

**DIRECTORS' REPORT**

Your Directors take pleasure in presenting the Twenty Fifth Annual Report of the Company together with the Audited Financial Statements for the financial year ended 31st March, 2019.

**1. FINANCIAL HIGHLIGHTS**

The financial results of the Company are summarized below:

	For the Financial Year ended 31.03.2019 (₹)	For the Financial Year ended 31.03.2018 (₹)
Total Revenue	3,49,47,578	4,11,34,828
Less: Total Expenses	3,16,26,767	3,47,41,624
Profit before tax	33,20,811	63,93,203
Less: Tax Expenses	20,18,677	18,41,612
Profit after tax	13,02,134	45,51,591
Add: Balance brought forward from previous year	2,14,04,356	1,77,63,083
Balance Available	2,27,06,490	2,23,14,674
Less: Special Reserve U/s 451C RBI Act	2,60,427	9,10,318
Profit carried forward to Balance Sheet	2,24,46,063	2,14,04,356

**2. OPERATIONS & THE STATE OF COMPANY'S AFFAIRS**

During the year under review, the total revenue from operation of the Company is ₹3,47,49,959/- as compared to ₹4,10,88,308/- during the previous year while the profit after tax is ₹13,02,134/- as compared to ₹45,51,591/- during the previous year. There is a down slide in the profits of the company during the year under review as compared to the previous year's profits mainly due to decrease in revenue from operation and increase in operational expenses. However the company will continue to focus on its present business activities.

**3. DIVIDEND**

In order to plough back the profits for future requirements of the company, no dividend is being declared for the financial year under review.

**4. CHANGE IN SHARE CAPITAL**

During the year under review, the Company has not issued any securities including equity shares with differential rights/ sweat equity shares/ employees stock options scheme/ bonus shares. Thus, there is neither any change in the Authorized share Capital nor any change in issued, subscribed, paid-up share capital of the Company.

**5. TRANSFER TO RESERVES**

The Company proposed to transfer ₹2,60,427/- to Special Reserve created under Section 45-1C of the RBI Act, 1934. The Company proposed to retain the balance i.e. ₹10,41,707/- in the profit and loss account.

**6. MATERIAL CHANGES AND COMMITMENTS**

There were no material changes and commitments, affecting the Financial position of the company, which have occurred between the end of Financial Year of the Company to which the Financial Statements relate and the date of this report.

**7. INTERNAL CONTROL SYSTEM & THEIR ADEQUACY**

The Company has an internal control system, commensurate with the size, scale & complexities of its operations. Internal Control measures and systems are established to ensure the correctness of the transactions and safe guarding of the assets. The Management ensures adherence to all internal control policies and procedures as well as compliance with regulatory guidelines. The audit committee of the Board of Directors reviews the adequacy of internal controls. This has improved the management of the affairs of the Company and strengthened transparency and accountability. During the year under review no reportable material weakness in the design or operation were observed.

## 8. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

## 9. DEPOSITS

The Company has neither invited nor accepted any deposits from the public within the meaning of Section 73 of the Companies Act, 2013 during the financial year under review.

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

The provision of Section 134(3) (m) of the Companies Act, 2013, and the rules made there under relating to conservation of energy, technology absorption do not apply to the Company as its activities are not relevant for the same.

There was no foreign exchange earnings and outgo during the financial year under review.

## 11. PARTICULARS OF EMPLOYEES & KMP

During the financial year under review, the following were the Key Managerial Personnel of the Company as per the provisions of the Companies Act, 2013:

- i) Sarika Kedia – Company Secretary and Compliance officer

Mr. Beda Nand Choudhary has been appointed as the Whole-time Director of the Company and Mr. Debi Prosad Mukherjee has been appointed as the Chief Financial Officer (CFO) of the Company with effect from 15th June, 2019.

**Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:**

- (i) The ratio of the remuneration of each director/KMP to the median employee's remuneration for the financial year as prescribed is as given below:

Sl. No.	Name of KMP	Remuneration of of KMP for FY 2018-19 (₹)	Previous Year Remuneration (₹)	% Increase	Ratio of Remuneration of each director / to median remuneration of employees
1.	Sarika Kedia (Company Secretary)	3,30,016/-	3,50,400/-	N.A.	0.00

Note:None of the directors received any remuneration during the financial year ended 31st March, 2019.

