

# 2018-19

## 39th Annual Report



### **BANARAS BEADS LIMITED**

AN EXPORT HOUSE RECOGNISED BY GOVERNMENT OF INDIA  
AN ISO CERTIFIED COMPANY



**PIONEER OF  
GLASS BEADS  
AND FOUNDER  
OF ORGANIZATION**



**Late Kanhaiya Lal Gupta Ji**  
(1925-1992)



**Ashok Kumar Gupta**  
Chairman & Managing Director

## *From Chairman*

Dear Shareholders,

It is my privilege to report the Annual results for the F.Y. 2018-2019.

During the year total turnover of your Company decreased around 27% even after taking all efforts by the Management. The recession in global demand of handmade beads is increasing day by day. The company is continuously in process to develop new and innovative design and sample of its products and to procure orders directly from stores like Walmart, Michal etc. We hope for better results in next year.

It is also point to note that the custom duty on imported glass beads from China is 10% on CIF value whereas earlier the same was 100%. Further due to under invoicing practically import duty is further reduced and it is effectively around 5%. Due to less duty China's goods are easily available in local market at lower price and our products being costlier are facing tough marketing in local market. We have given our representation to the government to fix higher rate of duty on China's goods and for avoiding under invoicing.

During the year the shares of your company were being traded in BSE and NSE between Rs. 38 to Rs. 74 against book value of around Rs. 68.36.

We are still in process to get Government Support for establishing Cluster Scheme in Varanasi to develop infrastructure, skill and technology in Glass Beads manufacturing. The said project will be beneficial to whole of Glass Beads industry and thus also to our company.

I want to record my appreciation for co-operation and support provided by the directors, auditors, internal auditors, buyers, suppliers, bankers, artisans, employees and associates of the company in every field of your Company's activities. I also deeply appreciate for the valuable services rendered by Late Jai Singh, who died during his tenure as a Chief Financial Officer of the Company

With best wishes to all.

**Ashok Kumar Gupta**  
Chairman & Managing Director



## **BOARD OF DIRECTORS**

Ashok Kumar Gupta	: Chairman & Managing Director
Siddharth Gupta	: CEO & Managing Director
Shalini Chandra	: Executive Director
Ashok Kumar Kapoor	: Independent and Non-executive Director
Praveen Singh	: Independent and Non-executive Director
Tanmay Deva	: Independent and Non-executive Director

## **Company Secretary & Compliance Officer**

**R.K. Singh**

## **KEY MANAGERIAL PERSONNEL**

Ashok Kumar Gupta	: Chairman & Managing Director
Siddharth Gupta	: CEO & Managing Director
Shalini Chandra	: Executive Director
R.K. Singh	: Company Secretary
Vinay Kumar Piyush	: Chief Finance Officer

## **REGISTERED OFFICE**

A-1, & A-5, Industrial Estate  
Varanasi -221 106 U.P.  
Tel.# : 0542-2370161 - 2370164  
Fax.# : 0542-2370165 / 2370214  
E-mail [info@banarasbead.com](mailto:info@banarasbead.com)  
Website: [www.banarasbead.com](http://www.banarasbead.com)

## **E-MAIL & WEBSITE FOR INVESTOR**

E-mail : [investor@bblinvestor.com](mailto:investor@bblinvestor.com)  
Website : [www.bblinvestor.com](http://www.bblinvestor.com)

## **CORPORATE IDENTITY NUMBER (CIN)**

L01131UP1980PLC004984

## **AUDITORS**

G D Dubey & Associates  
Chartered Accountants,  
Firm No. 009836C  
Varanasi

## **E-VOTING SCRUTINIZER**

Ajay Kumar Jaiswal  
Practicing Company Secretary  
N-10/58-J-32, Lane No.4,  
Sriram Nagar Colony  
Near Manduadih Rly Station  
Varanasi-221010 UP

## **BANKERS**

Kotak Mahindra Bank Ltd.  
Bank of Baroda  
Axis Bank Ltd.

