. Your Company believes in providing and ensuring a workplace free from discrimination and harassment based on gender.

Your Company educates its employees as to what may constitute sexual harassment and in the event of any occurrence of an incident constituting sexual harassment, your Company provides the mechanism to seek recourse and redressal to the concerned individual subjected to sexual harassment.

Your Company has a Sexual Harassment Prevention and Grievance Handling Policy in place to provide clarity around the process to raise such a grievance and how the grievance will be investigated and resolved. An Internal Complaints Committee has been constituted in line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

No complaint has been raised during the year ended 31<sup>st</sup> March, 2019.

## **31. INDIAN ACCOUNTING STANDARDS (IND-AS)**

Your Company has followed the relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing financial statements.

## **32. CAPITAL EXPENDITURE**

There was no Capital Expenditure during the financial year.

### 33. DEPOSITS

Your Company has not accepted deposit from the public and shareholders falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. Hence, the requirement for furnishing details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

### 34. PLEDGE OF SHARES

None of the equity shares of the Directors of your Company are pledged with any banks or financial institutions.

### 35. INFORMATION SYSTEM

In a business where information is critical, Information Technology plays a vital role, facilitating informed decision making to grow the business. Over the years, your Company has invested extensively in infrastructure, people and processes with the objective to capture, protect and transmit information with speed and accuracy.

### 36. LISTING WITH STOCK EXCHANGES

Your Company is listed with BSE Limited and your Company has duly paid the listing fees to the Exchange.

### 37. ACKNOWLEDGEMENTS

Your Directors thank the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of your Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of your Company for their unstinted commitment and continued contribution to your Company.

### 38. CAUTIONARY STATEMENT

Statements in the Board's Report describing your Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence your Company's operations include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

By order of the Board  
For and on behalf of the Board of Directors

Manish Banthia  
Whole - Time Director

Giriraj Dammani  
Managing Director

Place: Mumbai  
Date: 30<sup>th</sup> May, 2018

## ANNEXURE 'A' TO BOARD'S REPORT

### SECRETARIAL AUDIT REPORT

#### FORM NO. MR-3

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2019

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

To,  
The Members,  
The First Custodian Fund (India) Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **The First Custodian Fund (India) 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 the Company for the financial year ended on 31<sup>st</sup> March, 2019 according to the provisions of:

1. The Companies Act, 2013 ('the Act') and the rules made thereunder;
2. The Securities Contracts ('Regulation') Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. 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; (**Not Applicable to the Company during audit period**).
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - 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, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 w.e.f. 29<sup>th</sup> March, 2019;



- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not Applicable to the Company during audit period).**
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities), Regulations, 2008. **(Not Applicable to the Company during audit period).**
- f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agent), Regulations, 1993. Regarding the Companies Act, 2013 and dealing with the clients.
- g) The Securities and Exchange Board of India (Delisting of Equity Shares), Regulations, 2009. **(Not Applicable to the Company during audit period).**
- h) The Securities and Exchange Board of India (Buyback of Securities), Regulations, 1998. **(Not Applicable to the Company during audit period).**
6. Laws specifically applicable to the industry to which the company belongs, as identified by the management, that is to say:-

- a) The Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992.

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

- 1) Secretarial Standards issued by the Institute of Company Secretaries of India i.e. Secretarial Standards – 1 for Board Meetings and Secretarial Standards – 2 for General Meetings.
- 2) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. *[except those as prescribed under Regulation 15 (2) read with Regulation 15 (3)]*\*

*\*As per Regulation 15 (2) to the SEBI (LODR) Regulations, 2015, the provisions of Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V shall not apply in respect of a listed entity whose Paid-Up Equity Share Capital does not exceed Rs. 10 Crores and Net Worth does not exceed Rs. 25 Crores as on 31<sup>st</sup> March, 2018 to the extent that they are addition to the requirements specified under the Companies Act, 2013.*

*Accordingly the Company has availed the exemption provided in the above Regulations. The Company has not prepared Corporate Governance Report as a part of Annual Report. The Company has decided not to opt for compliance of Regulation 27 for the time being.*

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

#### **A. Appointment of Company Secretary & Chief Financial Officer:**

As per Section 203 (1) (ii) & (iii), the Company is required to appoint Company Secretary & Chief Financial Officer. *The Company has not appointed Company Secretary & Chief Financial Officer, consequently the Annual Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2018 were not signed by Company Secretary & Chief Financial Officer.* In this regard the management of the Company has provided the following reply:

- (i) The Company has appointed Mr. Chandrakant Pandey as Compliance Officer of the Company who looks after the compliance of the Companies Act, 2013 and the SEBI Act and rules made there under;



- (ii) The Company has availed the services of Practicing Company Secretary for advising on compliance of Companies Act, 2013 and SEBI Act and rules made there under;
- (iii) The Volume and Scope of work for the Company Secretary and Chief Financial Officer are less and it is not a full time work and the job of Company Secretary and Chief Financial Officer are not attractive commensurate with the scope of work and salary.

**B. Constitution of Audit Committee & Nomination and Remuneration Committee:**

As per Section 177 and 178 of the Act, the Company is required to constitute Audit Committee & Nomination and Remuneration Committee. *The Company has not constituted Audit Committee & Nomination and Remuneration Committee.* In this regard the management of the Company has provided the following reply:

- (i) The Volume and Nature of business is very small. The Company does not have the function of Audit Committee & Nomination and Remuneration Committee.

**C. Appointment of Internal Auditor:**

As per Section 138 of the Act, the Company is required to appoint Internal Auditor. *The Company has not appointed Internal Auditor.* In this regard the management of the Company has provided the following reply:

- (i) The size of operation of the Company is very small, accordingly, it is not viable to appoint Internal Auditor but the Company has established the internal control system.

