



Balgopal Commercial Limited

Annual Report 2019-20

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COMPANY INFORMATION

- ❑ **Scrip Id:-** BALGOPAL
- ❑ **Scrip Code:-** 539834
- ❑ **CIN:-** L51109WB1982PLC035193

- ❑ **Board of Directors:**

- | | |
|-----------------------------|------------------------------------|
| ✓ Vijay Laltaprasad Yadav | Managing Director |
| ✓ Yash Saraogi | Non-Executive Director |
| ✓ Shailesh Becharbhai Patel | Non-Executive Independent Director |
| ✓ Shrena Kalpesh Shah | Non-Executive Independent Director |

- ❑ **Key Managerial Personnel:-**

- | | |
|---------------------|-------------------------|
| ✓ Ankita Mahansaria | Chief Financial Officer |
| ✓ Khushboo Singh | Company Secretary |

COMPANY INFORMATION

Auditors

Statutory Auditors

M/s Gupta Saharia & Co.

Chartered Accountants

4, Atlanta, Evershine Nagar, Malad (W),
Mumbai-400064

Firm Registration No. 071471

Secretarial Auditor

S C Pal & Associates

Practising Company Secretary

39, Surya Sen Street 3rd Floor,
Kolkata-700007

C.P.No. 11952

Internal Auditor

M/s S. Dalmia & Co.

Chartered Accountant

Block 6, Flat No. 1A, Regent Garden, Ghosh Para,
Solo Foot Raasta, Krishnapur, Kolkata-700102

COMPANY INFORMATION

❑ Registrar & Share Transfer Agent:-

Maheshwari Datamatics Private Limited

Address: 23, R. N Mukherjee Road, Kolkata- 700001

Email: mdpldc@yahoo.com

Phone: 033-2243-5029/033-2248-2248

❑ Bankers:-

Yes Bank

❑ Registered Address:-

23, Pollock Street Kolkata- 700001

❑ Phone No:

91-9681024566

DIRECTORS' REPORT

For The Financial Year 2019-20

Dear Members,

The Directors have pleasure in presenting their 38th Annual Report on the business and operations of the Company together with the audited financial statements for the financial year ended March 31st, 2020.

1. Financial Performance of the Company

Particulars	(Amount in '000)	
	2019-20	2018-19
Profit Before Tax & Provision	(69,845.90)	(21,040.74)
Less: Current Tax/ Deferred Tax	(5,687.63)	1,331.70
Profit After Tax available for appropriation	(64,158.27)	(22,372.43)
Basic/ Diluted Earnings Per Share	(3.89)	(1.36)

2. COVID-19 Pandemic Approach & Impact

The global health pandemic disrupted daily lives, livelihoods, businesses and economies world over, orchestrating an uncertain situation on account of endless lockdowns of cities and countries. This unprecedented event caused an operational and financial dent to businesses of all sizes and statures, challenging frameworks and continuity plans. To ensure safety of people and

continuity of operations, businesses resorted to immediate viable measures like remote working and cost reductions to stay afloat and sustain with restrictions easing and commercial activity gradually picking up across the country, business sentiment is showing positive signs of recovery. But will it ever be like before?

The pandemic has forced change: economic, societal and commercial. It is imperative to re-evaluate existing plans, remodel to sustain, factor in resilience to overcome future challenges of similar velocity, and most importantly adapt to the 'New Normal'.

3. Dividend

In view of accumulated losses, no dividend is recommended for the Financial Year under reference and no transfer is proposed to be made to Reserves.

4. Transfer Of Unclaimed Dividend To Investor Education And Protection Fund

The provisions of Section 125(5) of the Companies Act, 2013 do not apply on the company as no dividend has been declared during the year.

5. Brief description of the Company's working during the year/State of Company's affair

The Company, a diversified business entity has great experience in managing and distributing different products in India more than 20 years. The Company's Primary business is trading in Sarees having wide variety of sarees from plain to designer and cotton to silk.

6. Change in the nature of business, if any

There has been no change in the nature of the business of the Company during the year.

7. Material Changes and Commitments, if any, affecting the Financial Position of the Company

No material changes and commitments which can affect the financial position of the Company occurred between the end of the financial year of the company and the date of this report.

8. Internal Financial Control Systems and their Adequacy

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures.

The details in respect of Internal Financial Control Systems and their Adequacy are included in the Management Discussion and Analysis which form part of this report.

9. Details of Subsidiary/Joint Ventures/Associate Companies

The Company does not have any Subsidiary, Joint venture or Associate Company. Hence, statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 under Form AOC-1, is not applicable to the Company.

10. Deposits

The company has neither accepted nor renewed any deposits during the year, covered under Chapter V of the Act.

11. Maintenance of cost records

The Company is not required to maintain cost records as per Section 148(1) of the Companies Act, 2013.