## **REGISTRAR & SHARE TRANSFER AGENTS**

### **Mas Services Limited**

T-34, 2nd Floor, Okhla Industrial Area,  
Phase - II,  
New Delhi - 110 020  
Ph: - 26387281/82/83 Fax:- 26387384

email:- [info@masserv.com](mailto:info@masserv.com)  
website : [www.masserv.com](http://www.masserv.com)

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**NOTICE**

**NOTICE** is hereby given that 39<sup>th</sup> Annual General Meeting of the Members of Banaras Beads Limited will be held at Registered Office of the Company at A-1, Industrial Estate, Varanasi - 221106 on Thursday the 8<sup>th</sup> August, 2019 at 3.00 P.M. to transact the following business:

**ORDINARY BUSINESS:**

**Item No. 1 - Adoption of Financial Statement**

To receive, consider and adopt the Audited Standalone Financial Statement of the Company for the year ended March 31, 2019 and the reports of the Board of Directors (the Board) and Auditors thereon.

**Item No. 2 – Re-appointment of Director**

To appoint a director in place of Shri Siddharth Gupta (DIN: 00342369), who retires by rotation and being eligible, offers himself for re-appointment as director.

**SPECIAL BUSINESS:**

**Item No. 3. RE-APPOINTMENT OF SHRI SIDDHARTH GUPTA (DIN 00342369) AS CEO & MANAGING DIRECTOR:**

To consider and if thought fit to pass with or without modification the following Resolution as Ordinary Resolution:

**RESOLVED THAT** pursuant to the recommendations of the Nomination and Remuneration Committee and the approval of the Board of Directors of the Company and pursuant to the provisions of Sections 2(54), 2(78), 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the consent of the members of the company be and is hereby accorded for reappointment of Mr. Siddharth Gupta (DIN 00342369) as CEO & Managing Director of the Company for a further period of five years, w.e.f. 1<sup>st</sup> February' 2019 on the terms and conditions as contained in the agreement and on the remuneration set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting.

**"RESOLVED FURTHER THAT** Board be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution".

By Order of the Board of Directors  
For BANARAS BEADS LIMITED,

(R.K.SINGH)  
Company Secretary

Place : VARANASI  
Date : 30.05.2019

**NOTES:**

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item Nos. 3 of the Notice, is annexed hereto alongwith the relevant details, pursuant to Regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this Annual General Meeting ("AGM").
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**  
  
The proxy form duly completed and signed must be deposited with the Company at its Registered Office not later than forty-eight hours before the time of commencement of the meeting.
3. **The Register of Members and Share Transfer Books of the Company will be closed from Friday, the 2<sup>nd</sup> August, 2019 to Thursday 8<sup>th</sup> August, 2019 (both days inclusive).**
4. Members / Proxies should bring copy of Annual Report and their attendance slip duly filled & signed at the meeting.
5. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slips and proxy form for attending the Meeting.
6. Corporate Members intending to send their authorized representatives to attend the AGM are requested to send a certified copy of the Board Resolution to the Company, authorizing them to attend and vote on their behalf at the AGM.
7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
8. **MANDATORY DEMAT TRANSFER OF SHARES -**

As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Mas Services Limited for assistance in this regard.

9. **Members are requested to make all query /correspondence directly with above Registrar of the company for transfer, transmission of shares, duplicate issue of share certificates, record in change of address and for other purposes.**



10. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website [www.bblinvestor.com](http://www.bblinvestor.com) or RTA website [www.masservs.com](http://www.masservs.com). Members are requested to submit the said details to their depository participants ("DPs") in case the shares are held by them in electronic form and to Mas Services Limited ("RTA") in case the shares are held by them in physical form.
11. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with **Mas Services Ltd.** in case the shares are held by them in physical form.
12. Members are requested to update/intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to the Company's Registrars and Transfer Agents, **Mas Services Ltd.** in case the shares are held by them in physical form by sending copy of PAN, Aadhar etc., duly signed by him alongwith original cancelled cheque.
13. The members holding shares in physical form are requested to send their change of address, **intimate his mobile number/bank particular** and other detail to the above RTA of the company or at Registered office of the company.
14. As per provisions of Investor Education and Protection Fund of Companies (Declaration and payment of dividend) Rules 2014, the Company will upload information regarding unpaid and unclaimed amounts lying with company to the MCA and Company website. The Company has uploaded the details of unpaid and unclaimed amounts of dividends lying with the Company for F.Y. 2011-12, 2012-13, 2013-14, 2014-15, 2015-16 and for F.Y. 2016-17 (upto last AGM) at company's website and Ministry of Corporate Affairs website.
15. **TRANSFER OF UNCLAIMED / UNPAID AMOUNTS TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF):**

Members are requested to note that, pursuant to section 124 and other applicable provisions of the Company Act, 2013, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. Members who have not yet encashed their dividend warrant(s) pertaining to the final dividend for the financial year 2011-12 onwards for the Company, is requested to lodge their claims with **company immediately or RTA of the company alongwith self-attested copy of PAN and cancel Cheque**. It may be noted that the unclaimed dividend to be transferred to IEPF as under-

Final Dividend for the financial year 2011-12 declared by the Company on August 10, 2012 **can be claimed by September 15, 2019**. Dividend for the financial year 2012-13 declared by the Company on February 20, 2013 **can be claimed by March 2, 2020**. Similarly **further years dividend will be transferred to IEPF account after completing seven years accordingly.**

16. Notice of the AGM along with the Annual Report 2018-19 is being sent by electronic mode to those Members whose email addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their email addresses, physical copies are being sent by the permitted mode. Members may note that the Notice and Annual Report 2018-19 will also be available on the Company's website viz. [www.bblinvestor.com](http://www.bblinvestor.com)
17. At the thirty seventh AGM held on 28<sup>th</sup> September, 2017 the members approved appointment of M/s G D Dubey & Associates, Chartered Accountants (Firm Registration number 009836C) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 42<sup>nd</sup> AGM, subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at this AGM.
18. **E-VOTING:**

In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice.

The e-voting facility will be available during the following voting period:

Commencement of e-voting  
August 5, 2019 at 09.00 a.m. IST

End of e-voting  
August 7, 2019 at 5.00 p.m. IST

Cut of date for remote e-voting- 01/08/2019

**The instructions for members for voting electronically are as under:-**

A. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/Depositories):

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

- Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**
- Step 2 : Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 is mentioned below:**

**How to Log-into NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a

Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 1*** and EVEN is 101456 then user ID is 1014560000001

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
- c) How to retrieve your ‘initial password’?
  - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
  - (ii) If your email ID is not registered, your ‘initial password’ is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:

- a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [info@masserv.com](mailto:info@masserv.com) mentioning your demat account number/folio number, your PAN, your name and your registered address.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.

8. Now, you will have to click on “Login” button.

9. After you click on the “Login” button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.



5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [workroc@gmail.com](mailto:workroc@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

Please note the following:

A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date 1<sup>st</sup> August, 2019 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes casted at the meeting and thereafter unblock the votes casted through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes casted in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith

- B. In case a Member receives physical copy of the Notice of AGM (for Members whose email addresses are not registered with the Company/Depositories):
- i. Initial password is provided in the enclosed attendance slip: EVEN (E-Voting Event Number), user ID and password.
  - ii. Please follow all steps from Sl. No. (1) to Sl. No. (8) above, to cast vote.

Any person, who acquires shares and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 1<sup>st</sup> August, 2019, can obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or RTA, [info@masserv.com](mailto:info@masserv.com)

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

By Order of the Board of Directors  
For BANARAS BEADS LIMITED,

(R.K.SINGH)  
Company Secretary

Place : VARANASI  
Date : 30. 05. 2019



Additional information of directors recommended for appointment/re-appointment as required under Regulation 36 (3) of SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015.