**D. Website Posting:**

As per the various sections of the Companies Act, 2013, regulations of the SEBI (LODR) Regulations, 2015 and Secretarial Standard – 2, the Company is required to post various information / policies on the website of the Company. *The Company has not posted some of the information / policies on the website of the Company.* In this regard the management of the Company has provided the following reply:

- (i) The Company is filing regularly all the information with BSE and all the information is available on the website of BSE.

**We further report that**

The present constitution of Board of Directors is represented by 2 Executive Director and 1 Non-Executive Promoter Director. As per Section 149 of the Companies Act, 2013, the Company is required to appoint Independent Director and Woman Director. *The Company has not appointed Independent Director and Woman Director.* In this regard the management of the Company has provided the following reply:

- (i) The Volume and Nature of business is very small. Therefore, it is not viable to appoint Independent Director and Woman Director.

There were no changes in the composition of the Board of Directors took place during the period under review.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**We further report that** the Company has adopted new set of Articles of Association of the Company in order to make the Articles of Association of the Company in tandem with the relevant sections / provisions under the Companies Act, 2013 and rules made thereunder. The new AOA substituted in place of the existing AOA are based on Table 'F' of the Act which sets out the model Articles of Association for a Company limited by shares.

Pursuant to Section 14 of the Companies Act, 2013, the consent of the members of the Company by way of a Special Resolution has been taken in the 32<sup>nd</sup> Annual General Meeting held on 22<sup>nd</sup> September, 2018 for adoption of a new set of Articles of Association of the Company. The same has been registered with Registrar of Companies.

**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, there were no instances of:

1. Public / Right / Preferential issue of Shares / Debentures / Sweat Equity, etc.
2. Redemption / Buy-Back of Securities
3. Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013
4. Merger / Amalgamation / Reconstruction, etc.
5. Foreign Technical Collaborations

Place: Mumbai

Date: 30<sup>th</sup> May, 2019

**Pradip Shah**  
**For P. P. Shah & Co.,**  
**Practicing Company Secretaries**  
**FCS No. 1483, C P No.: 436**

**ANNEXURE 'B' TO BOARD'S REPORT**  
**EXTRACT OF ANNUAL RETURN**  
**FORM NO. MGT - 9**

As on the financial year ended 31.03.2019

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

**I. REGISTRATION AND OTHER DETAILS**

CIN	L67120WB1985PLC038900
Registration Date	7 <sup>th</sup> May, 1985
Name of the Company	THE FIRST CUSTODIAN FUND (INDIA) LTD
Category of the Company	Company Limited by Shares
Sub-Category of the Company	Indian Non -- Government Company
Address of the Registered Office and contact details	11 Camac Street, Kolkata – 700 017 Tel. No. – 033 2282 1628 Fax No. – 033 2282 2633E mail – tfcfil@rediffmail.com
Whether listed company	Yes. Listed on BSE Limited *
Name, address and contact details of Registrar and Transfer Agent, if any	Sharex Dynamic (India) Pvt. Ltd., Unit – 1, Luthra Industrial Premises, Andheri-Kurla Road, Safed Pool, Andheri – E, Mumbai – 400 072 Tel. No. – 022 2851 5606 Fax No. – 022 2851 2885 Email – investor@sharexindia.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:**

Sr.No.	Name and Description of main Products / Services	NIC Code of the Product / Service *	% to total turnover of the Company
1.	Investment, Arbitrage And Trading In Shares	66190	100%

\* As per National Industrial Classification – Ministry of Statistics and Programme Implementation

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

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

# THE FIRST CUSTODIAN FUND (INDIA) LTD.



## IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2018)				No. of Shares held at the end of the year (As on 31.03.2019)				% Change During The yr
	Demat	Physical	Total	% of	Demat	Physical	Total	% of Total shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	345412	0	345412	23.03	347227	0	347227	23.15	+0.12
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	441344	0	441344	29.42	441344	0	441344	29.42	0.00
e) Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-Total(A) (1):</b>	<b>786756</b>	<b>0</b>	<b>786756</b>	<b>52.45</b>	<b>788571</b>	<b>0</b>	<b>788571</b>	<b>52.57</b>	<b>+0.12</b>
<b>(2) Foreign</b>									
a) NRIs- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) QFI	0	0	0	0.00	0	0	0	0.00	0.00
e) Banks/ FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub- Total (A) (2):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoter and Promoter Group (A) = (A)(1) + (A)(2)</b>	<b>786756</b>	<b>0</b>	<b>786756</b>	<b>52.45</b>	<b>788571</b>	<b>0</b>	<b>788571</b>	<b>52.57</b>	<b>+0.12</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds / UTI	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	300	300	0.02	0	300	300	0.02	0.00
<b>Sub-Total (B)(1):</b>	<b>0</b>	<b>300</b>	<b>300</b>	<b>0.02</b>	<b>0</b>	<b>300</b>	<b>300</b>	<b>0.02</b>	<b>0.00</b>
<b>(2) Non-Institutions</b>									
<b>a) Bodies Corporate</b>									
i) Indian	31910	2600	34510	2.30	30731	2400	33131	2.20	-0.10
ii) Overseas	69000	0	69000	4.60	69000	0	69000	4.60	0.00
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital up to Rs. 2 Lacs	134701	335395	470096	31.34	136632	331995	468627	31.24	-0.10
ii) Individual shareholders holding nominal share capital in excess of Rs. 2 Lacs	46751	21900	68651	4.58	68651	0	68651	4.58	0.00
<b>c) Others (specify)</b>									
i) NRI / OCBS	5626	61600	67226	4.48	6326	61600	67926	4.53	+0.05
ii) Clearing Members/Clearing House	1926	0	1926	0.13	2227	0	2227	0.15	+0.03
iii) NBFCs registered with RBI	0	0	0	0.00	200	0	200	0.01	+0.01
iv) HUF	1535	0	1535	0.10	1367	0	1367	0.09	-0.01
<b>Sub-Total (B)(2):</b>	<b>291449</b>	<b>421495</b>	<b>712944</b>	<b>47.53</b>	<b>315134</b>	<b>395995</b>	<b>711129</b>	<b>47.41</b>	<b>-0.12</b>
<b>Total Public Shareholding Public Group (B) = (B)(1) + (B)(2)</b>	<b>291449</b>	<b>421795</b>	<b>713244</b>	<b>47.55</b>	<b>315134</b>	<b>396295</b>	<b>711429</b>	<b>47.43</b>	<b>-0.12</b>
<b>Total (A) + (B)</b>	<b>1078205</b>	<b>421795</b>	<b>1500000</b>	<b>100.00</b>	<b>1103705</b>	<b>396295</b>	<b>1500000</b>	<b>100.00</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Total (A + B + C)</b>	<b>1078205</b>	<b>421795</b>	<b>1500000</b>	<b>100.00</b>	<b>1103705</b>	<b>396295</b>	<b>1500000</b>	<b>100.00</b>	<b>0.00</b>

