

AUGUST AGENTS LIMITED

REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31ST MARCH, 2019

AUGUST AGENTS LIMITED

CIN : U51109WB1996PLC076597
Regd. Office : Birla Building, 4th Floor,
9/1, R. N. Mukherjee Road,
Kolkata - 700 001.
Telephone : 66166 909 / 918 / 931
Telefax : 66166 922
Email ID : invcos@birlacorp.com

DIRECTORS

Shri S. K. Daga
Shri K. Damani
Shri P. Tondon - Managing Director
Shri R. P. Singh - Independent Director
Shri V. Sureka - Independent Director

CHIEF FINANCIAL OFFICER

Shri P. Tondon

COMPANY SECRETARY

Shri Satyendu Pattnaik

AUDITORS

M/s. Vidyarthi & Sons,
Chartered Accountants,
Madhuvan, 1st Floor,
L-3, Gandhi Nagar,
Gwalior (M. P.)

NOTICE

To the Shareholders

NOTICE is hereby given that the Annual General Meeting of the Shareholders of the Company will be held at 'Birla Building', 9/1, R. N. Mukherjee Road, Kolkata - 700 001 on Friday, the 31st May, 2019 at 11.00 a.m. for the following purposes:

- a) To receive, consider and adopt the audited Financial Statement of the Company for the year ended 31st March, 2019 and Auditors Report and the Report of Board of Directors thereon.
- b) to appoint a Director in place of Shri S. K. Daga (DIN: 00050168), who retires by rotation and being eligible, offers himself for reappointment.
- c) To declare dividend on the Equity Shares.

By Order of the Board

Regd. Office:
'Birla Building',
9/1, R. N. Mukherjee Road,
Kolkata - 700 001.
Dated the 23rd day of April, 2019

S. K. Daga
Director
DIN: 00050168

Note :

A member entitled to attend and vote at the above Meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member. Proxies in order to be effective must be received by the Company not less than 48 hours before the Meeting.

AUGUST AGENTS LIMITED

BOARD'S REPORT

TO THE MEMBERS OF AUGUST AGENTS LIMITED

The Directors take pleasure in presenting the Annual Report together with the audited financial statements for the year ended on **31st March 2019**.

1. FINANCIAL HIGHLIGHTS, RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

	For the year ended on 31 st March 2019 (Rs.)	For the year ended on 31 st March 2018 (Rs.)
Revenue from Operations (Gross)	10,94,69,399	7,07,16,030
Total Revenue	10,94,69,399	7,07,16,030
Profit before Tax	10,85,37,181	7,00,15,743
Tax Expenses	1,41,38,860	64,80,590
Profit after tax for the year	9,43,98,321	6,35,35,153
Surplus as per last financial year	1,66,54,380	1,58,26,258
Profit available for appropriation	11,10,52,701	7,93,61,411
Appropriations:		
Reserve Fund (under RBI Act, 1934)	188,79,664	1,27,07,031
Transferred to General Reserve	5,00,00,000	5,00,00,000
Net Surplus	11,10,52,701	1,66,54,380

Income for the year was Rs.10.95 Crores as compared to Rs. 7.07 Crores in the previous year 2017-2018. Profit before tax for the year was Rs.10.85 Crores as compared to Rs. 7.00 Crores in the previous year 2017-2018. Profit after tax for the year was Rs.9.44 Crores as compared to Rs. 6.35 Crores in the previous year 2017-2018.

2. DIVIDEND & RESERVE

After considering the Company's profitability and overall financial performance, the Board of Directors of the Company is pleased to recommend a dividend of Rs.2/- per equity share of Face Value Rs.10/- each i.e., 20% for the financial year ended on 31/03/2019 amounting to Rs.3.05 Crores. The Dividend, if approved by the members at the ensuing Annual General Meeting, shall be paid out of the Company's current year's profit in accordance with the provisions of the Companies Act, 2013. The Board proposes to transfer an amount of Rs.5.00 Crores to the General Reserves.

3. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

There are no significant and material orders passed by the regulators or courts or tribunals that would impact the going concern status of the Company or its future operations.

4. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT

There have been no material changes and commitments affecting the financial position between the end of the financial year and the date of the report.

5. 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.

6. RISK MANAGEMENT AND ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has a robust Business Risk Management framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimise adverse impact on the business objectives and enhance the Company's competitive advantage. The Company has adequate Internal Financial Control (IFC) over financial reporting and the same is commensurate with its size and operations.

7. DEPOSITS

Chapter V of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014 is not applicable to the Company since the Company is a Non Deposit-taking Non-Banking Finance Company registered with Reserve Bank of India. However, the Company has not accepted any deposit from the public also.

8. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors of the Company is properly constituted so as to comply with the stipulations under the Companies Act, 2013 and the rules made thereunder as well as the terms of the Memorandum and Articles of Association of the Company. During the financial year Shri S. K. Daga (DIN. - 00050168) retires by rotation and, being eligible, offers himself for re-election.

AUGUST AGENTS LIMITED

8.1. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS

Shri Ravindra Pratap Singh and Shri Vinay Sureka are Independent Directors on the Board of the Company. Independent Directors hold office for a fixed term of five years and are not liable to retire by rotation. The Independent Directors have submitted the Declaration of Independence, as required pursuant to section 149 of the Companies Act, 2013, stating that they meet the criteria of independence as stated therein.

