



## ORISSA BENGAL CARRIER LTD

CIN:-U63090CT1994PLC008732

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### REPORT OF BOARD OF DIRECTORS

To,  
The Members,  
Orissa Bengal Carrier Limited

Your directors have pleasure in presenting the **23<sup>rd</sup> Annual Report** on the business and operations of the company for the year ended on **31<sup>st</sup> March, 2018** together with audited financial statements and the report of the directors and the auditors thereon.

#### 1. FINANCIAL RESULTS:

During the year under review, performance of the company is as under:

(Amount in Lacs `)

<u>PARTICULARS</u>	<u>31/03/2018</u>	<u>31/03/2017</u>
Revenue from Operation	38,438.98	21,285.06
Other Income	230.53	111.38
<b>Total Revenue</b>	<b>38,669.51</b>	<b>21,396.44</b>
Employees Benefits Expense	333.69	268.31
Finance Cost	328.74	252.39
Depreciation and Amortization Expenses	464.45	326.20
Other Expenses	378.51	322.94
<b>Profit/ (Loss) before Tax</b>	<b>961.10</b>	<b>583.66</b>
Current Tax	309.76	158.82
Deferred Tax	12.07	32.06
Earlier year income tax	1.18	-
<b>Profit/ (Loss) After Tax</b>	<b>638.09</b>	<b>392.78</b>
<b>Earnings Per Equity Share: Basic and Diluted (in Rs.)</b>	<b>17.66</b>	<b>22.78</b>

## **2. STATE OF COMPANY AFFAIRS AND FUTURE OUTLOOK:**

During the Year under review, Your Company has recorded Revenue from Operation of **Rs 38438.98 Lacs** and Net Profit after Tax of **Rs 638.09 Lacs** respectively. The financial result as reflected in the Statement of Profit & Loss of the Company is self-explanatory. Your directors are of the view that the company has signaled good progress and will continue to access the path of success in succeeding financial years and are hopeful for the bright future prospects. Moreover, it is also assured that the Management will leave no efforts untouched to increase the profitability in the forthcoming years also.

## **3. FINANCIAL STATEMENT**

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as `Listing Regulations`) and Section 136 of the Companies Act, 2013 read with Rule 10 of the Companies (Accounts) Rules, 2014, the Annual Report containing salient features of the financial statements, including for the financial year 2017-18, along with statement containing salient features of the Directors' Report (including Management Discussion & Analysis) is being sent to all shareholders, who have not registered their email address(es) for the purpose of receiving documents/ communication from the Company in electronic mode. Please note that you will be entitled to be furnished, free of cost, the full Annual Report 2017-18, upon receipt of written request from you, as a member of the Company.

Full version of the Annual Report 2017-18 containing complete Balance Sheet, Statement of Profit & Loss, other statements and notes thereto, including financial statements, prepared as per the requirements of Schedule III to the Companies Act, 2013, Directors' Report (including Management Discussion & Analysis and Corporate Governance Certificate) is being sent via email to all shareholders who have provided their email address(es).

Full version of Annual Report 2017-18 is also available for inspection at the registered office of the Company during working hours up to the date of ensuing Annual general meeting (AGM). It is also available at the Company's website.

## **4. DIVIDEND:**

In view of growth plans, your directors do not recommend any dividend for the Financial Year under review.

## **5. CHANGES IN NATURE OF BUSINESS:**

There is no change in the nature of business, as carried on by the company.

## **6. TRANSFER TO RESERVES**

The Company has not transferred any amount to reserves.

## **7. SHARE CAPITAL:**

The company has increased its Authorized Share Capital from ` 2,00,00,000/- to ` 24,00,00,000/-, by creation of additional 2,20,00,000 Equity Shares of ` 10/- each complied with all the legal formalities.

As known to all of us, the above proposals were passed in the Extra-Ordinary General Meeting held on **05<sup>th</sup> February, 2018** and it was resolved to alter the Memorandum of Association and Articles of Association. All the formalities regarding alteration have been duly completed.

Further, we are pleased to inform you that the Company has made an Initial Public Offer of **55,64,000** Equity Shares of Rs. 10/- each for a consideration of Rs. 30/- per Equity Shares including a share premium of Rs. 20/- per equity Shares vide prospectus dated 15<sup>th</sup> March, 2018.

The Company has successfully completed the Initial Public Offer (IPO) during the year pursuant to the applicable SEBI Rules and Regulations. The issue opening date was 22<sup>nd</sup> March, 2018 and the issue closing date was 26<sup>th</sup> March, 2018.