# THE FIRST CUSTODIAN FUND (INDIA) LTD.



## i) Shareholding of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year (As on 01.04.2018)			Shareholding at the end of the year (As on 31.03.2019)			% 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.	Vimala Mantri	74,550	4.97	0.00	74,550	4.97	0.00	0.00
2.	Surendra Banthia	74,500	4.97	0.00	74,500	4.97	0.00	0.00
3.	Rajendra Banthia	15,000	1.00	0.00	15,000	1.00	0.00	0.00
4.	Shrikant Mantri	11,782	0.79	0.00	11,980	0.80	0.00	+0.01
5.	Harvestdeal Securities Ltd	8,794	0.59	0.00	8,794	0.59	0.00	0.00
6.	Sangharsh Finvest Pvt Ltd	3,74,700	24.98	0.00	3,74,700	24.98	0.00	0.00
7.	Rajendra Kumar Banthia (HUF)	55,000	3.67	0.00	55,000	3.67	0.00	0.00
8.	Dhanluxmi Textiles Ltd	57,850	3.86	0.00	57,850	3.86	0.00	0.00
9.	Sushil Kumar Mantri	74,500	4.97	0.00	74,500	4.97	0.00	0.00
10.	Saroj Banthia	4,500	0.30	0.00	4,500	0.30	0.00	0.00
11.	Manish Banthia	35,580	2.37	0.00	37,197	2.48	0.00	+0.11
	<b>Total</b>	<b>7,51,176</b>	<b>52.45</b>	<b>0.00</b>	<b>7,88,571</b>	<b>52.57</b>	<b>0.00</b>	<b>+0.12</b>

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

	Shareholding at the beginning of the year (As on 01.04.2018)		Cumulative Shareholding during the year (As on 31.03.2019)	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
<b>Manish Banthia</b>				
At the beginning of the year	35,580	2.37		
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	+1,617 (Acquired on 16/11/18)	+0.11	37,197	2.48
At the end of the year			<b>37,197</b>	<b>2.48</b>
<b>Shrikant Mantri</b>				
At the beginning of the year	11,782	0.79		
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	+198 (Acquisition on 29/11/18)	+0.01	11,980	0.80
At the end of the year			<b>11,980</b>	<b>0.80</b>

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (As on 01.04.2018)		Shareholding at the end of the year (As on 31.03.2019)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Dhanlaxmi Enterprises Limited	69,000	4.60	69,000	4.60
2.	Asha Chokhany	24,801	1.65	24,801	1.65
3.	Monisha G Damani	21,950	1.46	21,950	1.46
4.	Kishori Modani	21,900	1.46	0	0.00
5.	Chebur Dealer Pvt Ltd	16,250	1.08	16,250	1.08
6.	VSL Securities Private Limited	9,968	0.66	9,968	0.67
7.	Aarti Devi Soni	8,600	0.57	8,600	0.57
8.	B Subodh	6,250	0.42	6,250	0.42
9.	Sarju Bai Mundra	5,840	0.39	5,840	0.39
10.	Meghna Chokhany	5,003	0.33	5,003	0.33
11.	Meghna Mahesh Purohit	0	0.00	21,900	1.46

v) Shareholding of Directors and Key Managerial Personnel

	Shareholding at the beginning of the year (As on 01.04.2018)		Cumulative Shareholding * during the year (As on 31.03.2019)	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
<b>A. DIRECTORS</b>				
At the beginning of the year				
Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease(e.g. allotment /transfer/ bonus/sweat equity etc)		Promoter Director Shareholding and their changes have already been given in the earlier table.		
At the end of the year				
<b>B. KEY MANAGERIAL PERSONNEL</b>				
At the beginning of the year				
Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease(e.g. allotment /transfer/ bonus/sweat equity etc)		Nil		
At the end of the year				

## V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	(Amount in Rs.) Total Indebtedness
<b>Indebtedness at the beginning of the financial year (01.04.2018)</b>				
i) Principal Amount	48,16,565	0.00	0.00	48,16,565
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (i+ii+iii)</b>	<b>48,16,565</b>	<b>0.00</b>	<b>0.00</b>	<b>48,16,565</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	0.00	0.00	0.00	0.00
Reduction	12,76,679	0.00	0.00	12,76,679
<b>Net Change</b>	<b>(12,76,679)</b>	<b>0.00</b>	<b>0.00</b>	<b>(12,76,679)</b>
<b>Indebtedness at the end of the financial year(31.03.2019)</b>				
i) Principal Amount	35,39,886	0.00	0.00	35,39,886
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (i+ii+iii)</b>	<b>35,39,886</b>	<b>0.00</b>	<b>0.00</b>	<b>35,39,886</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Manish Banthia	Giriraj Dammani	Total Amount (In Rs.)
1.	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	0.00	5,88,000	5,88,000
	(b) Value of perquisites under Section 17(2) income Tax Act, 1961	0.00	0.00	0.00
	(c) Profit in lieu of salary under Section 17(3) Income Tax Act, 1961	0.00	0.00	0.00
2.	Stock Options	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00
4.	Commission	0.00	0.00	0.00
	- as % of profit	0.00	0.00	0.00
	- others, specify	0.00	0.00	0.00
5.	Others, please specify	0.00	0.00	0.00
	<b>Total (A)</b>	<b>0.00</b>	<b>5,88,000</b>	<b>5,88,000</b>
	<b>Ceiling As Per The Act</b>	<b>Minimum Remuneration upto Rs. 7,00,000 per month</b>	<b>Minimum Remuneration upto Rs. 7,00,000 per month</b>	<b>—</b>