8.2. MEETINGS

During the year under review 5 (Five) Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. The details of the meetings held are as under:

Board Meetings held during the Year

Dates on which the Board meetings were held	Total Strength of the Board	No. of Directors present
19/04/2018	5	5
21/06/2018	5	5
14/09/2018	5	5
10/12/2018	5	4
27/03/2019	5	5

Attendance of Directors at Board Meetings and Annual General Meeting

Name of Directors	Attendance at the Board Meetings held on					Attendance at AGM held on 4th July, 2018
	19/04/2018	21/06/2018	14/09/2018	10/12/2018	27/03/2019	
Shri S. K. Daga	√	√	√	√	√	√
Shri Krishna Damani	√	√	√	√	√	√
Shri Pradip Tondon	√	√	√	√	√	√
Shri R. P. Singh	√	√	√	√	√	√
Shri Vinay Sureka	√	√	√	Absent	√	√

9. DIRECTOR'S RESPONSIBILITY STATEMENT

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

- that in the preparation of the annual financial statements for the year ended March 31, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- that such accounting policies as mentioned in Note 2 of the Notes 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 the Company as at March 31, 2019 and of the profit of the Company for the year ended on that date;
- 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 the Company and for preventing and detecting fraud and other irregularities;
- that the annual financial statements have been prepared on a going concern basis;
- that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

10. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual return in Form MGT 9 is annexed herewith as "Annexure A".

11. RELATED PARTY TRANSACTIONS

Details of all the related party transactions that were entered into during the financial year are annexed herewith as "Annexure - B" in the prescribed format Form AOC-2 as per Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of The Companies (Accounts) Rules, 2014.

12. AUDITORS

12.1. Statutory Auditors

Messrs Vidyarthi & Sons, Chartered Accountants, Gwalior were appointed as Statutory Auditor of the Company to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2022 and their appointment is not required to be ratified each year at the Annual General Meeting of the Company.

AUGUST AGENTS LIMITED

12.2. Secretarial Auditors

The Board had appointed M/s. M. Rath & Co., Company Secretaries to conduct Secretarial Audit of the Company for the Financial Year – 2018 – 2019. The Secretarial Audit Report for the financial year ended on 31.03.2019 is annexed herewith as "Annexure C". The report is self – explanatory and does not call for any comments.

12.3. Audit Report

The Auditors' report along with Notes on Accounts is self-explanatory and therefore, does not call for any further comment under section 134(3) of the Companies Act, 2013. None of the Auditors of the Company have reported any fraud as specified in Section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

13. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Provisions of Section 134(3)(m) of the Companies Act, 2013 in regard to conservation of energy, technology absorption and foreign exchange earnings and outgo are not applicable to your Company.

14. COST RECORDS

The provisions of Section 148 of the Companies Act, 2013 are not applicable to the Company.


15. PARTICULARS OF EMPLOYEES

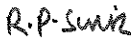
Provisions of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are not applicable as no employee was in receipt of such remuneration as prescribed under the section.

16. ACKNOWLEDGEMENTS

The Directors place on record their sincere appreciation to all the stake holders and the employees of the Company for their unstinted commitment and continued contribution to the Company.

Registered Office:
Birla Building
9/1, R. N. Mukherjee Road
Kolkata – 700 001.


S. K. DAGA
DIN. – 00050168


R. P. SINGH
DIN. – 00240910


P. TONDON
DIN. – 02936222


K. DAMANI
DIN. – 00050123


V. SUREKA
DIN. – 02845176

} Directors

} Managing
Director

AUGUST AGENTS LIMITED

ANNEXURE – A TO THE BOARD'S REPORT

Extract of Annual Report
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]

FORM No. MGT - 9

I. REGISTRATION AND OTHER DETAILS:

i)	CIN:	U51109WB1996PLC076597
ii)	Registration Date	15 th January 1996
iii)	Name of the Company	AUGUST AGENTS LIMITED
iv)	Category of the Company	Public Company
v)	Sub Category of the Company [Please tick whichever are applicable]	Limited by shares
vi)	Whether shares listed on recognized Stock Exchange(s)	No.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Financial Sector	0867	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate
1	Vindhya Telelinks Ltd.	L31300MP1983PLC002134	HOLDING
2	Insilco Agents Limited	U51109WB1995PLC074406	ASSOCIATE
3	Laneseda Agents Limited	U51909WB1995PLC075959	ASSOCIATE

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

[illegible]

AUGUST AGENTS LIMITED

e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)									
(2) Non-Institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2)									
Total Public Shareholding B=(B)(1)+(B)(2)									
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	15250200	15250200	100	0	15250200	15250200	100	0	0

B) Shareholding of Promoter:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding 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	Vindhya Telelinks Limited	15249600	100	0	15249600	100	0	0
2	Vindhya Telelinks Limited & Sushil Kumar Daga	100	0	0	100	0	0	0
3	Vindhya Telelinks Limited & Krishna Damani	100	0	0	100	0	0	0
4	Vindhya Telelinks Limited & Pradip Tondon	100	0	0	100	0	0	0
5	Vindhya Telelinks Limited & Yashvant Singh Lodha	100	0	0	100	0	0	0
6	Vindhya Telelinks Limited & Vinod Kumar Sharma	100	0	0	100	0	0	0
7	Vindhya Telelinks Limited & Umesh Varma	100	0	0	100	0	0	0

