

Balurghat
The Balurghat Group **Since 1952**

BALURGHAT TECHNOLOGIES LIMITED



21ST ANNUAL REPORT

2014 - 2015

CORPORATE INFORMATION

BOARD OF DIRECTORS

Chairman

Shri Sushil Kumar Sancheti
Independent Director

Non Executive Director

Shri Hansraj Sethia- Non Independent Director
Smt Gita Sharma - Independent Director

Executive Directors

Shri Arun Kumar Sethia-Wholetime Director
Shri Pawan Kumar Sethia-MD

CFO- Apurv Sethia

Company Secretary

Ms. Shikha Singh

Auditors

Guha & Sons
Chartered Accountants
Kolkata

REGISTRARS & SHARE TRANSFER AGENTS

MCS Share Transfer Agent Limited
12/1/5 Manoharpukur Road
Kolkata – 700 026

REGISTERED OFFICE

170/2C, A.J.C. Bose Road
Kolkata – 700 014

AUDIT COMMITTEE

Smt Gita Sharma
Shri Arun Kumar Sethia
Shri Sushil Kumar Sancheti

BANKERS

State Bank of India
Indusind Bank

NOMINATION AND REMUNERATION COMMITTEE

Shri.Sushil Kumar Sancheti- Chairman, Independent Director
Smt Gita Sharma - Independent Director
Shri Hansraj Sethia - Non Executive Director

DIRECTOR'S REPORT

The Members of Balurghat Technologies Limited

The Board of Directors is pleased to present the 21st Annual Report of the company together with the audited financial statement for the year ended on March 31, 2015.

FINANCIAL RESULTS

The financial performance of the Company, for the year ended March 31, 2015 are summarized below: **(Rs. in hundreds)**

Particulars	2014-2015	2013-2014
Profit before Depreciation & Amortization Expenses, Finance Costs & Tax Expenses	116413	104393
Less : Finance Cost	12824	8179
Depreciation	17134	15916
Profit before Tax	86455	80298
Less : Current Tax	16848	15301
Deferred Tax Liabilities	1135	
Profit for the year	68472	64997
Add: Balance in Profit & Loss Account	-1196264	-1261261
Appropriation		
Add: Adjustment of Provision Of IT	230	0
Add: Adjustment of fixed Assets	-3096	
Closing Balance	-1130658	-1196264

SUMMARY OF FINANCIAL RESULTS AND PERFORMANCE OF THE COMPANY

Financial Year 2014-2015 was yet another challenging year. The global economy, witnessed lower economic growth. Despite these constraints and the challenging environment, the company performed reasonably well and the highlights of the performance are as under:

- Revenue from operation increased by 9.58% to 4120398 hundred for the year as against 3760121 hundred of the previous year.
- PBDIT increased by 11.51% to 116413 hundred for the year as against 104393 hundred of the previous year.
- Profit before tax increased by 7.67% to 86455 hundred for the year as against 80298 hundred of the previous year.
- Net Profit increased by 5.34% to 68472 hundred for the year as against 64997 hundred of the previous year.

DIVIDEND

In view of the accumulated losses during the current year, your Directors are unable to recommend any dividend for the year under reference.

RESERVES

The Company has transferred an amount of Rs.68472 hundreds to the General Reserve which is current year's profits and the same is in compliance with the applicable provisions prescribed under the Companies Act, 2013.

THE COMPANY'S WORKING DURING THE YEAR/STATE OF COMPANY'S AFFAIR

The Company has performed well irrespective of highly competitive market. Increase in Turnover by 9.58 % in adverse market conditions shows company's operational excellence.

CHANGE IN THE NATURE OF BUSINESS

There has been no change in the nature of business.

MATERIAL CHANGES AND COMMITMENTS, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There has been no such material or significant changes during the year under review.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There are no significant and material orders passed by the regulators or courts or tribunals impacting going concern status and company's operations in future.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and nature of its operations. The scope and authority of the Internal Audit function is well defined and to maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board as well as directly to the Chairman & Managing Director. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company.

Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and

recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

The company do not have subsidiary companies or associates companies nor it has entered into any joint ventures agreements.

DEPOSITS

The company has not accepted any deposits during the year from the Public under section 73 to 76 of the Companies Act, 2013 nor did it receive the same in any of the previous years and hence there are no overdue / outstanding Deposits or any interest payable thereon and therefore the prescribed details under the Companies Act, 2013 are not required to be furnished.

STATUTORY AUDITORS

Mr. Kalyan Ranjan Guha of M/s Guha & Sons were appointed as Statutory Auditors of your Company in last Annual General Meeting and they being eligible have offered themselves for reappointment at the ensuing Annual General Meeting. No change in Statutory Auditors has taken place during the period under review.

SECRETARIAL AUDITOR

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed Ms. Amrita Saraf, Company Secretary in practice to undertake the Secretarial Audit of the Company for FY 2014-15. The Secretarial Audit report is annexed herewith as “Annexure B”.

AUDITORS REPORT

The observations made in the Auditor’s Report are self-explanatory and do not call for any further comments. The Auditors have not made any qualifications in their report.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as “Annexure A”

MANAGEMENT’S DISCUSSION AND ANALYSIS REPORT

Management’s Discussion and Analysis Report for the year under review, as stipulated under clause 49 of the Listing Agreement with the Stock Exchange in India, is presented in a separate section forming part of the Annual Report.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Having regard to the nature of business undertaken by your company, the disclosures on Conservation of Energy and Technology are not required. However there had been foreign exchange outgo of EURO 4539.68 equivalent to Rs. 373776/- and USD 26787.81 equivalent to Rs 1633011.44 during the period under review.