# THE FIRST CUSTODIAN FUND (INDIA) LTD.



CUSTODIAN

## B. Remuneration to other Directors

### 1. Independent Directors

Particulars of Remuneration	Name of Director	Total Amount (In Rs)
- Fee for attending Board / Committee Meetings	0.00	0.00
- Commission	0.00	0.00
- Others, please specify	0.00	0.00
<b>Total (B)(2)</b>		<b>0.00</b>

Particulars of Remuneration	Name of Director Surendra Banthia	Total Amount (In Rs.)
- Fee for attending Board / Committee Meetings	0.00	0.00
- Commission	0.00	0.00
- Others, please specify	0.00	0.00
<b>Total (B)(2)</b>		<b>0.00</b>
<b>Total (B)= (B)(1)+ (B)(2)</b>		<b>0.00</b>
<b>Overall Ceiling as per the Act</b>		<b>Upto Rs. 100,000 per meeting</b>

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		(Amount in Rs.) Total Amount
		Chief Executive Officer	Head Compliance	
1.	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	0.00	0.00	0.00
	(b) Value of perquisites under Section 17(2) income Tax Act, 1961	0.00	0.00	0.00
	(c) Profit in lieu of salary under Section 17(3) Income Tax Act, 1961	0.00	0.00	0.00
2.	Stock Options	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00
4.	Commission	0.00	0.00	0.00
	- as % of profit	0.00	0.00	0.00
	- others, specify	0.00	0.00	0.00
5.	Others, please specify	0.00	0.00	0.00
	<b>Total (C)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>



## VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Sections of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding Fees imposed	Authority (RD/NCLT/COURT)	Appeal made, if any (give details)
<b>A. COMPANY</b>					
Penalty			None		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			None		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			None		
Punishment					
Compounding					

## INDEPENDENT AUDITOR'S REPORT For the year ended March 31, 2019

To the Members

THE FIRST CUSTODIAN FUND (I) LTD

### Report on the Financial Statements

- 1) We have audited the accompanying financial statements of **The First Custodian Fund (I) Ltd.**, which comprise the balance sheet as at **31 March 2019**, the statement of profit and loss and the cash flow statement for the year then ended, and significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

- 3) Our responsibility is to express an opinion on these financial statements based on our audit.
- 4) We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.
- 5) We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
- 6) An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
- 7) We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

## Opinion

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

## Report on Other Legal and Regulatory Requirements

- 9) 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 B**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 10) As required by section 143(3) of the act, we report that:
- We have sought and obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - In our opinion, proper books of accounts as required by law have been kept the Company so far as it appears from our examination of those books.
  - The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) rules, 2014.
  - On the basis of the written representations received from the directors as on 31<sup>st</sup> march, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on **31<sup>st</sup> March, 2019** from being appointed as a director in terms of Section 164(2) of the Act.
  - With respect to the adequacy of the internal financial controls over financial reporting of the company and the operative effectiveness of such controls refer to our separate report in **Annexure 'A'**
  - 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:
    - The company does have any pending litigations which would impact. Its financial position.
    - The Company did not have any long term contract including derivative contracts for which there were any material foreseeable losses.
    - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

## VIVEK KHANDOR & ASSOCIATES

*Chartered Accountants*

**Vivek Khandor**

Proprietor

Firm Reg. No. 133055W

M. No. 139388

Mumbai

Dated : 30/05/2019

## **"Annexure A" to the Independent Auditor's Report**

**Refer to in paragraph 10 of the Independent Auditors Report of even date to the members of The First Custodian Fund (I) Ltd. on the financial statements for the year ended 31.3.2019.**

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

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

### **Auditors' Responsibility**

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

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

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

## Meaning of Internal Financial Controls Over Financial Reporting

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

## Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at **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".