The IPO of the Company received great response from the public and the issue was oversubscribed. The Company got listed with the Bombay Stock Exchange on the SME Platform on **05<sup>th</sup> April, 2018**. The Equity Shares of the Company as Listed on SME Platform for BSE Limited are on regular and continuous trading. Further the Company is regular in compliances of various clauses and regulations of the Listing Agreement and/or LODR.

## **8. ALLOTMENT OF SHARES UNDER BONUS ISSUE:**

The Company has allotted **1,37,94,480** Equity Shares of Rs. 10 each during the year under review as Bonus share in the ratio of 8 equity shares of Rs. 10 each for every 1 Equity shares of Rs. 10 each held by the existing Shareholders of the Company on **10<sup>th</sup> February, 2018** after taking shareholders approval in the Extra-Ordinary General Meeting held on **05<sup>th</sup> February, 2018**.

## **9. EXTRACT OF THE ANNUAL RETURN IN FORM MGT-9:**

The extract of the annual return pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is furnished in "**Annexure A**" and is attached to this report.

## **10. BOARD MEETINGS AND INDEPENDENT DIRECTORS MEETING:**

During the year under review, Thirty Eight (38) Board meetings were held. The maximum time-gap between any two consecutive meetings did not exceed 120 days. The Details of Board meeting are as follows:-

**DETAILS OF BOARD MEETING HELD IN FINANCIAL YEAR 2017-18**

S.NO	DATE	DIRECTORS PRESENT						
		Ratan Kumar Agrawal	Manoj Kumar Agrawal	Shakuntala Devi Agrawal	Subhash Chand Mittal	Chandan Jain	Sahil Batra	Raj Kumar Jain
1	17/04/2017	YES	YES	YES	-	-	N.A.	N.A.
2	25/04/2017	YES	YES	YES	-	-	N.A.	N.A.
3	04/05/2017	YES	YES	YES	-	-	N.A.	N.A.
4	08/05/2017	YES	YES	YES	-	-	N.A.	N.A.
5	15/05/2017	YES	YES	YES	-	-	N.A.	N.A.
6	18/05/2017	YES	YES	YES	-	-	N.A.	N.A.
7	05/06/2017	YES	YES	YES	-	-	N.A.	N.A.
8	07/06/2017	YES	YES	YES	-	-	N.A.	N.A.
9	12/06/2017	YES	YES	YES	-	-	N.A.	N.A.
10	05/07/2017	YES	YES	YES	-	-	N.A.	N.A.
11	07/07/2017	YES	YES	YES	-	-	N.A.	N.A.
12	18/07/2017	YES	YES	YES	-	-	N.A.	N.A.
13	08/08/2017	YES	YES	YES	-	-	N.A.	N.A.
14	24/08/2017	YES	YES	YES	-	-	N.A.	N.A.
15	05/09/2017	YES	YES	YES	YES	YES	N.A.	N.A.
16	07/09/2017	YES	YES	YES	N.A.	N.A.	N.A.	N.A.
17	20/09/2017	YES	YES	YES	N.A.	N.A.	N.A.	N.A.
18	09/10/2017	YES	YES	YES	N.A.	N.A.	N.A.	N.A.
19	25/11/2017	YES	YES	YES	N.A.	N.A.	N.A.	N.A.
20	28/11/2017	YES	YES	YES	N.A.	N.A.	N.A.	N.A.
21	29/11/2017	YES	YES	YES	N.A.	N.A.	N.A.	N.A.
22	15/12/2017	YES	YES	YES	N.A.	N.A.	YES	YES
23	18/12/2017	YES	YES	YES	N.A.	N.A.	-	-
24	23/12/2017	YES	YES	YES	N.A.	N.A.	-	-
25	05/01/2018	YES	YES	YES	N.A.	N.A.	-	-
26	10/01/2018	YES	YES	YES	N.A.	N.A.	YES	YES
27	01/02/2018	YES	YES	YES	N.A.	N.A.	-	-
28	03/02/2018	YES	YES	YES	N.A.	N.A.	-	-
29	05/02/2018	YES	YES	YES	N.A.	N.A.	-	-
30	10/02/2018	YES	YES	YES	N.A.	N.A.	-	-
31	13/02/2018	YES	YES	YES	N.A.	N.A.	-	-
32	14/02/2018	YES	YES	YES	N.A.	N.A.	-	-
33	23/02/2018	YES	YES	YES	N.A.	N.A.	-	-
34	26/02/2018	YES	YES	YES	N.A.	N.A.	-	-
35	27/02/2018	YES	YES	YES	N.A.	N.A.	-	-
36	15/03/2018	YES	YES	YES	N.A.	N.A.	-	-
37	16/03/2018	YES	YES	YES	N.A.	N.A.	-	-
38	26/03/2018	YES	YES	YES	N.A.	N.A.	-	-
<b>TOTAL MEETING ATTENDED BY THE DIRECTOR</b>		<b>38</b>	<b>38</b>	<b>38</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>2</b>