AUGUST AGENTS LIMITED

C) Change in Promoters' Shareholding: (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	No Changes during the year			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	No Changes during the year			
	At the end of the year	No Changes during the year			

D) Shareholding Pattern of top ten Shareholders: (other than Directors, Promoters and Holders of GDRs and ADRs)

NIL

E) Shareholding of Directors and Key Managerial Personnel:

None of the Directors and Key Managerial Personnel hold any beneficial interest in shares of the Company
--

F) Indebtedness – Indebtedness of the Company including interest outstanding/accrued but not due for payment:

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	0	0	0	0
Change in Indebtedness during the financial year				
* Addition				
* Reduction				
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	0	0	0	0

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SN.	Particulars of Remuneration	Name of MD / WTD / Manager	Total Amount (Rs.)
		Shri P. Tondon	
1	Gross salary	60000	60000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission - as % of profit - others, specify		
5	Others (Director's Sitting Fees)	10000	10000
	Total (A)	70000	70,000
	Ceiling as per the Act	The remuneration is well within the limits prescribed under the Companies Act, 2013	

AUGUST AGENTS LIMITED

B. Remuneration to other directors

S.No.	Particulars of Remuneration	Name of Directors				Total Amount (Rs.)
		S. K. Daga	K. Damani	R. P. Singh	V. Sureka	
1	Independent Directors					
	Fee for attending board committee meetings			10000	8000	18000
	Commission					
	Others, please specify					
	Total (1)			10000	8000	18000
2	Other Non-Executive Directors					
	Fee for attending board committee meetings	10000	10000			20000
	Commission					
	Others, please specify					
	Total (2)	10000	10000			20000
	Total (B)=(1+2)	10000	10000	10000	8000	38000
	Total Managerial Remuneration	10000	10000	10000	8000	38000
	Overall Ceiling as per the Act	The remuneration is well within the limits prescribed under the Companies Act, 2013				

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

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary		S. Pattnaik		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		30000		30000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	others, specify...				
5	Others, please specify				
	Total		30000		30000

VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

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

Registered Office:
Birla Building
9/1, R. N. Mukherjee Road
Kolkata - 700 001.

S. K. DAGA
DIN. - 00050168

R. P. SINGH
DIN. - 00240910

P. TONDON
DIN. - 02936222

K. DAMANI
DIN. - 00050123

V. SUREKA
DIN. - 02845176

Directors

Managing Director

AUGUST AGENTS LIMITED

ANNEXURE – B


Form No. AOC-2

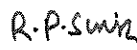
[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]


Form for Disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto



1. Details of contracts or arrangements or transactions not at arm's length basis.
 - (a) Name(s) of related party and nature of relationship : PRADIP TONDON (Managing Director & CFO)
 - (b) Nature of contracts / arrangements/ transactions : Agreement to act as Managing Director
 - (c) Durations of the contracts/ arrangements/ transactions : 5 years w.e.f. April 7, 2015
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any : Rs.5000/- (Rupees Five thousand only) per month i.e. Rs.60000/- (Rupees Sixty thousand only) per annum.
 - (e) Justification for entering into such contracts or arrangements or transactions : Required under Section 203 of the Companies Act, 2013
 - (f) Date(s) of approval by the Board : 30th March 2015
 - (g) Amount paid as advances, if any : Nil
 - (h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188 : 31st July 2015
2. Details of material contracts or arrangement or transactions at arm's length basis
 - (a) Name(s) of related party and nature of relationship : N.A.
 - (b) Nature of contracts / arrangements/ transactions : N.A.
 - (c) Durations of the contracts/ arrangements/ transactions : N.A.
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any : N.A.
 - (e) Date(s) of approval by the Board : N.A.
 - (f) Amount paid as advances, if any : N.A.

Registered Office:
Birla Building
9/1, R. N. Mukherjee Road
Kolkata – 700 001.


S. K. DAGA
DIN. – 00050168


R. P. SINGH
DIN. – 00240910


P. TONDON
DIN. - 02936222


K. DAMANI
DIN. - 00050123

V. SUREKA
DIN. - 02845176

Directors
Managing Director



**FORM No MR-3
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

[Pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018]

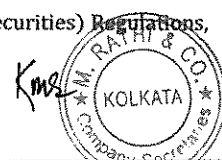
To,
August Agents Limited
9/1, R.N. Mukherjee Road
Kolkata- 700 001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. August Agents Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. The members are requested to read this report along with my letter of even date annexed to this report.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. August Agents Limited** ("the company") for the financial year ended on 31st March, 2019 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Company being an unlisted Public Limited Company the following Acts were not applicable:
 - a) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder
 - b) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder
3. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') for the financial year ended on 31st March, 2019 were not applicable:
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009- ;
 - e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;



- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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.

4. The following law(s) was specifically applicable to the Company, for which I relied upon the representations made by the Company and its officers for systems and mechanism framed by the Company and the books, papers, minute books, forms and return of which were examined by me on test check basis for this report.
- RBI Act, 1934
 - Prevention of Money Laundering Act, 2002
 - Prevention of Money Laundering (Maintenance of Records) Rules, 2005
 - NBFC -Non-Systemically Important- Non Deposit taking- Company (Reserve Bank) Directions, 2016.
5. I have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India.
6. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above *except that in one instance related return is filed belatedly.*

I further report that

- i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors. There were no changes in the composition of the Board of Directors during the period under review.
- ii) 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.
- iii) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
- iv) There are adequate systems and process in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the Audit period there was no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc., referred to above.

