

 **BANG OVERSEAS Ltd.**



**26<sup>th</sup>**

**Annual Report 2017-18**



## INDEX

Corporate Information	2
Directors Biography	3
Directors Report	4
Report on Corporate Governance	30
Management Discussion & Analysis	42
Auditor's Report and Financial Statements	45
Balance Sheet	50
Profit & Loss Account	51
Cash Flow Statement	52
Notes and other details	53
Consolidated Financial Statements	77

**CORPORATE INFORMATION****BOARD OF DIRECTORS**

Mr. Brijgopal Balam Bang  
Mr. Raghvendra Venugopal Bang  
Mr. Subrata Kumar Dey  
Mrs. Swati Sahukara  
Mrs. Anuradha Parsakar

Chairman & Managing Director  
Director  
Independent Director  
Independent Director  
Additional Independent Director

**CHIEF FINANCIAL OFFICER**

Mr. Jaydas Tulshiram Dighe

**COMPANY SECRETARY & COMPLIANCE OFFICER**

Ms. Trupti Limbasiya

**STATUTORY AUDITORS**

M/s. Bhatte & Company  
Chartered Accountants  
307, Tulsiani Chambers,  
Nariman point,  
Mumbai-400021  
Tel.: (022) 22853039/30208868  
E-mail: dhhbhatte@gmail.com

**SECRETARIAL AUDITORS**

M/s. Kothari H. & Associates  
Practicing Company Secretaries  
208, 2nd Floor, BSE Building,  
Dalal Street, Fort,  
Mumbai - 400 001.  
Tel.: (022) 2272 1831  
E mail: hiteshkotharics@yahoo.co.in

**REGISTERED OFFICE**

Masjid Manor, IInd Floor  
16, Homi Modi Street,  
Fort, Mumbai- 400 023  
Tel.: (022) 22884728

**BANKERS**

Bank of India  
Oriental Bank of Commerce

**CORPORATE OFFICE**

405-406, Kewal Industrial Estate,  
Senapati Bapat Marg  
Lower Parel (West), Mumbai- 400 013  
Tel: (022) 66607965, Fax: (022) 66607970

**REGISTRAR & TRANSFER AGENT**

Karvy Computershare Pvt. Ltd.  
Plot No. 17-24 Vittal Rao Nagar,  
Madhapur, Hyderabad 500 081  
Tel.: 040- 4465 5000  
Email: Varghese@karvy.com

**CORPORATE IDENTITY NUMBER:**

L51900MH1992PLC067013

**MANUFACTURING UNITS**

Unit No. 1-FCC  
17/3, 9th Main, Basavapura Village, BegurHobli, Electronic City Post, Bangalore-560 100, India

**WAREHOUSES**

Rajlaxmi Commercial Complex, Gala No. BD- 201 to 220, Mane Farm House, Opp. Durgesh Park, Kalher Village, Bhiwandi – 421 302.	Reunion Clothing Company Plot No.: Z-5, Phase II, VSEZ, Dauvada, Visakhapatnam 530 046 (A.P)
---	--

Website: [www.banggroup.com](http://www.banggroup.com)

---

## **DIRECTORS' BIOGRAPHY**

### **MR. BRIJGOPAL BALARAM BANG, CHAIRMAN & MANAGING DIRECTOR:**

Mr. Brijgopal Bang is Commerce Graduate and also completed Master of Management Studies (MMS) from Bombay University in the year 1992. He is the promoter and Managing Director of the Company. He has been actively involved in the business of the Company since incorporation and has played a key role in the growth of the Company with his inputs in strategic planning and business development.

### **MR. RAGHVENDRA VENUGOPAL BANG, DIRECTOR**

Mr. Raghvendra Bang is Commerce Graduate from R A Poddar College, Mumbai University. He has an experience of more than 12 years in the field on Marketing & Finance. He is son of Mr. Venugopal Bang who was earlier on Board of Bang Overseas Limited. He is looking overseas operation of the Company.

### **MR. SUBRATA KUMAR DEY, INDEPENDENT DIRECTOR :**

Mr. Subrata K. Dey is a BA (Hons) and has done MA in Economics. He has experience of 35 years predominantly in areas of Corporate Banking especially for Large, mid-Corporate. He served ING VYSYA BANK LTD from 2001 to 2009 as Regional Head (West). After retirement from ING VYSYA BANK LTD he joined a listed NBFC as Director in Advisory Role in the area of Corporate Finance – Debt Syndication, Structuring, Restructuring, Finance options, etc.