**VIVEK KHANDOR & ASSOCIATES**

*Chartered Accountants*

Mumbai  
Dated : 30/05/2019

**Vivek Khandor**  
Proprietor  
Firm Reg. No. 133055W  
M. No. 139388

## **"Annexure B" to the Independent Auditors' Report**

Referred to in paragraph 9 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended **March 31, 2019:**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
(b) As explained to us, the Company has a programme of physical verification of fixed assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with such programme, the management has physically verified fixed assets of significant value during the year and no material discrepancies were noticed on such verification.  
(c) The company does not have any immovable property.
- (ii) The Company is an investor in shares and also trades in futures & options. Hence the clauses to inventories is not applicable. However, the share as per books & as per demat statements are regularly verified by the management and any major discrepancies are properly dealt with.
- (iii) As per the information furnished, the Company has not granted any loans, Secured or unsecured, to companies, firm or other parties covered in the register maintained under Section 189 of the Companies Act. Therefore the provisions of the clause 3 (iii) (a) (iii) (b) & (iii) (c) of the said order are not applicable to the company.
- (iv) In our opinion and according to the information and explanation given to us, the Company has complied with the Section 73 to 76 or any other relevant provisions of the companies Act, 1956 and the rules framed there under and the directives issued by the Reserve Bank of India, wherever applicable, with regard to the deposit accepted from the public. No Adverse order is passed by CLB, NCL, RBI or any court.
- (v) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Companies Act, in respect of the loans and investments made, and guarantees and security provided by it. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 of the Companies Act.
- (vi) As informed, the company is not required to maintain any cost records prescribed by the Central Government under (d) of sub-section (l) of section 148 of the Act.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Income tax wealth Tax, Service Tax, Provident fund and other material statutory Dues applicable to it. As informed, statutory dues in the nature of Employees State insurance, investor Education & Protection fund, Sales tax, Custom duty, Excise duty and cess are not applicable to the company. According to the information and explanation given, no undisputed amount payable in respect of Income-Tax. Wealth tax, service tax, Custom Duty, Excise Duty and Cess were as at **31/3/2019** for a period of more than six months from the date they become payable.  
(b) According to the information and explanation given, there are no dues of Income-Tax / Sales Tax / Service Tax / Custom Duty / Excise Duty / Cess which have been deposited on account of any dispute.

- (viii) As per the information and explanation given to us, the Company has not defaulted in the repayment of dues to the Bank, financial institutions, etc. during the year.
- (ix) In our opinion and according to information and explanation given, the company has not given guarantees for loans taken from banks or financial institutions.
- (x) According to the information and explanations given, the company has not raised any IPO / FPO & term loans. Accordingly the provisions of clause 3(ix) of the order are not applicable to the Company.
- (xi) Based upon the audit procedures performed and information and explanations given, we report that no fraud on or by the Company has been noticed or reported by its employees or officers during the course of our audit.
- (xii) No managerial remuneration has been paid or provided.
- (xiii) The company is not a Nidhi Company, hence the Nidhi Rules, 2014 are not applicable.
- (xiv) Based upon the audit procedures performed and according to the information and explanation given to us, all transactions with related parties are in compliance with section 177 and 188 of Companies Act, where applicable and the details have been disclosed in the Financial statements etc. as required by the applicable accounting standards.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**VIVEK KHANDOR & ASSOCIATES**  
*Chartered Accountants*

Mumbai  
Dated : 30/05/2019

**Vivek Khandor**  
Proprietor  
Firm Reg. No. 133055W  
M. No. 139388



# THE FIRST CUSTODIAN FUND (INDIA) LTD.



## BALANCE SHEET AS AT 31st MARCH 2019

PARTICULARS	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
<b>i. Equity and Liabilities</b>			
<b>(1) Shareholders' fund</b>			
(a) Share Capital	2	15000000	15000000
(b) Reserve and Surplus	3	91482921	89191851
<b>(2) Non Current Liabilities</b>			
a) Long Term Borrowings	4	3539886	4816565
<b>(3) Current Liabilities</b>			
(a) Trade Payables	5	4183285	4275053
(b) Other current Liabilities	6	213599	249568
(c) Short-term provisions	7	3051066	1857700
<b>Total</b>		<b>117470757</b>	<b>115390737</b>
<b>ii. (1) Non-current Assets</b>			
(a) Fixed Assets			
(i) Tangible assets	8	6395358	7264710
(ii) Intangible assets			
(iii) Capital work -in-progress			
(iv) Intangible assets under development			
(b) Non-current investment			
(c) Deffered tax Assets(Net)		1030938	1222665
(d) Long-term loans and advances			
(e) Other non-current assets			
<b>(2) Current Assests</b>			
(a) Current Investments	9	19263733	21699165
(b) Inventories		-	-
(c) Trade Receivables	10	8345216	14465710
(d) Cash and cash equivalent	11	69732104	57886570
(e) Short-term loans and advances	12	12703408	12851917
(f) Other current assets			
<b>Total</b>		<b>117470757</b>	<b>115390737</b>
<b>NOTES ON ACCOUNTS</b>	1		

AS PER OUR ATTACHED REPORT OF EVEN DATE  
For VIVEK KHANDOR & ASSOCIATES  
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD

(CA. VIVEK KHANDOR)  
(Proprietor)  
M No: 139388  
Firm Regn. No. 133055W  
PLACE : MUMBAI  
DATE : 31.05.2019

DIRECTOR  
MANISH BANTHIA  
DIN 00117002

DIRECTOR  
GIRIRAJ DAMMANI  
DIN 00333241

# THE FIRST CUSTODIAN FUND (INDIA) LTD.



## PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019

PARTICULARS	Note No.	CURRENT YEAR RS.	PREVIOUS YEAR RS.
<b>INCOME</b>			
INTEREST		39,68,966	38,73,118
DIVIDEND		2,06,920	1,84,522
INCOME FROM OPERATION		14,01,583	17,48,359
SHORT TERM		1,39,919	33,14,184
LONG TERM		1,17,972	11,83,631
SHARE TRADING		-	1,36,740
F & O GAIN		23,38,069	60,045
MISC INCOME		-	4,589
<b>TOTAL</b>		81,73,429	1,05,05,188
<b>EXPENSES</b>			
PAYMENT TO EMPLOYEES	13	14,51,332	15,01,977
ADMINISTRATIVE & OTHER EXP.	14	22,17,588	18,19,769
FINANCIAL EXPENSES	15	3,98,693	2,43,877
DEPRECIATION	8	8,69,352	5,41,152
<b>TOTAL</b>		49,36,965	41,06,775
<b>PROFIT/(LOSS) Before Tax Rs.</b>		32,36,464	63,98,413
<i>Current Tax</i>		-7,50,000	-8,50,000
<i>Deffered Tax Assets/(liab.)</i>		-1,91,727	-1,58,045
<i>Income Tax Paid-W/off/Provision Add Back</i>		-3,665	4,065
<b>PROFIT/(LOSS) After Tax Rs.</b>		22,91,072	53,94,433
BALANCE B/F FROM PREVIOUS YEAR		8,55,85,291	8,01,90,858
<b>PROFIT AVAILABLE FOR APPROPRIATION</b>		8,78,76,363	8,55,85,291
<b>NOTES ON ACCOUNTS</b>	1		