Place: Kolkata

Dated: 22 APR 2019

Signature:

Name of the Company : M. RATHI & CO.

Secretary in practice: KUMUD RATHI

M.No : F-6016

C.P.No. : 6209






(3)

'Annexure A'

To,
August Agents Limited
9/1, R.N. Mukherjee Road
Kolkata- 700 001

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis of my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules, and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. In the process of forming an opinion on compliances and issuing the report, I have taken into consideration the compliance related action taken by the Company after 31st March, 2019 but before the issue of this report.
7. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.


Kumkum Rathi
M.Rathi & Co.
Practicing Company Secretary
Membership No- F-6016
Certificate of Practice Number-6209



Date: 22 APR 2019
Place: Kolkata

VIDYARTHI & SONS

CHARTERED ACCOUNTANTS

MADHUVAN, 1ST FLOOR, L-3, GANDHI NAGAR, GWALIOR (M. P.)

PHONES: (0751) 2420870, 2420056 FACSIMILE: (0751) 2425091

E-MAIL: amitvidyarthi@hotmail.com

INDEPENDENT AUDITOR'S REPORT

To the Members of August Agents Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of August Agents Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss, Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31st March 2019, its profit and its cash flows for the year ended on that date.

Basis for Opinion

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

Management's Responsibility for the Financial Statements

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

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



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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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




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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on 31st March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Director during the year is in accordance with the provisions of Section 197 of the Act.
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Camp: Kolkata
Date: 23rd April 2019

For Vidyarthi & Sons
Chartered Accountants
Firm Reg. No 000112C

Amit S. Vidyarthi
Amit S. Vidyarthi
Partner
Membership No.F-078296

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Refer to in paragraph 1 under 'Report on other Legal and Regulatory Requirements' section of our report of even date)

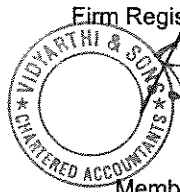
Report on Companies (Auditor's Report) Order, 2016 ("the order") issued by the Central Government of India in terms of Section 143(11) of the Companies Act, 2013("the Act") of AUGUST AGENTS LIMITED ("the Company")

- 1) The Company has no Fixed Assets. Accordingly, paragraph 3 (i) (a), 3 (i) (b) and 3 (i) (c) of the order is not applicable.
- 2) Since the Company does not have any Inventories, hence paragraph 3(ii) of the Order is not applicable to the company.
- 3) According to the information and explanation given to us and on the basis of our examination of the books of account, the company has not granted any loans secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act 2013. Accordingly, the provisions of the paragraph 3 (iii) (a), (b) and (c) of the order are not applicable to the company and hence not commented upon.
- 4) In our opinion and according to the information and explanation given to us, the company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 with respect to loans, investments, guarantees and securities.
- 5) The company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.
- 6) As per information and explanation given by the management, maintenance of cost records as prescribed by the Central Government under sub-section (1) of Section 148 of the Act has not been applicable to the company. Hence paragraph 3(vi) of the Order is not applicable to the company.
- 7) a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess any other statutory dues have generally been regularly deposited with the appropriate authorities.
b) According to the information and explanations given to us there were no outstanding statutory dues as on 31st March, 2019 for a period of more than six months from the date they became payable.
c) According to the information and explanations given to us, there are no amounts payable in respect of Income Tax, sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess which have not been deposited on account of any disputes.
- 8) According to information and explanation given to us the company has not taken loans or borrowings from financial institution, bank, government or dues to debenture holders, so the question for default in repayment does not arise.
- 9) According to the information and explanation given to us, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) and hence paragraph 3(ix) of the Order is not applicable.



- 10) Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the company has been noticed or reported during the year, nor have we been informed of such case by the management.
- 11) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- 12) As the company is not a Nidhi Company hence reporting under paragraph 3(xii) of the Order with respect to Nidhi Rules, 2014 is not applicable to the company.
- 13) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 wherever applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 14) According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- 15) According to the information and explanations given to us the company has not entered into any non-cash transactions with the directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- 16) The company is registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Camp :Kolkata
Date: 23rd April, 2019

For Vidyarthi & Sons
Chartered Accountants
Firm Registration No. 000112C

Amit S. Vidyarthi
Partner
Membership No. F-078296

'ANNEXURE – B' TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditor's Report of even date, in respect to the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") of M/s AUGUST AGENTS LIMITED for the year ended 31st March, 2019, we report that :

We have audited the Internal Financial Controls over financial reporting of **AUGUST AGENTS LIMITED ("the Company")** as of 31 March 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's 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") issued by ICAI and Standards of Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 authorizations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized 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 31st March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Camp: Kolkata
Date: 23rd April, 2019