### **MRS. SWATI SAHUKARA, INDEPENDENT DIRECTOR:**

Mrs. Swati Sahukara is an Associate Member of the Institute of Company Secretaries of India (ACS), B. Com and L.L.B. She has 11 years of rich experience in the field of Company Secretary profession, worked with various organizations viz. engaged in business of real estate, glass industry, film industry, corporate law consultancy and handled various assignments like merger, amalgamation, takeover, buy back of shares, preferential issue, due diligence etc.

### **MRS. ANURADHA PARASKAR, ADDITIONAL INDEPENDENT DIRECTOR**

Mrs. Anuradha Paraskar has 26 years experience in the field of Marketing and communication as well as Sales and Business development. Her career has spanned across FMCG, Realty, hospitality and Tourism and Health care categories having worked in senior roles at companies like Godrej Consumer Products Ltd., Lavasa Corporation Ltd. (an HCC Group company) and Piramal Enterprises. Her last assignment was as President (Marketing and Group Brand) at Piramal. Currently an independent Marketing and Strategy consultant at Thermax Ltd., an Engineering leader. She is also a member of the Board of Governors at IIM Raipur. She is an MBA from Mumbai University and has also completed an Executive Education program from Harvard Business School on Customer centricity for profitable business growth. She conducts Training programs for Companies as well as lectures in Educational institutes.

**DIRECTORS' REPORT**

To,  
The Members of,  
**Bang Overseas Limited**

Your Directors take pleasure in presenting their 26th Annual Report of the Company together with the Audited Financial Statement for the year ended 31st March 2018.

**FINANCIAL RESULTS:**

(Rs. In Lacs)

Description	Standalone		Consolidated	
	Year Ended 31.03.18	Year Ended 31.03.17	Year Ended 31.03.18	Year Ended 31.03.17
Revenue	16,881	15,907.94	18,712	17,503.80
Other Income	422	331.88	444	364.38
Total Expenditure	17,303	16,239.82	19,517	17,868.19
Earnings before Interest, Depreciation and Tax (EBIDT)	677	938.92	1,114	1,052.33
Less: Interest	93	140.06	118	162.66
Earnings Before Depreciation and Tax (EBDT)	584	798.86	996	889.67
Less: Depreciation	210	217.05	214	224.39
Profit before Tax (PBT)	374	581.81	782	665.28
Less: Adjustment of Exceptional Item	0.00	0.00	415	79.96
Profit/ (Loss) before Tax after Exceptional items	374	581.81	367	585.32
Less: Tax Provision (Current, Deferred, FBT and Earlier Year adjustment)	44	201.59	48	205.64
Profit/(Loss) after Tax (PAT)	330	380.22	319	379.68

**PERFORMANCE REVIEW:****Standalone**

During the year under review, the Company has achieved revenue of Rs. 16,881 Lacs as against Rs. 15,907.94 Lacs in previous year. The Company has incurred a Net Profit after tax of Rs. 330 Lacs as against Net Profit after tax of Rs. 380.22 Lacs for the corresponding previous financial year. Due to Favourable market conditions, the turnover of your company has been increased. Your directors are hopeful for better sales realization and profit in the next year.

**Consolidated**

During the year under review, the Company has achieved revenue of Rs. 18,712 Lacs as against Rs. 17,503.80 Lacs in previous year. The Company has incurred a Net profit after tax of Rs. 319.00 Lacs as against Net profit after tax of Rs. 379.68 lacs for the corresponding previous financial year.

**DIVIDEND AND TRANSFER TO RESERVES:**

In order to conserve the resources for increasing business operations, Your Director do not recommend any dividend for the year under review. No amount is proposed to be transferred to Reserves.

The Register of Members and Share Transfer Books will remain closed from September 22, 2018 to September 28, 2018 (both days inclusive).

The Annual General Meeting of the Company will be held on September 28, 2018.

**CHANGE IN THE NATURE OF BUSINESS, IF ANY:**

There is no change in the nature of the business during the year.

**MATERIAL CHANGES AND COMMITMENTS, IF ANY, 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 are no material changes and commitments occurred which affecting the financial position of the Company between the end of the financial year and as on the date of this report.

**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 the going concern status and company's operations in future.

**INTERNAL FINANCIAL CONTROL:**

The Internal Financial Control with reference to financial statements as designed and implemented by the Company are adequate.

During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

**CONSOLIDATED FINANCIAL STATEMENTS:**

In accordance with the Companies Act, 2013 and Accounting Standard (AS) - 21 on Consolidated Financial Statements read with AS - 23 on Accounting for Investments in Associates, the Audited Consolidated Financial Statement is provided in the Annual Report.