Further, Independent Directors' separate meeting was duly convened and held on 30.03.2018 to discuss:

- a) Review & Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole.
- b) Review of the performance of the Executive and Non-Executive Directors.
- c) Assessment of the quality, quantity and timeliness of flow of information between the Management and the Board.

#### **11. BOARD'S RESPONSIBILITY STATEMENT:**

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state –

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures from the same;
- b) the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that year;
- c) the directors have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared annual accounts on a going concern basis;
- e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively;
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

#### **12. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

During the year under report, the Company has entered into transactions with related party and all such transactions were carried on at arm's length price in the ordinary course of business. Information on transactions with related parties pursuant to section 134(3)(h) of the act read with Rule 8(2) of Companies (Accounts) Rules, 2014 are given in "**Annexure-B**" in Form AOC-2 and the same forms part of this report.

### **13. AUDITORS:**

#### **(i) Statutory Auditor:**

The Company has appointed M/s Agrawal & Pansari, Chartered Accountants, Raipur, (FRN No. 003350C), as the Statutory Auditor of the company for the Financial Year 2017-18, to fill the Casual Vacancy caused due to Resignation of past Auditor of M/s G. Kumar & Company, Chartered Accountants, Raipur, (FRN No. 0322108E) in the Extra-Ordinary General Meeting held on 01<sup>st</sup> December, 2017.

The Company's Auditors M/s. Agrawal & Pansari, Chartered Accountants, Raipur will hold office upto conclusion of ensuing Annual General Meeting of the Company. In terms of section 139 to 141 of the Companies Act, 2013 and the Rules framed thereunder, and upon recommendations of the Audit Committee of Board of Directors, it has been proposed to make appointment of M/s. Agrawal & Pansari, Chartered Accountants, (FRN No. 003350C) as Auditors of the Company to hold the office from the conclusion of ensuing Annual General Meeting until conclusion of Annual General Meeting to be held in the year 2023. As required under Listing Regulations, 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.

#### **(ii) Internal Auditor:**

M/s G. Kumar & Company, Chartered Accountants, Raipur, (FRN No. 0322108E) has been appointed as an Internal Auditors of the Company with effect from 15<sup>th</sup> December, 2017.

### **14. AUDITORS' REPORT:**

There is no qualification in the Auditors' Report and hence no explanation is called for.

### **15. 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, the Company appointed M/s Anil Agrawal & Associates, a firm of company secretaries in practice, to undertake the Secretarial Audit of the Company for the F.Y. 2017-18. The report of the Secretarial Audit is annexed to this report as "**Annexure C**".

Secretarial Auditors' report is self explanatory and therefore does not require further comments and explanation.

### **16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

During the year under report, the Company has not granted any loan or provided any guarantee or made any investment as specified in Section 186 (2) of the Companies Act, 2013. Hence no approval from the shareholders in this regard was required.

## **17. PREVENTION, PROHIBITION & REDRESSAL OF SEXUAL HARASSMENT OF WOMEN & WORKPLACE :**

The Company has accepted zero tolerance policy on sexual harassment. In that line the Board takes anti sexual harassment initiatives by way of Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under and they responsible to inquire into complaints (if any) of sexual harassment and take appropriate action. There aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure.

The Company has not received any complaint of sexual harassment during the financial year 2017-18.

## **18. INDUSTRIAL RELATIONS:**

The company has maintained good industrial relations on all fronts. Your directors wish to place on record their appreciation for the honest and efficient services rendered by the employees of the company.

## **19. DIRECTORS & KEY MANAGERIAL PERSONNEL:**

The Company has a professional Board with right mix of knowledge, skills and expertise with an optimum combination of executive, nonexecutive and independent Directors including one woman Director. The Board provides strategic guidance and direction to the Company in achieving its business objectives and protecting the interest of the stakeholders.

During the year, Shri Subhash Chand Mittal (DIN: 02184464), has resigned from the Directorship of the company with effect from 28<sup>th</sup> November, 2017. The board of the directors of the company appreciates the invaluable services rendered by him during the year.