For Vidyarthi & Sons
Chartered Accountants
Firm Registration No. 000112C

Amit S. Vidyarthi
Partner
Membership No. F-078296

AUGUST AGENTS LIMITED

CIN. - U51109WB1996PLC076597

BALANCE SHEET AS AT 31ST MARCH, 2019

PARTICULARS	Note No.	As at 31st March, 2019		As at 31st March, 2018	
		₹	₹	₹	₹
I. EQUITY AND LIABILITIES					
(1) Shareholders' Funds					
(a) Share Capital	2	152502000		152502000	
(b) Reserves & Surplus	3	<u>568326041</u>		<u>473927720</u>	
			720828041		626429720
(2) Current liabilities					
(a) Trade Payables	4	21600		21600	
(b) Short Term Provisions	5	<u>643750</u>		<u>551250</u>	
			665350		572850
TOTAL			<u><u>721493391</u></u>		<u><u>627002570</u></u>
II. ASSETS					
(1) Non-Current Assets					
(a) Non-Current investments	6	457211084		465391028	
(b) Long Term Loans & Advances	7	<u>257500000</u>		<u>157500000</u>	
			714711084		622891028
(2) Current Assets					
(a) Cash and Bank Balances	8	6050509		3718773	
(b) Short Term Loans & Advances	9	677881		338852	
(c) Other Current Assets	10	<u>53917</u>		<u>53917</u>	
			6782307		4111542
TOTAL			<u><u>721493391</u></u>		<u><u>627002570</u></u>

Significant Accounting Policies & Notes of Accounts

1-18

The accompanying Notes form an integral part of the Financial Statements

As per our Report annexed of date

For Vidyarthi & Sons

Chartered Accountants

Firm Registration No. 000112C

S.K.DAGA

(DIN : 00050168)

K. DAMANI

(DIN : 00050123)

R. P. SINGH

(DIN : 00240910)

V.SUREKA

(DIN : 02845176)

P.TONDON

(DIN : 02936222)

Directors

Amit S. Vidyarthi

Partner

Membership No. 078296

Camp Kolkata

Dated: the 23rd day of April, 2019



R.P. Singh

V. Sureka

P. Tondon

CFO & Managing Director

AUGUST AGENTS LIMITED

CIN. - U51109WB1996PLC076597

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

PARTICULARS	Note No.	For the year ended 31st March, 2019 ₹	For the year ended 31st March, 2018 ₹
I. Income :			
Revenue from Operations	11	109469399	70716030
Total		109469399	70716030
II Expenses :			
Employee Benefits Expense	12	262095	269300
Other Expenses	13	670123	430987
Total		932218	700287
III Profit before exceptional and extraordinary items and tax (I - II)		108537181	70015743
IV Tax Expenses :			
Current tax		(14200000)	(6500000)
Tax adjustment for earlier year		61140	19410
V Profit for the period from continuing operations (III - IV)		94398321	63535153
VI Earnings per equity share : {Nominal Value ₹ 10/- per share}			
-Basic / Diluted earning per share		6.19	4.17

Significant Accounting Policies & Notes of Accounts**1-18**

The accompanying Notes form an integral part of the Financial Statements

As per our Report annexed of date

For Vidyarthi & Sons

Chartered Accountants

Firm Registration No. 000112C

*Amit S. Vidyarthi***Amit S. Vidyarthi**

Partner

Membership No. 078296

Camp Kolkata

Dated: the 23rd day of April, 2019

**S.K.DAGA**

(DIN : 00050168)

K. DAMANI

(DIN : 00050123)

R. P. SINGH

(DIN : 00240910)

V.SUREKA

(DIN :02845176)

P.TONDON

(DIN :02936222)

CFO & Managing Director**Directors**

AUGUST AGENTS LIMITED

CIN. - U51109WB1996PLC076597

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

	For the Year ended 31st March, 2019	For the Year ended 31st March, 2018
A. Cash Flow from Operating Activities		
Net profit/(Loss) before taxation and extra ordinary items	108537181	70015743
Adjustments For :		
Interest Income	(20819851)	(15767522)
Dividend Income	(41782744)	(40028038)
Contingent Provision For Standard Assets	92500	
Surplus on sale of Investments	(46866804)	(14920470)
Operating Profit before Working Capital Changes	(839718)	(700287)
Movement in working Capital :		
(Increase) / Decrease in Current Assets	(407580)	50000
Increase / (Decrease) in Current Liabilities	-	(16540)
Cash from Operating Activities :	(1247298)	(666827)
Direct Taxes - Net	(14070309)	(6565075)
Net Cash from Operating Activities :	(15317607)	(7231902)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Interest Received	20819851	15767522
Dividend Received	41782744	40028038
Sales of Investment	134454671	138770021
Purchases of Investment	(79407923)	(187486482)
Net Cash from Investing Activities	117649343	7079099
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Loan given	(100000000)	-
Net Cash from Financing Activities	(100000000)	-
D. Net increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	2331736	(152803)
E. Cash & Cash Equivalents : (Opening Balance)	3718773	3871576
F. Cash & Cash Equivalents : (Closing Balance) (F- E)	6050509	3718773
Components of cash and cash equivalents as at 31st March 2019		
Cash on hand	4135	2416
Bank Balance with scheduled Banks	6046374	3716357
	6050509	3718773

As per our Report annexed of date

For Vidyarthi & Sons

Chartered Accountants

Firm Registration No. 000112C



Amit S. Vidyarthi

Partner

Membership No. 078296

Camp Kolkata

Dated: the 23rd day of April, 2019



S.K.DAGA

(DIN : 00050168)

K. DAMANI

(DIN : 00050123)

R. P. SINGH

(DIN : 00240910)

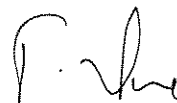
V.SUREKA

(DIN : 02845176)

P.TONDON

(DIN : 02936222)

R. P. Singh



CFO & Managing Director

Directors

AUGUST AGENTS LIMITED

CIN. - U51109WB1996PLC076597

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

1 Significant Accounting Policies:

1.1 Basis of Accounting:

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016 and the Directions issued by the Reserve Bank of India for Non-Banking Financial Companies. The financial statements have been prepared under the historical cost convention on an accrual basis except interest on Non Performing Loans that are recognised on realisation.