Business Outlook, Operations and Performance are discussed in detail in the Management Discussion & Analysis forming a part of this Report and have not been incorporated here to avoid repetition.

**SUBSIDIARY COMPANIES:**

During the year under review, your Company has following subsidiaries:

1. Vedanta Creations Limited
2. Bang Europa s.r.o.
3. Bang HK Limited

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing salient features of financial statements of subsidiaries, associates and joint venture companies in Form AOC-1 is annexed as Annexure A to this report. The Company does not have any material subsidiary. The policy for determining material subsidiaries framed by the Board of Directors is available on website of the Company at the link [http://www.banggroup.com/images/BOL\\_Policy\\_for\\_Determining\\_Material\\_Subsiidiary.pdf](http://www.banggroup.com/images/BOL_Policy_for_Determining_Material_Subsiidiary.pdf)

The separate audited financial statements in respect of each of the subsidiary companies for the year ended March 31, 2018 is placed on the Company's website [www.banggroup.com](http://www.banggroup.com) and shall also be kept open for inspection at the Registered Office of the Company. The Company will also make available these documents upon request by any Member of the Company interested in obtaining the same.

**DEPOSITS:**

During the year under review, your Company did not accept any deposits in terms of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014. No amounts were outstanding which were classified as Deposit under the applicable provisions of the Companies Act, 2013 as on the balance sheet date.

**CORPORATE SOCIAL RESPONSIBILITY (CSR):**

Social Welfare Activities has been an integral part of the Company since inception. The Company is committed to fulfill its social responsibility as a good corporate citizen. In conformity with the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

In conformity with the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has a CSR Committee which presently comprises of Mr. Brijgopal Bang as Chairman and Mrs. Anuradha Paraskar & Mrs. Swati Sahukara as its members. The Committee is responsible for formulating and monitoring the CSR policy of the Company. CSR activities, as per the provisions of the Companies Act, 2013, may be undertaken by the Company through a registered trust or a registered society. The CSR policy as adopted by the Company can be viewed on the website of the Company viz: [http://www.banggroup.com/images/BOL\\_CSR\\_Policy.pdf](http://www.banggroup.com/images/BOL_CSR_Policy.pdf)

As per the provisions of section 135 read with the Section 198 of the Companies Act, 2013, the Company does not have CSR Obligation for the year 2017-18. Accordingly, there has been no meeting of CSR Committee held during the year. The Annual report on the CSR activities undertaken by the Company is annexed to this report as Annexure -B.

**AUDITORS AND THEIR REPORTS:**

The matters related to Auditors and their Reports are as under:

**STATUTORY AUDITORS:**

Pursuant to the provision of the section 139 of the Companies Act, 2013 and the rules framed thereunder M/s. Bhattar & Company, Chartered Accountants (Firm Registration No. 131092W), have been appointed as statutory auditors of the Company for an initial term of five years from the conclusion of the 25th Annual General Meeting of the Company held on 29/09/2017, till the conclusion of the 30th Annual General Meeting of the Company, subject to the ratification of their appointment at every Annual General Meeting.

They have confirmed their eligibility under Section 141 of the Act and the Rules framed thereunder. The Board recommended to the members the ratification of the appointment of the statutory auditors for the remaining term on such remuneration as may be fixed by the Board

A resolution seeking their appointments forms part of the Notice convening the 26th Annual General Meeting and the same is recommended for your consideration and approval.

The observations made in the Auditors' Report read together with relevant notes thereon are self-explanatory and hence do not call for any further comments under Section 134 of the Companies Act, 2013.

The notes on accounts referred to the Auditor's Report are self-explanatory and there has been no qualification/remark made thereunder and therefore the same does not call for any further comments/explanation from the Directors.

**SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT:**

The Board of Directors of the Company has, in compliance with the provisions of section 204 of the companies Act, 2013, appointed M/s. Kothari H. & Associates, Practicing Company Secretary to carry out secretarial audit of the company for the financial year 2017-18.



Secretarial Audit Report as per Section 204 of Companies Act 2013 is annexed as Annexure C to this report. There are adverse remarks in the said report.

#### **DIRECTORS COMMENT ON SECRETARIAL AUDITOR'S ADVERSE REMARKS IN SECRETARIAL AUDIT REPORT:**

As the Secretarial Auditors has marked adversely in their report related to composition of the various committees and Maintenance of hundred percent of shareholding of promoter(s) and promoter group in dematerialized form.

At present Company is in compliance with the Regulation 17, 18 and 19 of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 related to the composition of the various committees and the management will make necessary efforts to maintain hundred percent of shareholding of promoter(s) and promoter group in dematerialized form.