Shri Akshay Agrawal was appointed as Chief Financial Officer (CFO) and Miss Pooja Jain as Company Secretary (CS) of the Company with effect from 28<sup>th</sup> November, 2017.

Shri Sahil Batra (DIN: 06422459) and Shri Raj Kumar Jain (DIN: 08015385) were appointed as Additional Independent Directors of the Company at the Board Meeting held on 29<sup>th</sup> November, 2017.

Shri Chandan Jain (DIN: 05327967) has resigned from the Directorship of the Company with effect from 29<sup>th</sup> November, 2017. The board of the directors of the company appreciates the invaluable services rendered by him during the year.

Shri Ratan Kumar Agrawal (DIN: 01608584) who was the Director of the Company designated as Managing Director of the Company for a period of 5 (Five) years upto 30<sup>th</sup> November 2022 with effect from 01<sup>st</sup> December, 2017.

Smt. Shakuntala Devi Agrawal (DIN: 01608318) who was the Executive Director of the Company designated as Non-Executive Director of the Company with effect from 15<sup>th</sup> December, 2017. As per Section 149(1) read with Rule 3 of The Companies (Appointment and Qualification of directors) Rules, 2014 we also consider Smt. Shakuntala Devi Agrawal as the women director of the company.

Pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013, one-third of such of the Directors as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every AGM. Consequently Smt Shakuntala Devi Agrawal (DIN: 01608318) will retire by rotation at the ensuing AGM, and being eligible, offer herself for re-appointment in accordance with provisions of the Companies Act.

## **20. COMMITTEES OF THE BOARD:**

### **A. AUDIT COMMITTEE:**

As required under the provisions of section 177 of the Companies Act 2013 and Rules made there under the Company has an adequately qualified Audit Committee constituted in accordance with the provisions of Companies Act, 2013.

The Audit Committee continued working under Chairmanship of Shri Raj Kumar Jain with Shri Sahil Batra and Shri Manoj Agrawal as co-members. During the year, the sub-committee met on 05.04.2017, 06.09.2017, 16.12.2017 & 30.03.2018 with full attendance of all the members.

The composition of the Audit Committee as at March 31, 2018 is as under:

<b>Name of Director</b>	<b>Category</b>
Rajkumar Jain	Non Executive Independent Director
Sahil Batra	Non Executive Independent Director
Manoj Agrawal	Executive Director

**Terms of Reference:** The terms of reference of the Audit Committee are broadly as follows:

- a. Oversight, the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
- b. Review and compliance of internal control systems.
- c. Investigation of any financial matter or a transaction.
- d. Review of the scope of Audit, the half yearly and Annual Financial statements before submission to the Board.
- e. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.



- f. Assessing the objectivity of the external auditors including the consideration of any other non-audit work performed by the external auditors.
- g. Carrying out any other function.

## **B. NOMINATION AND REMUNERATION COMMITTEE:**

As required under the provisions of section 178 of the Companies Act 2013 and Rules made there under the Nomination and Remuneration Committee continued working under Chairmanship of Shri Sahil Batra with Shri Rajkumar Jain and Smt. Shakuntala Devi Agrawal as co-members. During the year, the sub-committee met on 27.11.2017, 16.12.2017, 30.03.2018 with full attendance of all the members.

The composition of the Nomination and Remuneration Committee as at March 31, 2018 is as under:

<b>Name of Director</b>	<b>Category</b>
Sahil Batra	Non Executive Independent Director
Rajkumar Jain	Non Executive Independent Director
Shakuntala Devi Agrawal	Non Executive Director

**Terms of Reference:** The terms of reference of the Nomination and Remuneration Committee are broadly as follows:

- a. Review the performance of the Managing Director and the Whole-time Directors, after considering the Company's performance.
- b. Recommend to the Board remuneration including salary, perquisites and commission to be paid to the Company's Managing Director and Whole-time Directors.
- c. Finalize the perquisites package of the Managing Director and Whole-time Directors within the overall ceiling fixed by the Board.
- d. Recommend for appointment of Managing Directors & Whole Time Director.
- e. Recommend for increase in Remuneration of Managing Director & Whole Time Director.

## **C. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

Pursuant to the provisions of section 178 of the Companies Act 2013 and Rules made there under the Company has an adequately qualified Stakeholders Relationship Committee constituted in accordance with the provisions of Companies Act, 2013.