The accounting policies applied by the Company, are consistent with those used in the previous year.

1.2 Investments:

- (a) Long Term Quoted Investments are valued at Cost as per Accounting Standard 13 notified under Companies (Accounting Standards) Rules, 2006.
- (b) In case of decline in the value of investments other than temporary in nature, provision is made in the accounts.

1.3 Employee Benefits :

- (a) Employees benefits of Short Term nature are recognized as expense as and when it accrues.
- (b) Employees benefits of Long Term nature, covering eligible employees, are recognized as expense based on Projected Unit Credit Method of Actuarial Valuation.
- (c) Post Employment benefits, covering eligible employees, are recognized as expenses based on Projected Unit Credit Method of Actuarial Valuation.
- (d) Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss as income and expense.

1.4 Revenue Recognition:

Income and Expenditure are accounted on accrual basis.

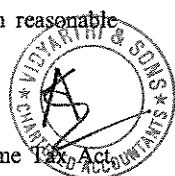
- (a) Revenue is recognised and reported to the extent it is virtually certain that the economic benefits will flow to the Company and the revenue can be reliably measured.
- (b) Interest Income is recognised as and when the same has accrued on time proportion basis and Company's right to receive interest is established.
- (c) Dividend Income is recognised when right to receive the same is established.

1.5 Contingencies:

Liability which are material and the future outcome of which cannot be ascertained with reasonable certainty, are treated as contingent and disclosed by way of Notes on account.

1.6 Taxation:

Current Tax is determined on the basis of amount of tax payable for the year under Income Tax Act, 1961. Deferred tax is calculated at current Income Tax rates and is recognized on timing difference between taxable income and accounting income that originate in one period and is capable of reversal in one or more subsequent periods.



AUGUST AGENTS LIMITED

CIN. - U51109WB1996PLC076597

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

		As at 31st March, 2019	As at 31st March, 2018
		₹	₹
NOTE 2 : SHARE CAPITAL			
	Authorised		
1,55,00,000	Equity Shares of ₹ 10/- each	155000000	155000000
		155000000	155000000
	Issued, Subscribed and Paid-up		
1,52,50,200	Equity Shares of ₹ 10/- each fully paid-up	152502000	152502000
		152502000	152502000

- i) The company has only one class of issued shares i.e. Equity shares having par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share and equal right for dividend. No preference and/or restrictions on distribution of dividend and repayment of capital is attached to the above shares.
- ii) There has been no change/movement in number of shares outstanding at the beginning and at the end of the reporting period and therefore no reconciliation is required.
- iii) The Company is a 100% Subsidiary of M/s.Vindhya Telelinks Ltd., the ultimate Holding Company.
- iv) **Share holders holding more than 5% of the Equity Shares of the company as per details given below :-**

Name of the Shareholders	As on 31.03.2019		As on 31.03.2018	
	No. of share held	% of holding	No. of share held	% of holding
Vindhya Telelinks Ltd.	15250200	100%	15250200	100%
	15250200	100%	15250200	100%

- v) No shares have been reserved for issue under options and contracts/commitments for the sale of shares/disinvestments as at the Balance Sheet date.
- vi) No shares have been allotted or have been bought back by the company during the period of five years preceding the date as at which the Balance Sheet is prepared.
- vii) No convertible securities have been issued by the company during the year.
- viii) No calls are unpaid by any Director and Officer of the Company during the year.
- ix) There are no forfeited shares.

NOTE 3 : RESERVES & SURPLUS

		As at 31.03.2019	As at 31.03.2018
		₹	₹
i)	RESERVE FUND (Under Reserve Bank Of India Act,1934)		
	As per last Financial Statements	104773340	92066309
	Add : Additions during the year	18879664	12707031
		123653004	104773340
ii)	GENERAL RESERVE		
	As per last Financial Statements	352500000	302500000
	Add : Additions during the year	50000000	50000000
		402500000	352500000
iii)	SURPLUS / (DEFICIT) IN THE STATEMENT OF PROFIT AND LOSS		
	As per last Financial Statement	16654380	15826258
	Add: Profit for the year	94398321	63535153
		111052701	79361411
	Less: Appropriations		
	Reserve Fund (Under Reserve Bank Of India Act, 1934)	18879664	12707031
	General Reserve	50000000	50000000
		68879664	62707031
	Net Surplus in the Statement of Profit and Loss	42173037	16654380
		568326041	473927720



AUGUST AGENTS LIMITED

NOTE 4 : TRADE PAYABLES *

For Services

* There are no outstanding dues of micro and small enterprises based on information available with the Company.