- (ii) Percentage increase in the median remuneration director, CEO and CFO during the financial year: NA.  
Percentage increase in the median remuneration Company Secretary is : N.A.
- (iii) Percentage increase in median remuneration of employees in the financial year: Not applicable.
- (iv) The number of permanent employees on the rolls of the company as on 31st March, 2019: 2
- (v) Average percentage increase made in the salaries of employees other than KMP in the financial year -10%.

It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, KMP and other employees.

There were no persons employed by the Company during the Financial Year 2018-19 who draws remuneration as prescribed under Rule 5(2) of Companies (Appointment and Remuneration) Rules, 2014, hence details with respect to the same is not required to be given.

## 12. PREVENTION OF INSIDER TRADING

The Company adopted a Code of Conduct as per the Guidelines issued by the Securities and Exchange Board of India as amended from time to time for prevention of Insider Trading which is applicable to the members of the Board and all employees in the course of day-to-day business operations of the Company. The code of conduct framed by the Company has helped in ensuring compliance with the requirements.

### 13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

During the year, the Company has not entered into any contract/arrangement/transaction with related parties which could be considered material significant in accordance with the policy of the Company on materiality of related party transactions.

### 14. EXTRACT OF ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT-9 as a part of this Report as ANNEXURE-I.

### 15. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Your Company's Board presently comprises of 4 Directors - 2 Non-Executive Independent Directors, 1 Executive Director and 1 Non-Executive Woman Director.

Name of the Director	Category
Mr. Beda Nand Choudhary	Executive Promoter Director
Ms. Pritha Sinha Pandey	Non Executive, Non Independent (Woman Director)
Mr. Ram Kumar Dalmia	Non Executive Independent
Mr. Atul Kaushik	Non Executive Independent
Ms. Sarika Kedia	Company Secretary

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Beda Nand Choudhary (DIN- 00080175), Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment as a Director under Companies Act 2013.

The management of the Company was in process of filling vacancy of the post of Key Managerial Personnel (KMP). The Board of directors at their meeting held on 15th June 2019 appointed following persons as KMPs of the Company:

Mr. Beda Nand Choudhary as the Whole-time Director of the Company, being designated as the Executive director with effect from 15th June, 2019.

Mr. Debi Prosad Mukherjee as the Chief Financial Officer of the Company with effect from 15th June, 2019.

### 16. MEETINGS OF THE BOARD

During the financial year ended 31st March, 2019, 6 (Six) Board meetings were held respectively on 10th April, 2018, 5th June, 2018, 13th August, 2018, 13th November, 2018, 8th February, 2019 and 18th March, 2019.

The attendances of Directors at these meetings are as follows:

Name of Directors	No. of Board Meetings Attended
Mr. Beda Nand Choudhary	6 of 6
Mr. Ram Kumar Dalmia	6 of 6
Mr. Atul Kaushik	6 of 6
Ms. Pritha Sinha Pandey	6 of 6

The intervening gap between any two meetings was within the period 120 days as prescribed under the Companies Act, 2013. During the financial year one board meeting due to be held on 29.05.2018 was adjourned due to absence of Quorum and held on 5th June, 2018.

#### MEETINGS OF THE INDEPENDENT DIRECTORS

During the financial year ended 31st March, 2019, two meetings of the Independent Directors were held on 12th September, 2018 and 18th March, 2019 inter alia to discuss:

- Evaluation of the performance of the Non Executive Directors and Board of Directors as a whole;
- Evaluation of the performance of the chairman of the meetings of the company, taking into account the views of the executive and non-executive directors, non-independent directors and board of directors as a whole;
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the meetings.

## 17. COMMITTEES OF THE BOARD

The Company has constituted different Committees under the Board that are mandated under the Companies Act, 2013 and of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### (a) AUDIT COMMITTEE

The Company has in place an Audit Committee in terms of the requirements of Section 177 of the Companies Act, 2013 read with rules made thereunder and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Audit Committee comprises of three Non-Executive Directors, out of which two are independent. During the year, the Audit Committee met 4 times to deliberate on various matters on 5th June, 2018, 13th August, 2018, 13th November, 2018 and 8th February, 2019.