The Stakeholders Relationship Committee continued working under Chairmanship of Shri Sahil Batra with Shri Ratan Kumar Agrawal and Shri Manoj Agrawal as co-members. During the year, the sub-committee met on 16.12.2017, 30.03.2018 with full attendance of all the members.

The composition of the Stakeholders Relationship Committee as at March 31, 2018 is as under:

Name of Director	Category
Sahil Batra	Non Executive Independent Director
Ratan Kumar Agrawal	Managing Director
Manoj Agrawal	Executive Director

**Terms of Reference:** The terms of reference of the Stakeholders Relationship Committee are broadly as follows:

- a. Formulation of policies and procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from security holders from time to time.
- b. Redressal of shareholders and investor complaints/ grievances e.g. transfers of shares, non-receipt of balance sheet, non-receipt of declared dividend etc.
- c. To approve, register, refuse to register transfer / transmission of shares and other securities.
- d. To sub-divide, consolidate and / or replace any share or other securities certificate(s) of the Company.
- e. To authorize printing of Share Certificates post authorization from the Board of Directors of the Company.
- f. To monitor and review the performance and service standards of the Registrar and Share Transfer Agents of the Company and provides continuous guidance to improve the service levels for investors.
- g. Monitor and review any investor complaints received by the Company or through SEBI, SCORES and ensure its timely and speedy resolution, in consultation with the Company Secretary and Compliance officer and RTA of the Company.

#### **D. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**

Pursuant to the As provisions of section 135 of the Companies Act 2013 and Rules made there under the Company has an adequately qualified Corporate Social Responsibility Committee constituted in accordance with the provisions of Companies Act, 2013.

The composition of the Corporate Social Responsibility Committee as at March 31, 2018 is as under:

Name of Director	Category
Sahil Batra	Non Executive Independent Director
Rajkumar Jain	Non Executive Independent Director
Shakuntala Devi Agrawal	Non Executive Director

#### **Terms of Reference:**

- a. To make CSR Policy of the company which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- b. recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and
- c. monitor the CSR Policy of the Company from time to time.

**21. RATIO OF REMUNERATION OF EACH DIRECTOR TO THE MEDIAN REMUNERATION OF THE EMPLOYEES OF THE COMPANY FOR THE FINANCIAL YEAR 2017-18:**

The information required pursuant to section 197 (12) read with Rule 5 (1) (i) of the Companies (Appointment and Remuneration) Rules 2014 in respect of ratio of remuneration of each director to the median remuneration of the employee of the Company for the financial year 2017-18 forms part of this report as “Annexure-D”.

**22. COMPANY’S POLICY ON DIRECTORS APPOINTMENT, NOMINATION, REMUNERATION AND FORMAL EVALUATION:**

Pursuant to provisions of Section 178 (1) of the Companies Act, 2013, the Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection, nomination, appointment and remuneration of Directors suitably containing the criteria determining qualifications, positive attributes and independence of a Director.

**23. FORMAL EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS:**

The Board has carried out annual performance evaluation of its own performance, the directors individually as well the evaluation of the working of its Audit Committee, Nomination & Remuneration Committee, Shareholders Grievance committee and Corporate Social Responsibility Committee.

**24. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:**

The Statutory Auditors, or Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made thereunder.

**25. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

In Terms of the Regulation 34 read with Schedule V of the SEBI (LODR) Regulations 2015, Management Discussion and Analysis report forms part of this Annual Report as “Annexure E”.

**26. CORPORATE GOVERNANCE:**

As per Regulation 15 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Para C of Schedule V relating to Corporate Governance Report, shall not apply to company listed on SME Exchange. The Company being a company listed on BSE SME Platform, preparation of corporate governance is not applicable.

## **27. RISK MANAGEMENT:**

The company has been following the principle of risk minimization as it is the norm in every industry. The Board has adopted steps for framing, implementing and monitoring the risk management plan for the company. The main objective of this policy is to ensure sustainable business growth with stability and to promote a proactive approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to risk management, in order to guide for decisions on risk related issues. In today's Challenging and competitive environment, strategies for mitigating inherent risk in accomplishing the growth plans of the company are imperative. The Common risks inherent are: Regulations, Competition, business risk, technology obsolescence, long term investments and expansion of facilities. Business risk, inter alia, includes financial risk, political risk, legal risk etc., As a matter of policy, these risk are assessed and steps as appropriate are taken to mitigate the same.