As at 31.03.2019	As at 31.03.2018
₹	₹
21600	21600
21600	21600

NOTE 5 : CURRENT LIABILITIES

Short Term Provisions

Other Provisions

Contingent Provision against Standard Assets

[under the provisions of Non Systemically important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential's Norms (Reserve Bank) Directions, 2015].

643750	551250
643750	551250

NOTE 6 : NON CURRENT INVESTMENTS

(a) Investment in Quoted Equity Instruments (Fully Paid up) (At Cost) :

	Face value	Quantity		
Birla Corporation Ltd.	10/-	6015912	151850742	151850742
Universal Cables Ltd.	10/-	799960	89436130	89436130
		(A)	241286872	241286872

(b) Investment in Un -Quoted Equity Instruments (Fully Paid up) :

Birla Furukawa Fibre Optics Ltd.	10/-	568002 (369844)	53046990	24314080
		(B)	53046990	24314080

(c) Investment in Tax Free Bond

Power Finance Corporation Ltd. @ 8.20% p.a.

1000/-	1424	1424000	1424000
	(C)	1424000	1424000

(d) Investment in Mutual Funds (Unquoted)

Canara Robeco Savings Plus Mutual Fund - Direct Growth Plan of Canara Robeco Mutual Fund	10/-	— (168044.633)	-	4000000
DSP BlackRock Banking and PSU Debt Fund Direct Growth of DSP BlackRock Mutual Fund	10/-	53783.419	570228	570228
DSP BlackRock Low Duration Fund Direct Growth of DSP BlackRock Mutual Fund	10/-	— (311307.581)	-	3500000
Edelweiss Arbitrage Fund Direct Plan Growth of Edelweiss Mutual Fund	10/-	— (645104.277)	-	7300000
Franklin India Low Duration Fund - Direct Plan - Growth of Franklin Templeton Mutual Fund	10/-	— (482986.790)	-	8000000
Franklin India Short Term Income Retail Plan - Direct - Growth of Franklin Templeton Mutual Fund	1000/-	— (988.992)	-	3700000
Franklin India Short Term Income Retail Plan Direct Growth of Franklin Templeton Mutual Fund	1000/-	— (2403.887)	-	6200000
HDFC Floating Rate Income Fund - STP Growth Direct Plan - Growth of HDFC Mutual Fund	10/-	— (263343.100)	-	7077925
HDFC Corporate Bond Fund - Direct Plan Growth of HDFC Mutual Fund	10/-	384338.531	5000000	5000000
HDFC Low Duration Fund - Direct Plan Growth of HDFC Mutual Fund	10/-	552894.402 (—)	22000000	-
HDFC Short Term Debt Fund - Direct Plan Growth of HDFC Mutual Fund	10/-	284957.674 (—)	5800000	-
HDFC Short Term Opportunities Fund - Direct Plan Growth of HDFC Mutual Fund	10/-	— (1223506.594)	-	17092068
HSBC Short Duration Fund - Growth of HSBC Mutual Fund	10/-	— (597170.498)	-	11000000
ICICI Prudential Flexible Income Plan Direct Plan Growth of ICICI Prudential Mutual Fund	100/-	— (53988.08)	-	14532926



	Face value	Quantity	As at 31.03.2019	As at 31.03.2018
			₹	₹
ICICI Prudential Short Term Plan - Direct - Growth of ICICI Prudential Mutual Fund	10/-	566488.059	19906674 ✓	19906674
IDFC Banking & PSU Debt Fund Direct Plan Growth of IDFC Mutual Fund	10/-	386986.080 (967042.413)	6141817 ✓	9900000
IDFC Credit Opportunity Fund - Direct - Growth of IDFC Mutual Fund	10/-	— (537139.779)	-	5752284
IDFC Dynamic Bond Fund - Growth Regular Plan of IDFC Mutual Fund	10/-	— (1218597.056)	-	15950600
IDFC Dynamic Bond Fund Direct Plan Growth of IDFC Mutual Fund	10/-	— (57762.066)	-	1000000
IDFC Dynamic Corporate Bond Fund Direct Plan Growth of IDFC Mutual Fund	10/-	450000.000	4500000 ✓	4500000
JM Short Term Fund - Growth Option of JM Financial Mutual Fund	10/-	— (89931.986)	-	1356003
Kotak Bond Short Term -Direct Plan Growth of Kotak Mutual Fund	10/-	— (266639.810)	-	6227368
Kotak Low Duration Fund -Direct Plan Growth of Kotak Mutual Fund	1000/-	7404.139 (1843.694)	16400000 ✓	3600000
L&T Ultra Short Term Fund - Direct Plan Growth of L&T Mutual Fund	10/-	373421.303 (391689.907)	9934503 ✓	10000000
Reliance Prime Debt Fund - Direct Growth of Reliance Mutual Fund	10/-	408975.486	13400000 ✓	13400000
Reliance Short Term Fund Direct Plan Growth of Reliance Mutual Fund	10/-	359392.043	10900000 ✓	10900000
Tata Treasury Advantage Fund - Direct Growth of Tata Mutual Fund	1000/-	14346.838 (---)	39000000 ✓	-
UTI Fixed Term Income Fund - Series - XXVIII - VII (1169 days) of UTI Mutual Fund	10/-	790000.000	7900000 ✓	7900000
		(D)	161453222	198366076
		(A+B+C+D)	457211084	465391028