The Composition of the Audit Committee and the attendance of each member at these meetings are as follows:

<i>Name of Directors</i>	<i>Position Held</i>	<i>No. of Meetings Attended</i>
Mr. Ram Kumar Dalmia	Chairman	4
Mr. Beda Nand Choudhary	Member	4
Mr. Atul Kaushik	Member	4

Statutory Auditors and Internal Auditors or their representatives are permanent invitees for the meetings of the Committee. The Company Secretary is the Secretary to the Committee.

The Chairman of the Audit Committee attended the Annual General Meeting of the Company held on 28th September, 2018 and he ensured that necessary clarifications and explanations were provided to the Members of the Company on issues regarding accounts and finance.

The Quarterly Un-audited Financial Results as well as the Annual Financial Statements are reviewed and examined by the members of the Audit Committee before recommendation of the same to the Board of Directors of the Company for their perusal and approval. The Audit Committee ensures an effective internal control system.

### (b) NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises of three Non-Executive Directors, out of which two are independent. The Chairman of the Committee, Mr. Ram Kumar Dalmia, is the Non-Executive Independent Director. One meeting of Nomination and Remuneration Committee was held on 18th March, 2019 during the year under review.

The Chairman of the Nomination and Remuneration Committee attended the Annual General Meeting of the Company held on 28th September, 2018.

The Composition of Nomination and Remuneration Committee is given below:

<i>Name of Directors</i>	<i>Position Held</i>	<i>No. of Meetings Attended</i>
Mr. Ram Kumar Dalmia	Chairman	1
Mr. Beda Nand Choudhary	Member	1
Mr. Atul Kaushik	Member	1

The Nomination and Remuneration Committee of the Board is constituted to (a) formulate from time to time process for selection and appointment of new Directors, key managerial personnel and other employees and their succession plans and (b) recommend to the Board from time to time, a compensation structure for Directors and other key managerial personnel.

### (c) INVESTORS' GRIEVANCE & STAKEHOLDER'S RELATIONSHIP COMMITTEE

The Company constituted the Committee to oversee the investor grievances in relation to transfer of shares, non-receipt of annual report, dividend and other grievances. It is the policy of the Company to promptly attend to and resolve the complaints received from the shareholders. The Committee also oversees the performance of the Registrar and Share Transfer Agents of the Company and recommends measures for overall improvement in the quality of investor services.

The composition of the Investors' Grievance & Stakeholder's Relationship Committee is as follows:

<i>Name of Directors</i>	<i>Positions held</i>	<i>No. of Meetings held</i>	<i>No. of Meetings attended</i>
Mr. Ram Kumar Dalmia	Chairman	4	4
Mr. Beda Nand Choudhary	Member	4	4
Mr. Atul Kaushik	Member	4	4

During the financial year ended 31st March, 2019, four meetings of the Committee were held on 5th June, 2018, 13th August, 2018, 13th November, 2018 and 8th February, 2019.

No sitting fee has been paid to the Executive and Non-Executives Directors during the period under review for attending the meetings of the Board and its Committees.

#### **18. DECLARATION OF INDEPENDENT DIRECTORS**

All the Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **19. PERFORMANCE EVALUATION OF THE BOARD/COMMITTEES AND INDEPENDENT DIRECTORS**

The Board of Directors has carried out an annual evaluation of its own performance, board committees and Independent Directors pursuant to the applicable provisions of the Act.

The aspects covered in the evaluation included the contribution made by the Directors to the corporate governance practices, long term strategic planning, fulfillment of Director's obligations and fiduciary responsibilities and active participation at the Board and Committee meetings. The effectiveness of Board / Committee processes were assessed based on the Directors' inputs received during the meetings of the Board of Directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings.

In a separate meeting of Independent Directors, performance of non-independent directors, and performance of the board as a whole was evaluated, taking into account the views of all the directors.

#### **20. VIGIL MECHANISM**

The Company has a vigil mechanism/whistle blower policy to deal with instances of fraud and mismanagement in terms of Section 177(9) of the Companies Act, 2013.