EARNING PER SHARE  
(Face Value Rs.10/- Per Share)

1.53

3.60

AS PER OUR ATTACHED REPORT OF EVEN DATE  
For VIVEK KHANDOR & ASSOCIATES  
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD

(CA. VIVEK KHANDOR)  
(Proprietor)  
M No: 139388  
Firm Regn. No. 133055W  
PLACE : MUMBAI  
DATE : 30.05.2019

DIRECTOR  
MANISH BANTHIA  
DIN 00117002

DIRECTOR  
GIRIRAJ DAMMANI  
DIN 00333241

**NOTE 1 – Notes Forming Part of Accounts  
Year Ended 31.3.2019**

**A. Significant Accounting Policies**

1. **Basis of Accounting**  
The financial statements have been prepared under the historical cost convention and on accrual basis in compliance with all material aspect of the applicable Accounting Standards in India and the relevant provisions of the Companies Act, 1956, except otherwise mentioned, the accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.
2. **Revenue Recognition**
  - a. Revenue from Broking income is recognised on completed contract method.
  - b. Dividend income is accounted on receipt basis.
  - c. Option premium Income is booked after the same is actually realised.
3. **Expenditure**  
Expenses are accounted on accrual basis and provisions are made for all known losses and liabilities.
4. **Fixed Assets**  
Fixed Assets are stated at cost less depreciation / impairment losses, if any. Cost includes cost of purchase and other cost attributable to bringing the assets to working condition for intended use.
5. **Depreciation**  
Depreciation is provided as per new rate at straight line method taking into consideration useful life of the asset.
6. **AS-28 Impairment of Assets**  
The carrying amounts of assets are reviewed at each Balance Sheet date for any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value.
7. **Foreign Currency Translation**  
Transactions in foreign currency (if any) are recorded at the rate of exchange prevailing on the date of transaction. Foreign currency monetary items are reported using closing rate of exchange at the end of the year. The resulting exchange gain/loss is reflected in the profit and loss account. Other items, like fixed assets, investments in equity shares are carried in terms of historical cost using the exchange rate at the date of transaction.
8. **Investments**  
Investments are shown as current investments and are valued at cost price.
9. **Taxation**  
Tax expense comprises of current and deferred tax  
  
Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961  
  
The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realized in future



Deferred tax assets in case of unabsorbed losses and unabsorbed depreciation are recognized only if there is virtual certainty that such deferred tax asset can be realized against future taxable profits

## 10. Contingent Liabilities & Provisions

Contingent Liabilities are possible but not probable obligations as on the Balance Sheet date, based on the available evidence.

Provisions are recognized when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

Provisions are determined based on best estimate required to settle the obligation at the Balance Sheet date.

## B. Notes to Accounts

1. Sundry Debit & Credit balances are subject to confirmation.

2. The company is in the process of identifying creditors covered under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

	<u>C. Y.</u>	<u>P. Y.</u>
3. Expenditure in foreign currencies:	Nil	Nil
Income in foreign currencies	Nil	Nil
4. Detail of Directors' Remuneration	Rs. 5,88,000	Rs. 5,88,000
5. Payment to Auditors	<u>Year</u>	<u>Year</u>
	<u>31.3.19.</u>	<u>31.3.18.</u>
For Statutory Audit	<u>180000</u>	<u>180000</u>
	<u>180000</u>	<u>180000</u>

## 6. Accounting Standard 17 – Segment Reporting

The Company is principally engaged in the business of Broking and related activities. Accordingly, there are no reportable segments as per AS 17.

## 7. Accounting Standard 18 – Related Party disclosure

### A. List of Related Parties

No subsidiary company

### B. Other Parties with whom the Company has entered into the transaction during the year

#### i. Other Group Company

1. Harvestdeal Securities Ltd.
2. Dhanlaxmi Textiles Pvt. Ltd.

**ii. Key Management Personnel**

1. Shri Manish Banthia
2. Shri Giriraj Damani

**iii. Relatives of Key Management Personnel**

**S.N. Name Relation with Key Management Personnel**

1. Shri R. K. Banthia Father of Manish Banthia

**C. During the year brokerage were earned with the related parties in the ordinary course of Business:**

**8. Earning per Share (EPS)**

	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Profits/Loss attributable to Shareholders (Rs.)	2291072	5394433
Nos. of Equity Shares	1500000	1500000
Basic/Diluted Earning Per Share	1.53	3.60

9. **Deferred Tax (Liability)/ Asset as at the year end comprise timing difference on account Of Depreciation, Capital Gains.**
10. Disclosure of provision as required under AS – 29 “Provisions Contingent Liabilities and Contingent Assets” NIL
11. All other information as required as per Para 4C and 4D of Para II of schedule VI to the Act are not applicable to the Company.
12. Information required as per Part IV of Schedule VI to the Companies Act, 1956 is attached herewith.