12. Promoter's Group Shareholding

As on March 31, 2020, the total shareholding of the Promoters' Group of your Company is 2.68 per cent and none of the Promoter/Promoters' Group shareholding is under pledge. Further, in compliance with Regulation 31(2) of SEBI Listing Regulations, 2015, the entire shareholding of promoter(s) and promoter group is in dematerialized form.

13. Auditors

M/s. Gupta Saharia & Co., Chartered Accountants (Firm Registration Number: 103446W) were appointed as the Auditors of the Company from the conclusion of 37th Annual General Meeting to hold such office for a period of five years till the conclusion of the Annual General Meeting to be held in the year 2024, at a remuneration decided by the board in consultation with the Auditor.

The observations made by the Auditors are self- explanatory and do not require any further clarification. Further, the explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made by the auditor in his report are given.

14. Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with corresponding Rules framed thereunder, S. C. Pal & Associates was appointed as the Secretarial Auditors of the Company to carry out the secretarial audit for the year ending 31st March, 2020. There is no qualification, reservation or adverse remark or disclaimer made by the company secretary in the secretarial audit report. The Secretarial Audit Report is annexed to the Board Report.

15. Internal Audit Report

M/S S. Dalmia & Co, Chartered Accountants, Internal Auditor has submitted a report for the financial year 2019-20 based on the internal audit conducted during the year under review.

The Internal Auditor has not reported any qualification, reservation or adverse opinion during the period under review.

16. Share Capital

A. Issue of equity shares with differential rights

The Company has not issued any of its securities with differential rights during the year under review.

B. Buy Back of Securities

The company has not bought back any of its securities during the year under review.

C. Sweat Equity, Bonus Shares & Employee Stock Option Plan

The company has not issued any bonus shares during the current financial year

D. Preferential Issue of Capital

The company has not issued any shares on preferential basis during the year.

17. Extract of the Annual Return

The extract of the Annual Return pursuant to the provisions of section 92 read with Rule 12 of the Companies (Rules), 2014 is furnished in Annexure A (MGT - 9) and is attached to this Report.

18. Board of Directors and Key Managerial Personnel :

In view of the provisions of Companies Act, 2013 Banwari Lal Mahansaria, Managing Director; Ankita Mahansaria, CFO; and Khushboo Singh, Company Secretary were identified and appointed as Key managerial personnel of the Company.

Changes In Directors And Key Managerial Personnel

- A) Manisha Agarwal and Vikash Gupta resigned from the post of director w.e.f. 16.07.2019
- B) Shailesh Becharbhai Patel and Shrena Kalpesh Shah were appointed as Non-Executive Independent Director (Additional) on 16.07.2019. Their appointment was regularized at the Annual General Meeting held on 30.09.2019.
- C) Khushboo Singh was appointed as Company Secretary and Compliance Officer w.e.f. 03.09.2019.

19. Formal Annual Evaluation

In compliance with the Schedule IV of the Companies Act 2013 and regulation 25(3) of SEBI(Listing Obligations and Disclosure Requirements),2015, a meeting of the Independent Directors of the company was held to review and evaluate the performance of the Non-Independent Directors and the chairman of the company taking into account the views of the Executive Directors and Non- Executive Directors, assessing the quality, quantity and timeliness of flow of information between the company management and the Board and also to review the overall performance of the Board.

Further the same was discussed in the Board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its committees and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

20. Independent Directors

Ms. Shailesh Becharbhai Patel and Mrs. Shrena Kalpesh Shah, Independent Directors of the Company have given the certificate of independence to the Company stating that they meet the criteria of independence as mentioned under Section 149(6) of the Companies Act, 2013 and the rules made there under and the same have been noted by the Board.

21. Number of meetings of the Board of Directors

7 Meetings of the Board of Directors were held during the financial year 2019-20. These were held on the following dates:

- i) 22/04/2019
- ii) 25/05/2019
- iii) 16/07/2019
- iv) 09/08/2019
- v) 03/09/2019
- vi) 14/11/2019 and
- vii) 11/02/2020

22. Audit Committee

The Audit Committee of the Board of Directors meets the criteria laid down under Section 177 of the Companies Act, 2013, read with Regulation 18 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015 in the terms of reference to the Audit Committee. Composition of the Audit committee is in accordance with the requirements of section 177 of the Companies Act 2013 which is stated below:

Name	Designation
Shailesh Becharbhai Patel	Chairman
Yash Saraogi	Member
Shrena Kalpesh Shah	Member

23. Nomination and Remuneration Committee

Composition of the Nomination & Remuneration Committee is in accordance with the requirements of section 178(1) of the Companies Act 2013. The composition is as under:

Name	Designation
Shailesh Becharbhai Patel	Chairman
Yash Saraogi	Member
Shrena Kalpesh Shah	Member

24. Stakeholder's Relationship Committee

Composition of the Stakeholder's Relationship Committee is in accordance with the requirement of the provisions of the Companies Act, 2013. The Composition is as under:

Name	Designation
Shailesh Becharbhai Patel	Chairman
Yash Saraogi	Member
Shrena Kalpesh Shah	Member