#### **SHARE CAPITAL:**

The Company has not issued any equity shares with differential rights / sweat equity shares/ employee stock options or not made any provision of its own shares by employees or by trustees for the benefit of employees during the financial year 2017-18

The Company has not made any purchase or provision of its own shares by employees or by trustees for the benefit of employees during the financial year 2017-18.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Information relating to conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required under Section 134(3)(m) of the Companies Act, 2013 is given by way of Annexure D to this Report.

#### **EXTRACTS OF ANNUAL RETURN AND OTHER DISCLOSURES UNDER COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:**

The Extract of Annual Return in form No. MGT- 9 as per Section 134 (3) (a) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 and Rule 12 of Companies (Management & Administration) Rules, 2014 is annexed hereto as Annexure E forms part of this report.

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

##### **A) Changes in Directors and Key Managerial Personnel:**

Pursuant to provisions of section 152(6) of the Companies Act, 2013, Mr. Raghvendra Bang retires by rotation at the ensuing Annual General Meeting and, being eligible, offer himself for reappointment.

Mrs. Anuradha Paraskar has been appointed as an Additional Independent Director of the Company with effect from 15.02.2018

in the Board of Directors Meeting held on 14.02.2018 and will be confirmed as Independent Director in the ensuing Annual General Meeting.

Mr. Vijay Ajgaonkar disqualified u/s. 164 of the Companies Act, 2013 As per Ministry of Corporate Affairs (MCA) circular dated 06.09.2017 and therefore he ceased to be director of the Company w.e.f. 06.09.2017.

Mr. Purshottam Bang has vacated the Office of Director with effect from 30.05.2017 under section 167 of the Companies Act, 2013 as he has not attended any Board Meeting during the period of 12 months from the date of the last attended meeting.

##### **B) Declaration by an Independent Director(s) and re-appointment, if any:**

All Independent Directors have given declarations that they meet the criteria of independence as laid down sub- section (6) of section 149 of the Companies Act, 2013 and regulation 16(b) of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015.

##### **C) Board Evaluation:**

Pursuant to the provisions of the Companies Act, 2013 read with rules thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

While independent directors in their separate meeting have carried out to assess the performance of Chairman & MD and other Directors of the Board more particularly about their business acumen and contribution to the Company, the performance evaluation of the Independent Directors was carried out by the entire Board.

The Independent Directors expressed their satisfaction with the evaluation process, functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of duties, obligations, responsibilities and governance.

##### **D) Familiarization Program for the Independent Directors:**

In compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has put in place a Familiarization Programme for Independent Directors to familiarize them with the working of the Company, their roles, rights and responsibilities vis-à-vis the Company, the industry in which the Company operates business model etc. Details of the Familiarization Programme are explained in the Corporate Governance report and also available at [http://www.banggroup.com/images/Details\\_of\\_Familiarization\\_Programme\\_imparted\\_to\\_Independent\\_Directors.pdf](http://www.banggroup.com/images/Details_of_Familiarization_Programme_imparted_to_Independent_Directors.pdf)



**NUMBER OF MEETINGS OF THE BOARD:**

The Board met five times during the financial year, the details of which are given in the Corporate Governance report that forms part of this Annual Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Additionally, during the financial year ended March 31, 2018 a separate meeting of the Independent Directors was held in compliance with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**PARTICULARS OF LOANS, GUARANTEES & INVESTMENTS UNDER SECTION 186:**

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013.

The details of the investments made by company is given in the notes to the financial statements.

**PARTICULARS OF CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:**

In line with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a Policy on Related Party Transactions which is also available on Company's website at the link [http://www.banggroup.com/images/policies/BOL\\_Policy\\_on\\_Related\\_party\\_transaction.pdf](http://www.banggroup.com/images/policies/BOL_Policy_on_Related_party_transaction.pdf)

The policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

This Policy specifically deals with the review and approval of Material Related Party Transactions keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions. All Related Party Transactions are placed before the Audit Committee for review and approval and wherever applicable omnibus approvals are obtained for Related Party Transactions. A statement of all such related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature and value of these transactions.

Particulars of contracts or arrangements with related parties referred to in section 188(1) of the companies act, 2013, in the prescribed Form AOC-2 is appended as Annexure F to the Board Report.