<b>Name</b>	: <b>Shri Siddharth Gupta</b>
<b>Fathers name</b>	: Shri Ashok Kumar Gupta
<b>Date of Birth</b>	: 01.03.1983
<b>Nationality</b>	: Indian
<b>Qualifications</b>	: Graduate.
<b>Date of appointment on the board</b>	: Appointed as CEO and Managing Director for the period 01.02.2019 to 31.01.2024.
<b>Permanent Account No.</b>	: AGEPG1158R
<b>Director Identification No.</b>	: 00342369
<b>List of directorship held in other Company(s)</b>	: i) M/s Sanwaria Trade Link Pvt. Ltd. (converted into Sanwaria Trade Link LLP on 29.04.2019) ii) M/s Mangalam Hospitality India Limited. iii) M/s Banaras Glass Beads Limited
<b>Number of shares held in the company</b>	: 701000
<b>Chairperson of Board committees</b>	: NIL
<b>Disclosure of relationships between directors inter-se</b>	: Son of Sri Ashok Kumar Gupta, Chairman & Managing Director
<b>Member of board committee</b>	: NIL

#### EXPERIENCE:

Mr. Siddharth Gupta is BA (Hons) Glass from University of Wolverhampton, UK and having more than fifteen year experience of marketing and production of Glass Beads, handicrafts, imitation Jewelry, necklace and other related items.

#### EXPLANATORY STATEMENT:

#### EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

##### Item No. 3. RE-APPOINTMENT OF SHRI SIDDHARTH GUPTA AS CEO & MANAGING DIRECTOR:

The tenure of Mr. Siddharth Gupta (DIN 00342369) as CEO & Managing Director has been expired on 31.01.2019. As per provision of 196 of Companies Act, 2013 and on the recommendation of Nomination and Remuneration Committee, the board in its meeting held on 22.01.2019 has re-appointed Mr. Siddharth Gupta as CEO & Managing Director for further five years w.e.f. 01.02.2019 subject to approval of Members as **Ordinary Resolution**. The remuneration and other terms condition of Mr. Siddharth Gupta as CEO & Managing Director is as under-

1.

##### **i) SALARY:**

A salary of Rs. 1,24,000/= (Rupees one lac and twenty four thousands only) per month.

##### **ii) PERQUISITES :**

In addition to the above, the **CEO and Managing Director** shall be entitled to the following perquisites

##### **a. REIMBURSEMENT OF MEDICAL EXPENSES:**

Reimbursement of medical expenses (including insurance premium for medical and hospitalisation policy, if any) incurred for self and family, subject to a ceiling of one month's salary or three months' salary over a period of three years, as per Rules of the Company. For the above purpose, "Family" includes spouse, dependent children and parents.

##### **b. PERSONAL ACCIDENT INSURANCE:**

Personal accident insurance cover of an amount, the annual premium of which does not exceed Rs. 15,000.

##### **c. CONTRIBUTION TO EMPLOYEE PROVIDENT FUND:**

Contribution to Employee Provident Fund, as per Rules of the Company, to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.

##### **d. GRATUITY / CONTRIBUTION TO GRATUITY FUND**

As per the payment of gratuity act 1972 and including any amendment thereto.

##### **e. ENCASHMENT OF LEAVE :**

Encashment of leave at the end of the tenure.



f. **LEAVE TRAVEL CONCESSION :**

For the **CEO and Managing Director** and his family once in a year incurred in accordance with any rules specified by the Company.

**Explanation:** Family means the spouse, dependent children of the appointee.

g. **USE OF CAR AND TELEPHONE:**

Company maintained car with driver for use on Company's business, telephone at residence and cellular phone provided by the Company will not be considered as perquisite. However, personal long distance calls and use of car for private purposes shall be borne by the Director.

h. **REIMBURSEMENT OF EXPENSES:**

Reimbursement of entertainment, travelling including out of India and all other expenses incurred for the business of the Company, as per Rules of the Company.