**For Vivek Khandor & Associates**  
Chartered Accountants

**For and on behalf of the Board**

**Vivek Khandor**  
Proprietor  
M. No. 139388  
Firm Reg. No. 133055W  
Place: **Mumbai**  
Dated: 30/05/2019

**MANISH BANTHIA**  
Director  
Din – 00117002

**GIRIRAJ DAMANI**  
Director  
Din – 00333241

# THE FIRST CUSTODIAN FUND (INDIA) LTD.



NOTES 2 TO 12 FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2019

PARTICULARS	As at 31st March 2019		As at 31st March 2018	
	No. of shares	Rs.	No. of shares	Rs.
<b>NOTE - 2</b>				
<b>SHARE CAPITAL</b>				
(a) <b>AUTHORISED</b>				
30,00,000 Equity shares of Rs. 10/- each	3000000	30000000	3000000	30000000
(b) <b>Issued, Subscribed and Paid up :</b>				
1500000 Equity shares of Rs. 10/- each	1500000	15000000	1500000	15000000
(P.Y. 1500000 Equity share of Rs.10/- each)				
Equity Shares outstanding at the beginning of the year	15,00,000	1,50,00,000	15,00,000	1,50,00,000
Equity Shares outstanding at the end of the year	15,00,000	1,50,00,000	15,00,000	1,50,00,000
(c) Details of shareholders holding more than 5% of shares				

PARTICULARS	Equity Shares			
	As at 31st March 2019		As at 31st March 2018	
	No. of shares Held	% of Holding	No. of shares Held	% of Holding
Equity Shares				
Sangharsh Finvest Pvt. Ltd	3,74,700	24.98	3,74,700	24.98
Others (Less than 5% each)	11,25,300	75.02	11,25,300	75.02
Total	15,00,000	100.00	15,00,000	100.00
<b>NOTE - 3</b>				
<b>RESERVE AND SURPLUS</b>				
Capital Reserve	1695798	1695798		
Investment Allowance Reserve	220000	220000		
General Reserve	1690760	1690760		
Profit & Loss	87876363	85585291		
	<b>91482921</b>	<b>89191849</b>		
<b>NOTE - 4</b>				
<b>NON CURRENT LIABILITIES</b>				
1. Car Loan From Daimler Financial Services (The above Loan is Secured against Motor Car)	3539886	4816565		
	<b>3539886</b>	<b>4816565</b>		
<b>NOTE - 5</b>				
<b>TRADE PAYABLE</b>	4183285	4275053		
	<b>4183285</b>	<b>4275053</b>		
<b>NOTE - 6</b>				
<b>OTHER CURRENT LIABILITIES</b>				
Creditors (Exps)	213599	249568		
	<b>213599</b>	<b>249568</b>		
<b>NOTE - 7</b>				
<b>SHORT TERM PROVISIONS</b>				
Income Tax	750000	1150000		
Option Premium	2301066	707700		
	<b>3051066</b>	<b>1857700</b>		

# THE FIRST CUSTODIAN FUND (INDIA) LTD.



CUSTODIAN

## SCHEDULES F FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2019

### NOTE-8

#### FIXED ASSETS

Particulars	Gross Block			Depreciation			Net Block	
	Balance as on 01.04.2018	Additions	Balance as on 31.03.2019	Balance as on 01.04.2018	For the Year	Balance as on 31.03.2019	Balance as on 31.03.2019	Balance as on 01.04.2018
Air Conditioner	194205	0	194205	80072	15424	95496	98709	114133
Furniture & Fixture	1617817	0	1617817	1591450	3768	1595218	22599	26367
Computer inclusive	5453432		5453432	5339396	54736	5394132	59300	72046
Office Equipment								41990
Motor Car	7908120		7908120	897946	795424	1693370	6214750	7010174
CURRENT YEAR	15173574	0	15173574	7908864	869352	8778216	6395358	7264710
PREVIOUS YEAR	8337592	6835982	15173574	7367712	541152	7908864	7264710	969880

### NOTE - 9

#### INVESTMENT IN SHARES - CURRENT INVESTMENTS

A) QUOTED	QTY.	AMT.	QTY.	AMT.
AUTOPAL IND	5600	413000	5600	413000
GTL LTD	9316	1023738	9316	1023738
HEXA TRADEX	3868	115236	3868	115236
INDIABULLS REAL ESTATE	-	-	2000	509127
JINDAL SAW	5000	440875	-	-
JINDAL POLY & INVEVSTMENT	950	0	950	0
JSW HOLDINGS LTD			1604	2840736
JSW STEEL	3030	874410	2030	594566
KARNATAKA BANK	20000	3048850	20000	3048850
MAHALAXMI SEAMLESS	11530	116090	11530	116090
MAHARASTRA SEAMLESS	9587	3912840	9182	3719127
MULTI COMODITY EXCHANGE	1000	1225000	1000	1225000
PADMINI TECHNOLOGY	1000	217960	1000	217960
PUNJAB WIRE	6100	506130	6100	506130
SANGHI POLY	351	1001	351	1001
TCM	100	355	100	355
TECH MAHINDRA	8	5437	8	5437
VEDENTA LTD	3000	955150	3000	955150
		12856071		15291503
<b>B) UNQUOTED</b>				
AQUA PHARMA	20000	200000	20000	200000
CADUBRY	50	61847	50	61847
CHEMINAR DRUG	50	14500	50	14500
KANORIA DYECEM	52500	525000	52500	525000
MAC AGRO INDUSTRIES	100	6315	100	6315
PAN AUTO	100000	1100000	100000	1100000
VISHAL FOOTWEAR	200000	1000000	200000	1000000
VISHWA AGRO	350000	3500000	350000	3500000
		6407662		6407662
<b>PER BALANCE SHEET RS.</b>		<b>19263733</b>		<b>21699165</b>

Aggregate Market Value quoted shares (Current Year : Rs. 10340787/-) (Previous Year Rs 13682227/-)



PARTICULAR	CURRENT YEAR RS.	PREVIOUS YEAR RS.
<b>NOTE - 10</b> <b>TRADE RECEIVABLE</b> WITH IN SIX MONTHS	153550	6274045
MORE THEN SIX MONTHS	8191666	8191666
<b>PER BALANCE SHEET RS.</b>	<b>8345216</b>	<b>14465710</b>

PARTICULAR	CURRENT YEAR RS.	PREVIOUS YEAR RS.
<b>NOTE - 11</b> <b>CASH &amp; CASH EQUVALENTS</b>	69732104	57886568
	<b>69732104</b>	<b>57886568</b>