Aggregate value of Quoted Investment	3330855447	4404047082
Aggregate value of Un-Quoted Investment*	54653152	31784393
Aggregate market value of Bond	1424000	1424000
Aggregate NAV of Mutual Fund	180668839	249890456

Inter Corporate Loan	257500000	157500000
	<u>257500000</u>	<u>157500000</u>

Balances with Banks	6046374	3716357
Cash in hand	4135	2416
	<u>6050509</u>	<u>3718773</u>

677881	338852
<u>677881</u>	<u>338852</u>

53917	53917
<hr/>	<hr/>
53917	53917



AUGUST AGENTS LIMITED

NOTE 11 : REVENUE FROM OPERATION :	For the year ended 31.03.2019	For the year ended 31.03.2018
	₹	₹
Dividend Income		
On Long Term Investments	41782744	40028038
	(A) <u>41782744</u>	<u>40028038</u>
Interest Income		
On Loan	20703083	15650754
On Bond	116768	116768
	(B) <u>20819851</u>	<u>15767522</u>
Net gain/ (loss) on sale of Non-Current Investments		
Long Term	39057211	11600490
Short Term	7809593	3319980
	(C) <u>46866804</u>	<u>14920470</u>
	(A+B+C) <u>109469399</u>	<u>70716030</u>

NOTE 12 : EMPLOYEE BENEFIT EXPENSES

Salaries & Wages (including Managing Director's remuneration)	230855	263280
Staff Welfare Expenses	31240	6020
	<u>262095</u>	<u>269300</u>

NOTE 13 : OTHER EXPENSES

Rates & Taxes	15302	18451
Auditors' Remuneration (Refer to Note 13.1)	43837	38976
Directors Fees	48000	40000
Miscellaneous Expenses	45054	55310
Legal & Professional Fees	425430	278250
Contingent Provision against Standard Assets	92500	-
<i>[under the provisions of Non Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential's Norms (Reserve Bank) Directions, 2015].</i>	<u>670123</u>	<u>430987</u>

NOTE 13.1 : AUDITOR'S REMUNERATION

Statutory Auditors -		
Audit Fees	23600	23600
Tax Audit Fees	8850	7500
Issue of Certificates	5900	7876
Reimbursement of Expenses	5487	-
	<u>43837</u>	<u>38976</u>

NOTE 13.2 : DIVIDEND

The Board of Directors in its Meeting held on 23rd April, 2019 has recommended a dividend of ₹ 2/- (₹ Two only) per share per fully paid up equity share of Rs. 10/- each for the financial year ended 31st March, 2019. The same is subject to approval by the shareholders in the ensuing Annual General Meeting of the Company.



AUGUST AGENTS LIMITED

NOTE 14 : RELATED PARTY DISCLOSURE

As per Accounting Standard 18 (AS-18) notified under Companies (Accounting Standards) Rules, 2006, the related parties are as under :

(a) Holding Company :	M/s. Vindhya Telelinks Limited		
(b) Fellow Subsidiaries :	M/s. Laneseda Agents Limited		
	M/s. Insilco Agents Limited		
(c) Key Managerial Personnel :	Mr.P.Tondon (CFO & MD.)		
	Mr. S. Pattnaik (C.S.)		
(d) Transaction with Related Party:		31.03.2019	31.03.2018
(e) Managerial Remuneration:			
Managing Director's Remuneration			
- Mr. P. Tondon		60000	60000
Director's Sitting Fees			
- Mr. P. Tondon		10000	8000
Remuneration to Company Secretary			
- Mr. S. Pattnaik		30000	5000

NOTE 15 : The Company has net Deferred Tax Assets of ₹ NIL (Previous year ₹ 1,61,625/-) on account of Long Term Capital Losses as per Accounting Standards 22- "Accounting for Taxes on Income". The same has not been accounted for during the year due to uncertainty of future taxable income as per AS-22 notified under the Companies (Accounting Standards) Rules, 2006.

NOTE 16 : Information on Earnings per Share – pursuant to AS – 20 notified under Companies (Accounting Standards) Rules, 2006.

		For the year ended 31.03.2019	For the year ended 31.03.2018
Profit Attributable to the shareholders (₹)	A	94398321	63535153
Basic/ Weighted average number of Equity Shares outstanding during the year	B	15250200	15250200
Nominal Value of Equity Shares (₹)		10/-	10/-
Basic/diluted Earnings per share (₹)	A/B	6.19	4.17

NOTE 17 : EMPLOYEES BENEFIT

In accordance with the revised Accounting Standard - 15, i.e. Employee Benefits, the Company has recognized the short term employee benefits and accordingly paid for the services rendered by the employees for that period. Long Term Benefits are not payable to the employees of the Company, as the Company is not under any Statutory as well as Contractual obligation.

Note 18 : Figures for the Previous Year have been re-grouped / re-arranged wherever necessary.

As per our Report annexed of date

For Vidyarthi & Sons

Chartered Accountants

Firm Registration No. 000112C

Amit S. Vidyarthi

Partner

Membership No. 078296

Camp Kolkata

Dated: the 23rd day of April, 2019

S.K.DAGA
(DIN : 00050168)

K. DAMANI
(DIN : 00050123)

R. P. SINGH
(DIN : 00240910)

V.SUREKA
(DIN : 02845176)

P.TONDON
(DIN : 02936222)

Directors

CFO & Managing Director