#### **21. CORPORATE GOVERNANCE**

Pursuant to Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, report on Corporate Governance is not applicable to the Company for the financial year 2018-19 since the Net Worth is below Rs. 25.00 Crores and the Paid up equity share Capital of the Company is less than Rs. 10.00 Crores.

#### **22. DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:-

- (a) that in the preparation of the Annual Accounts for the year ended 31st March, 2019, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2019 and of the profit for the year ended as on that date;
- (c) that the Directors have taken proper and sufficient care 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;
- (d) that the Directors have prepared the Annual Accounts for the financial year ended 31st March, 2019 on a going concern basis;
- (e) that the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

- (f) that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 23. AUDITORS AND AUDITORS' REPORT

### Statutory Auditors

Pursuant to the provisions of section 139 of the Companies Act, 2013, M/s. Bhandari B. C. & Co. (Firm Reg. No. 311082E), Chartered Accountants, were appointed as statutory auditors of the Company at the 22nd Annual General Meeting (AGM) of the Company from the conclusion of the said 22nd AGM till the conclusion of the 25th AGM. Their Tenure of such appointment will expire upon conclusion of the 25th AGM of the Company.

The Board of Directors approached M/s. Gupta & Manglik, Chartered Accountants, Kolkata, and received consent from the Auditors to the effect that if they are appointed, it would be in accordance with the provisions of the Section 141 or other applicable provisions of the Companies act, 2013. Accordingly a resolution proposing appointment of M/s. Gupta & Manglik, Chartered Accountants, as the Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013 forms part of the 25th AGM for approval of members.

The Report given by the Auditors on the financial statement of the Company is part of this Report and are self explanatory. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

### Secretarial Auditors' Report

The Board has appointed Mr. Jagannath Kar (Membership No. 20600), Practicing Company Secretary, to carry out the Secretarial Audit pursuant to the provisions of Section 204 of the Companies Act, 2013 for the Financial Year 2018-19. The Secretarial Audit Report for the Financial Year ended March 31, 2019 is annexed herewith and marked as **Annexure II** to this report.

Secretarial Auditor's observations, if any, in his report, have been suitably explained by way of appropriate notes to accounts and/or in the Board's Report wherever it was considered necessary.

## 24. STATUTORY DISCLOSURES

None of the Directors of the Company are disqualified as per the provisions of Section 164 of the Companies Act, 2013. The Directors have made the necessary disclosures as required by the various provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In order to prevent sexual harassment of women at workplace your company has adopted a Policy for prevention of sexual harassment of women at workplace and no such complaints have been reported during the financial year under review.

## 26. CORPORATE SOCIAL RESPONSIBILITY

Considering the turnover/ net worth/ net profit, the provision of Section 135 of the Companies Act, 2013, relating to Corporate Social Responsibility is not applicable to the company.

## 27. RISK MANAGEMENT POLICY

The Company is exposed to several risks. They can be categorized as operational risk and strategic risks. The Management has put in place adequate and effective system and man power for the purpose of Risk Management.

The company has taken several mitigating actions, applied many strategies and introduced control and reporting systems to reduce and mitigate the risks. A detailed exercise is being carried out to identify, evaluate, manage and monitoring of both business and non- business risks.

## 28. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review as stipulated under Regulation 34(3) read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section forming part of the Annual Report.

### 29. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with Secretarial Standards issued by Institute of Company Secretaries of India (ICSI) as and when it was applicable.

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

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

### 31. LOANS, GUARANTEES AND INVESTMENTS

As the Company is a Non-Banking Finance Company being engaged in the business of financing and investment activities, provisions of Section 186 of the Companies Act, 2013 is not applicable to the Company.

However, the particulars of loans and investments made under Section 186 of the Companies Act, 2013 during the financial year are provided in the Notes to the Financial Statements.

### 32. LISTING

The Equity Shares of the company is listed on BSE Limited (BSE). The Company is regularly paying listing fees to the BSE. Since last several years the Calcutta Stock Exchange Limited (CSE) is a non-operational Exchange and do not provide any trading platform to the investors of the Company. The Board of Directors at its meeting held on 13th August, 2018 has approved voluntary delisting of the shares from CSE which is a defunct stock exchange, in accordance with the delisting regulations.