<b>NOTE - 12</b> <b>LOANS &amp; ADVANCES</b>	12703408	12851917
<b>PER BALANCE SHEET RS.</b>	<b>12703408</b>	<b>12851917</b>



# THE FIRST CUSTODIAN FUND (INDIA) LTD.



<b>M/S THE FIRST CUSTODIAN FUND (INDIA) LTD</b>		
<b>NOTES '13' to '15' FORMING PART OF THE PROFIT &amp; LOSS ACCOUNT AS AT 31ST MARCH, 2019</b>		
<b>PARTICULARS</b>	<b>CURRENT YEAR RS.</b>	<b>PREVIOUS YEAR RS.</b>
<b>NOTE - 13</b>		
<b>PAYMENT TO EMPLOYEES</b>		
SALARIES	1341699	1391693
BONUS	102506	100239
STAFF WELFARE EXPENCES	7127	10045
<b>PER PROFIT AND LOSS ACCOUNT RS.</b>	<b>1451332</b>	<b>1501977</b>
<b>NOTE - 14</b>		
<b>ADMINISTRATIVE &amp; SELLING EXPENSES</b>		
ADVERTISEMENT & PUBLICITY	16920	16641
AVERGING DIFF	-557	-4405
ANNUAL LISTING FEE	250000	250000
BANK CHARGES	31807	2478
BOOKS & PERIODICALS	5630	5650
DEMAT CHARGES	59688	95387
DONATION	51100	41000
FILING FEE - R.O.C.	3600	3600
FDR HANDLING CHARGES		163581
GENERAL EXPENSES	134937	89831
INSURANCE PREMIUM	32541	17500
LEGAL EXPENCES	183935	159420
MESS EXPENCES	152792	147897
MOTOR CAR EXPENSES	183140	5000
NSE EXPENCES(CASH & FO)	3277	6966
PAYMENT TO AUDITORS	180000	180000
POSTAGE EXPENCES	73071	13186
PRINTING & STATIONERY	107787	87166
PROFESSIONAL TAX FIRM	2500	2500
RENT	24449	19717
REPAIRS & MAINTENANCE	234672	154097
STT AND OTHER EXPENSES	21205	84942
TELEPHONE EXPENCES	20572	29000
TRANSFER AGENT FEES	83015	44759
TRAVELLING & CONVEVANCE EXPENCES	3041	6460
LEASLINE CHARGES	358465	197398
<b>PER PROFIT AND LOSS ACCOUNT RS.</b>	<b>2217588</b>	<b>1819769</b>
<b>NOTE - 15</b>		
<b>FINANCIAL EXPENSES</b>		
BANK INTEREST	59633	37187
INTEREST ON CAR LOAN	339060	206690
<b>PER PROFIT AND LOSS ACCOUNT RS.</b>	<b>398693</b>	<b>243877</b>

# THE FIRST CUSTODIAN FUND (INDIA) LTD.



CUSTODIAN

## CASH FLOW STATEMENT PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT FOR THE YEAR ENDED ON 31ST MARCH 2019.

		Rupees 2018-19	Rupees 2018-19	Rupees 2017-18	Rupees 2017-18
<b>A)</b>	<b>Cash flow from operating Activities :</b>				
	Net Profit / Loss Before Tax and extraordinary items		3236464		6398413
	<b>Add/(less) Adjustments for :</b>				
	Depreciation	869352		541152	
	Interest Paid	398693		243877	
	Dividend received	(206920)		(184522)	
	Operation Profit before working capital change	1061125		600507	
	Adjustments for decrease in trades receivables	6120494		(4076067)	
	in trades payable	1065629	8247248	2629691	(845869)
	Cash Generated from operation		11483712		5552544
	Less : Interest Paid	(398693)		(243877)	
	Income tax paid	(796898)	(1195591)	(297825)	(541702)
	Cash out flow before Extraordinary items		10288121		5010842
	Extraordinary items		NIL		NIL
	<b>Cash out flow from operating Activities (A)</b>		<b>10288121</b>		<b>5010842</b>
<b>B)</b>	<b>Cash Flow Arising from Investing Activities :</b>				
	Purchase of Fixed Assets	NIL		(6835982)	
	Purchase of Investments	(1016488)		(10024604)	
	Sale of Investments	3495051		14882870	
	Dividend received	206920		184522	
	Decrease in Loans & Advances given	148509		(116479)	
	Income from M. Fund				
	<b>Net Cash Utilised/Realised in Investing Activities (B)</b>		<b>2833992</b>		<b>(1909673)</b>
<b>C)</b>	<b>Cash Flow from Financial Activities :</b>				
	Proceeds from issue of Share Capital	NIL		NIL	
	Decrease of long term loans	(1276579)		4816565	
	Dividend paid Including Dividend Tax	NIL		NIL	
	Public / right issue expenses	NIL		NIL	
	<b>Net Cash flow in Finance Activities (C)</b>		<b>(1276579)</b>		<b>4816565</b>
	Net Change in cash & cash equivalents (A+B+C)		11845534		7917734
	Opening Cash and cash equivalents		57886570		49968836
	Closing Cash and cash equivalents		<b>69732104</b>		<b>57886570</b>

Place : Mumbai

Dated : 30.05.2019

For and on Behalf of the Board

GIRIRAJ DAMANI

MANISH BANTHIA

### AUDITORS CERTIFICATE

The Board of Directors

The First Custodian Fund (I) Ltd.

We have examined the attached cash flow statement of your company for the year ended 31st March, 2019. The statements has been prepared by the company in accordance with the requirements of listing agreement clause 32 and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report of 30/05/2019 to the members of the company

**For Vivek Khandor & Associates**

Place : Mumbai.

Dated : 30.05.2019.

Chartered Accountants

(Vivek Khandor)

Proprietor