AUDIT COMMITTEE

As Per Corporate Governance Report annexed hereto.

CORPORATE SOCIAL RESPONSIBILITY POLICY

As per the criteria prescribed under section 135 of the Companies Act, 2013, the CSR is not applicable to the Company in respect of the financial year 2014-2015 .The company will however, formulate and implement CSR policy as and when it gets applicable to the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013. Details of investments made by the company are given in the notes to the financial statements.

RELATED PARTY TRANSACTION

The company has framed Policy on materiality of related party transactions and dealing with related party transactions. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

PARTICULARS OF EMPLOYEES

The Statement of Particulars of Employees pursuant to the Provisions of Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 personnel) Rules, 2014 in respect of employees of the Company, forms part of this report and annexed herewith as Annexure “D”.

In terms of the provisions of Section Statement of particulars of employees pursuant to Rule 5 (2) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company did not have any employee who has been in receipt of the remuneration in excess of prescribed in the above mention section, during whole or any part of the year under review.

DIRECTORS

NUMBER OF MEETINGS OF THE BOARD

During the year Five Board Meetings were convened and held, details of which are provided in the Corporate Governance Report. The intervening gap between the Meetings was in compliance with the Companies Act, 2013

DECLARATION BY INDEPENDENT DIRECTORS

All independent directors have given declarations that they meet the criteria of independence as laid down under section 149(7) of the Companies Act, 2013 and clause 49 of the Listing Agreement.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

RE-APPOINTMENT/ RESIGNATION

Sri Hansraj Sethia, the retiring directors by rotation, was re-appointed as the Director of the Company by the members in the Annual General Meeting held on 29 September, 2014. Sri Arun Kumar Sethia whole-time director, of the Company, retire by rotation at the ensuing AGM and being eligible offer himself for re-appointment.

Sri Madanlal Agarwal, director of the company resigned from the board w.e.f. 12th September, 2014 due to his ill health. The company acknowledges valuable contributions made by him which helped in growth of the organisation.

NOMINATION AND REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration including criteria for determining qualifications, positive attributes and other matters provided under sub section (3) of section 178 of the Companies Act 2013. The Remuneration Policy is stated in the Corporate Governance Report.

RISK MANAGEMENT POLICY

As per requirement of section 134(3)(n) of the companies act 2013 and revised clause 49 of the Listing Agreement the Board of Directors has framed risk management policy .The Board has a risk assessment and minimization procedure which is reviewed by the Board periodically. There is a structure in place to identify and mitigate various identifiable risks faced by the Company from time to time. At the Meetings of the Board, these risks are reviewed and new risks are identified. As of now the Directors do not envisage any element of risk which threaten the existence of the Company.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company believes in the conduct of its affairs in a fair and transparent manner to foster professionalism, honesty, integrity and ethical behaviours in all its business activities and has put

in place a mechanism of reporting illegal or unethical behaviour. The Company has adopted a Vigil Mechanism through which the employees, Directors and other stakeholders are free to report to Senior Management any unethical behaviour, improper practices and wrongful conduct taking place in the Company for taking appropriate action. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice.

SEXUAL HARASSMENT

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has complied with the requirement of formation of a suitable committee as required under the said act. The Board of Directors and/or the Management of the Company has not received any complaint on this account from any of the employees of the Company or from any other person.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and certain designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the trading window is closed. The Board is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed compliance with the Code.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 or loss of the Company for the year under review .
- iii) The directors have 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.
- iv) The directors have prepared the annual accounts on a going concern basis.

v) 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.

vi) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

CORPORATE GOVERNANCE

Your Company complies with all mandatory requirements as stipulated under clause 49 of the Listing Agreement of the Stock Exchanges. The Report on Corporate Governance as stipulated under clause 49 of the Listing Agreements forms part of the Annual Report. The requisite certificate from the Auditors of the company confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49 is attached to this Report.

LISTING OF SHARES

The Securities of the Company are listed with BSE and shall continue to be listed thereat only. Pursuant to the SEBI (Delisting of Securities) Regulation 2003, upon confirming the applicable compliances company had made necessary application for voluntary delisting of its shares from Jaipur, Madras and Kolkata stock exchange and the same are pending disposal as on date, with the respective exchanges.

ACKNOWLEDGEMENT

Your Directors would like to express their appreciation for the assistance and co-operation received from the Banks, Government Authorities, Customers, Vendors and Members during the year under review. Your Director also wishes to place on record their deep sense of appreciation for the committed services by the Executives, Staff and Workers of the company.

For and on behalf of the Board of Directors

Dated: 29^h May, 2015

Place: Kolkata

Pawan Kumar Sethia

Sushil Kumar Sancheti

Managing Director

Chairman

DIN 00482462

DIN 03281792

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on Financial Year Ended on 31.03.2015
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	L60210WB1993PLC059296
ii	Registration Date	6/30/1993
iii	Name of the Company	Balurghat Technologies Limited
iv	Category/Sub-category of the Company	
v	Address of the Registered office & contact details	170/2C , AJC Bose Road , Kolkata-700014
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	MCS Share Transfer Agent Ltd,12/1/5 , Manoharpukur Road ,Kolkata -700026, PH : (033) 4072-4051 (3Lines)

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SL No	Name & Description of Main Products/Services	NIC Code of the Product /Service	% to Total Turnover of the Company
1	OTHER PUMPS FOR DISPENSING FUEL	84131191	53.49%
2	TRANSPORT SERVICES OF FREIGHT	99651190	44.14%
4			

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1					
2					
3					