### 33. GENERAL BODY MEETING:

Location & Time of Last 3 Annual General Meetings:

AGM	Date	Venue	Time	No. of Special Resolutions
24th	28th September, 2018	432, Prince Anwar Shah Road, Kolkata – 700 068	9.30 A.M.	Two
23rd	21st September, 2017	432, Prince Anwar Shah Road, Kolkata – 700 068	9.30 A.M.	None
22nd	29th September, 2016	432, Prince Anwar Shah Road, Kolkata – 700 068	2.30 P.M.	Two

At the above-mentioned meetings, all the Resolutions were passed with requisite majority. No Resolution was passed during the financial year ended 31st March, 2019 through Postal Ballot.

### 32. GENERAL SHAREHOLDER INFORMATION

(i) Ensuing Annual General Meeting Details:

Day & Date	Monday, 30th September, 2019
Venue	432, Prince Anwar Shah Road (Surya Sen Mancha), Kolkata-700068
Time	9:30 a.m.
Book Closure Date	24th September, 2019 to 30th September, 2019 (both days inclusive)

(ii) The financial year of the Company covers 1st April, 2018 to 31st March, 2019.

(iii) Listing of Shares on Stock Exchanges with Stock Code

STOCK EXCHANGE	STOCK CODE
Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001 Telephone nos. : 022-2272 1233/34 Facsimile no. : 022-2272 1919 website : www.bseindia.com	511688
The Calcutta Stock Exchange Ltd. 7 Lyons Range, Kolkata – 700001 Telephone nos. : 033-2210 4470/77 Facsimile no. : 033-2210 4500 website : www.cse-india.com	023052

- (a) ISIN No. for the Company's ordinary shares in demat form: INE963B01019  
 (b) Depository Connectivity: NSDL and CDSL.

**(iv) DISTRIBUTION OF SHARE HOLDING AS ON 31ST MARCH 2019:**

**(a) ACCORDING TO CATEGORY OF HOLDING:**

<i>Category of Shareholders</i>	<i>No. of shares held</i>	<i>% of holding</i>
<b>Promoters</b>		
Bodies Corporate	2080343	31.28
<b>Non – Promoters</b>		
Institutional Investors	Nil	Nil
Mutual Funds & UTI	Nil	Nil
Banks, FIs, Insurance Companies	672	0.01
FIs'	Nil	Nil
<b>Others</b>		
Private Corporate Bodies	2270545	34.15
Indian Public	2284434	34.35
NRIs/OCB	14006	0.21
<b>Total</b>	<b>6650000</b>	<b>100</b>

**(b) ACCORDING TO NUMBER OF ORDINARY SHARES HELD:**

<i>Shareholding</i>	<i>Number of Share holders</i>	<i>% to total Shareholders</i>	<i>Number of Shares</i>	<i>% to total Shares</i>
1 - 500	2888	92.65	339718	5.11
501 - 1000	106	3.41	86525	1.31
1001 - 2000	42	1.35	67418	1.01
2001 - 3000	10	0.32	23788	0.36
3001 - 4000	10	0.32	36161	0.54
4001 - 5000	7	0.22	31416	0.47
5001 - 10000	12	0.39	97941	1.47
10001 - 50000	16	0.51	365742	5.50
50001 - 100000	11	0.35	843407	12.68
100001 and above	15	0.48	4757884	71.55
<b>Total</b>	<b>3117</b>	<b>100.00</b>	<b>6650000</b>	<b>100.00</b>

**33. ACKNOWLEDGEMENT**

Your Board wishes to place on record its sincere appreciation for the wholehearted support received from members, government authorities, bankers, employees, consultants and all other business associates. We look forward to continued support of all these partners in progress.

Place: Kolkata  
 Date: 13th August, 2019

For & on behalf of the Board

**Registered Office:**  
 Raj Kamal Building, 1st Floor  
 128, Rash Behari Avenue, Kolkata – 700029

Beda Nand Choudhary  
 Whole-time Director  
 (DIN – 00080175)

Ram Kumar Dalmia  
 Director  
 (DIN – 00080549)