2. Mr. Siddharth Gupta shall be responsible to conduct and manage business and others works of the Company and he shall perform such other duties as shall from time to time be entrusted to him subject to the superintendence, guidance and control of the Board of Directors of the Company.
3. Mr. Ashok Kumar Gupta Chairman and Director and Mr. Siddharth Gupta are interested with this resolution and no other directors are interested with this resolution.
4. The Board recommends this resolution for your approval. His further re-appointment will be always in the interest and benefit of the company, in better way to manage and control.

By Order of the Board of Directors  
For BANARAS BEADS LIMITED,



(R.K.SINGH)  
Company Secretary

Place : VARANASI  
Date : 30. 05. 2019



## **DIRECTORS REPORT**

**Dear Shareholders,**

Your Directors are pleased to present the **39<sup>th</sup> Annual Reports** together with the Audited Accounts of the Company for the year ended on 31<sup>st</sup> March' 2019.

### **FINANCIAL RESULTS:**

	<b>2018-2019</b>	<b>2017-2018</b>
	<b>(Rs. in lacs)</b>	<b>(Rs. in lacs)</b>
Revenue from Operations	1731.17	2377.92
Net Profit Before Taxation	158.97	231.82
Net Profit after taxation	115.51	138.28
Balance of Profit & Loss Account B/F	1354.28	1296.06
<b><u>APPROPRIATIONS:</u></b>		
Transfer to General Reserve	0.00	0.00
Dividend Paid	0.00	66.36
Tax on Dividend paid	0.00	13.51
Taxes of earlier Years	0.49	0.19
Balance of Profit & Loss Account C/F	1469.30	1354.28

### **OPERATION / PERFORMANCE:**

During the year turnover of your Company decreased in the comparison of previous year due to recession in global demand of glass beads, handicrafts etc.

### **DIVIDENDS:**

Based on the Company's performance during the year 2018-19, the Board of Directors decided not to recommend declaration of dividend.

### **TRANSFER TO RESERVES**

No amount has been transferred to reserve. The closing balance of the retained earnings of the Company for F.Y. 2018 - 2019, after all appropriation and adjustments was 1469.30 lacs.

### **DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to provisions of Section 134(5) of the Companies Act, 2013, the Directors hereby state and confirm -

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently except as required by accounting standards and other applicable law(s) 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 at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care 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 the annual accounts on a going concern basis; and
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants, including audit of internal financial controls over financial reporting by the statutory auditors, and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2018-19.

### **ADOPTION OF IND AS:**

The company has adopted Ind AS from the financial year 2017-18.

### **PENDING PETITION WITH NCLT:**

The Special Leave Petition vide no. 25165-25166/2007 filed by Shri Ajit Kumar Gupta and others against Hon'ble CLB order dt. 04.07.2007 and 03.08.2007 in the matter of C.P. No. 14/99, CP No. 14/111/1999, 15/111/1999 and 1/111/2001 had been disposed off by Hon'ble Supreme Court on 11.04.2018. The company had already complied and executed above order of Hon'ble CLB by 05.09.2007 and nothing is pending to be complied by the company and accordingly disclosed in Annual Report made thereafter. However Mr. Raj Kumar Gupta, ex-director of the company, who had not challenged CLB orders now filed an Execution Petition No. 42/2018 before Hon'ble NCLT to get property of the company situated at Expo Mart, Greater NOIDA, which was neither part of CLB Petition No. 14/1999 nor mentioned in the list of properties to be transferred to 1<sup>st</sup> Petitioner (Mr. Raj Kumar Gupta group) in CLB final order dt. 04.07.2007 and modified order dt. 03.08.2007. Mr. Raj Kumar Gupta Ex-director of the company had already made an application to get this property before Hon'ble Supreme Court in SLP No. 935-936/2010 and Hon'ble Supreme Court finally dismissed the SLP with all pending applications. The present Execution Petition 42/2018 filed by Mr. Raj Kumar Gupta before Hon'ble NCLT Allahabad is pending. The Management does not reasonably expect that the Execution Petition, when ultimately concluded and determined, will have a material and adverse effect on the Company's results of operations or financial condition.