## **28. DISCLOSURE ON VIGIL MECHANISM:**

Pursuant to Section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established, in order to ensure that the activities of the company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty and integrity and ethical behavior. The Company has established a vigil mechanism through which Directors, employees and business associates may report unethical behaviour, malpractices, wrongful conduct, fraud, violation of Company's code of conduct without fear of reprisal. The Company has set up a Direct Touch initiative, under which all Directors, employees, business associates have direct access to the Chairman of the Audit committee, and also to a three-member direct touch team established for this purpose. The direct touch team comprises one senior woman member so that women employees of the Company feel free and secure while lodging their complaints under the policy.

## **29. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:**

### **29.1 Conservation of Energy:**

- a. The steps taken or impact on conservation of energy:-The company is putting continues efforts to reduce the consumption of energy and maximum possible saving of energy.
- b. The steps taken by the company for utilizing alternate sources of energy:- The Company has used alternate source of energy, whenever and to the extent possible.
- c. The capital investment on energy conservation equipments:- NIL

## **29.2 Technology Absorption:**

- a. The effort made towards technology absorption:-No specific activities have been done by the Company.
- b. The benefits derived like product improvement, cost reduction, product development or import substitution:-No specific activity has been done by the Company
- c. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year:- NA
- d. The expenditure incurred on Research & Development:- NIL

## **29.3 Foreign Exchange Earnings and Outgo:**

There was no Foreign Exchange earnings and outgo during the financial year as required by the Companies (Accounts) Rules, 2014.

## **30. PARTICULARS OF EMPLOYEES:**

There are no employees in the Company drawing remuneration of more than Rs. 8,50,000/- rupees per month or 1,02,00,000/- rupees per annum, as prescribed in Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016.

## **31. SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANY:**

Your Company does not have any Subsidiary, Joint Venture or Associate company.

## **32. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:**

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the Financial year i.e. 31st March, 2018, to which the Financial Statements relate and the date of the report, if any, disclosed in separate respective head except that Company has successfully completed the Initial Public Offer (IPO) and got listed with the Bombay Stock Exchange on the SME Platform w.e.f 05<sup>th</sup> April, 2018.

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

There are no significant material orders passed by the Regulators/Courts/Tribunals impacting the going concern status of the Company and its future operations.

## **34. DEPOSITS:**

During the year, Company has not accepted deposits from the public in terms of the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made there under hence information regarding outstanding deposits is not required.

**35. DECLARATION BY INDEPENDENT DIRECTORS:**

The Company has received necessary Declaration from each Independent Directors of the Company as per the provisions of Section 149(7) of the Companies Act 2013 that they meets the criteria of Independence laid down in section 149(6) of the Companies Act 2013 read with the Rule 4 of Companies (Appointment and Qualification of Directors) Rule, 2014 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**36. VOTING THROUGH ELECTRONIC MEANS:**

Pursuant to the provisions of Section 108 of the Companies Act, 2013, read with the rules made thereunder and Regulations 44 of the SEBI (Listing Obligations and Disclosures Requirements), Regulations, 2015, your Company has take necessary steps to make available the facility to its members the facility to exercise their right to vote by Electronic means.

**37. DEMATERIALIZATION OF COMPANY'S SHARES:**

Your company has provided the facility to its shareholders for dematerialization of their shareholding by entering into an agreement with The National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The ISIN number allotted to the company is (INE426Z01016).

**38. SERVICES TO SHAREHOLDERS:**

All matters relating to transfer/transmission of shares, issue of duplicate share certificates, payment of dividend, de-materialization and re-materialization of shares and redressal of investors grievances are carried out by the Company's RTA i.e. M/s. Bigshare Services Pvt. Ltd., Mumbai.

**39. SECRETARIAL STANDARDS:**

Your company has complied with the Secretarial Standard as issued by the Institute of Company Secretaries of India.

**40. ACKNOWLEDGEMENTS:**

Your Directors wish to place on record their sincere appreciation for significant contribution made by the employees at all the levels through their dedication hard work and commitment thereby enabling the Company to boost its performance during the year under report.

Your Directors also take this opportunity to place on record the valuable co-operation and continuous support extended by its valued business associates Practicing Company Secretary, Auditors, Supplier, Customers, Banks/Financial Institutions, Government authorities and the shareholders for their continuously reposed confidence in the Company and look forward to having the same support in all its future endeavors.

**On behalf of the Board of Directors**

**Sd/-  
Ratan Kumar Agrawal  
(Chairman & Managing Director)  
DIN: 01608584**

**Sd/-  
Shakuntala Devi Agrawal  
(Director)  
DIN: 01608318**

Date: 28.05.2018  
Place: Raipur