**PARTICULARS OF EMPLOYEES:**

The information as required under the provisions of Section 197(12) of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as Annexure G

During the financial year 2017-18, there were no employee in the Company whose particulars are required to be given in terms of Section 197 (12) of the Act, read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**VIGIL MECHANISM:**

The Board has framed a Whistle Blower Policy/ Vigil Mechanism which is in line with the provisions of section 177 of the Companies Act, 2013 read with Regulation 22 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015. Further details in respect of the vigil mechanism are provided in the corporate governance report which forms part of Annual Report.

**NOMINATION AND REMUNERATION COMMITTEE:**

The Board has framed a Nomination and Remuneration Committee in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Kindly refer section on Corporate Governance, under the head, 'Nomination Remuneration Committee' for matters relating to constitution, meetings, functions of the Committee and the remuneration policy formulated by this Committee. The Nomination & Remuneration policy is annexed hereto as Annexure H and forms part of this report.

**AUDIT COMMITTEE:**

An Audit Committee is in existence in accordance with the provisions of Section 177 of the Companies Act, 2013 Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Kindly refer to the section on Corporate Governance, under the head, 'Audit Committee' for matters relating to constitution, meetings and functions of the Committee.

**STAKEHOLDERS RELATIONSHIP COMMITTEE:**

A Stakeholders Relationship Committee is in existence in accordance with the provisions of section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 Kindly refer to the section on Corporate Governance, under the head, 'Stakeholders Relationship Committee' for matters relating to constitution, meetings and functions of the Committee.

**CORPORATE GOVERNANCE:**

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. The Company has implemented several best corporate governance practices as prevalent globally.

Your Company has complied with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 regarding Corporate Governance. A Report on the Corporate Governance and Practicing Company Secretary's Certificate on Compliance of Corporate Governance are annexed as a part of this Annual Report for the information of the Shareholder's. The Company has also obtained the requisite certificate from the Managing Director of the Company. The Managing Director's declaration regarding Compliance with Company's Code of Conduct for Directors and Senior Management Personnel forms a part of the Report on Corporate Governance.

**LISTING:**

At present, the Company's Equity Shares are listed at National Stock Exchange of India Limited and BSE Limited and the Company has paid the Listing fees to the above Exchanges for the year 2018-19.

**MANAGEMENT DISCUSSION AND ANALYSIS:**

Management Discussion and Analysis of the financial condition and results of the operations of the Company for the year under review, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 with the Stock Exchanges, is presented in a separate section forming part of the Annual Report.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(3)(C) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- a. In preparation of the Annual Accounts for the year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. The Directors had 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 at the end of the financial year and of the loss of the company for the year ended on that date;
- 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.

**RISK MANAGEMENT:**

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Your Company periodically assesses risks in the internal and external environment, along with the cost of rating risks and incorporates risk treatment plans in strategy, business and operational plans.

As per Section 134(3)(n) of the Companies Act, 2013, The Board of Directors have approved the Risk Management Policy for the company. Some of the risks which may pose challenges are set out in Management Discussion and Analysis Report which forms part of this report.

**DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and Redressal of

sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under. During the financial year 2017-18, the Company has received nil complaints on sexual harassment.

**INTERNAL CONTROLS OVER FINANCIAL REPORTING (ICFR):**

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations. During the year such controls were tested and no reportable material weakness in the design or operations were observed. The Company has policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to 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 information.

**INDIAN ACCOUNTING STANDARDS (IND AS) – IFRS CONVERGED STANDARDS:**

Indian Accounting Standard (Ind AS) As mandated by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards ('Ind AS') from 1st April, 2017 with a transition date of 1st April, 2016. The financial results for the year 2017-18 have been prepared in accordance with Ind AS, prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other recognized accounting practices and policies to the extent applicable. The Financial Results for all the periods of 2017-18 presented have been prepared in accordance with Ind AS. The Company has adopted "IND AS" for the first time with effect from April 01, 2017, with the comparatives for the periods ending March 31, 2017.

**SECRETARIAL STANDARDS:**

Pursuant to the approval given on 10th April, 2015 by the Central Government to the Secretarial Standards specified by the Institute of Company Secretaries of India, the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) came into effect from 1st July, 2015. The said standards were further amended w.e.f. 1st October, 2017. The Company is in compliance with the same.

**ACKNOWLEDGEMENT:**

The Director sincerely appreciates the contributions made by all the employees, associates and business partners who have contributed towards the success of the Company. The Directors place on record their gratitude for the continuing support of Shareholders, bankers and Business associates at all levels.

**For and on behalf of the board of directors**

**Sd/-**  
**Brijgopal Bang**  
**Place: Mumbai**  
**Date: August 13, 2018**

**DIN: 00112203**  
**Chairman & Managing Director**