



BANG OVERSEAS LTD.



27th
Annual Report 2018 - 2019

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CORPORATE INFORMATION

BOARD OF DIRECTORS

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

Chairman & Managing Director
Director
Independent Director
Independent Director
Independent Director

CHIEF FINANCIAL OFFICER

Mr. Jaydas Tulshiram Dighe

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Trupti Limbasiya (up to October 06, 2018)
Mr. Harsh Joshi (w.e.f. February 12, 2019)

STATUTORY AUDITORS

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

REGISTERED OFFICE

(upto August 31, 2019)
Masjid Manor, 2nd Floor
16, Homi Modi Street,
Fort, Mumbai- 400 023
Tel.: (022) 22884728

BANKERS

Bank of India

REGISTERED OFFICE & CORPORATE OFFICE

(Registered Office w.e.f. September 01, 2019)
405-406, Kewal Industrial Estate,
Senapati Bapat Marg,
Lower Parel (West), Mumbai – 400 013
Tel: (022) 66607965, Fax: (022) 66607970

REGISTRAR & TRANSFER AGENT

Karvy Fintech Private Limited
Karvy Selenium Tower B, Plot 31-32
Gachibowli, Financial District, Nanakramguda,
Hyderabad – 500 032, Telangana
Tel.: +91 40 6716 2222, 3321 1000
Email: einward.ris@karvy.com

CORPORATE IDENTITY NUMBER:

L51900MH1992PLC067013

MANUFACTURING UNITS

Unit No. 1 – FCC
17/3, 9th Main, Basavapura Village, Begur Hobli, Electronic City
Post, Bengaluru – 560 100, Karnataka

WAREHOUSES

Raj Laxmi 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

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 13 years in the field on Marketing & Finance. He is son of Mr. Venugopal Bang who was earlier on Board of Bang Overseas Limited and he is Non-executive director of the Company.

MR. SUBRATA K. 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.

MS. SWATI SAHUKARA, INDEPENDENT DIRECTOR

Ms. Swati Sahukara is an Associate Member of the Institute of Company Secretaries of India (ACS), B. Com and L.L.B. She has 12 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, INDEPENDENT DIRECTOR

Mrs. Anuradha Paraskar has 27 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 27th Annual Report of the Company together with the Audited Financial Statements for the Financial Year ended 31st March 2019.

FINANCIAL RESULTS:

(Rs. In Lacs)

| Description | Standalone | | Consolidated | |
|--|------------------------|------------------------|------------------------|------------------------|
| | Year Ended 31.03.19 | Year Ended 31.03.18 | Year Ended 31.03.19 | Year Ended 31.03.18 |
| Revenue | 15411.21 | 16881.17 | 16798.91 | 18712.31 |
| Other Income | 316.56 | 422.08 | 322.73 | 444.31 |
| Expenditure before Interest, Depreciation and Tax | 15241.45 | 16684.03 | 16628.82 | 18539.64 |
| Earnings before Interest, Depreciation and Tax (EBIDT) | 486.31 | 619.23 | 492.82 | 616.98 |
| Less: Interest | 78.73 | 34.99 | 79.81 | 35.56 |
| Earnings Before Depreciation and Tax (EBDT) | 407.58 | 584.24 | 413.01 | 581.42 |
| Less: Depreciation | 230.54 | 209.92 | 233.36 | 214.41 |
| Profit before Tax (PBT) | 177.03 | 374.31 | 179.65 | 367.00 |
| Less: Adjustment of Exceptional Item | 0.00 | 0.00 | 0 | 0 |
| Profit/ (Loss) before Tax after Exceptional items | 177.03 | 374.31 | 179.65 | 367.00 |
| Less: Tax Provision (Current, Deferred, FBT and Earlier Year adjustment) | 170.50 | 44.37 | 170.69 | 47.59 |
| Profit/(Loss) after Tax (PAT) | 6.53 | 329.94 | 8.95 | 319.41 |
| Total Net Comprehensive Income | 9.13 | 0 | 9.22 | 0 |
| Total Profit after Tax (including Comprehensive Income) | 15.66 | 329.94 | 18.17 | 319.41 |

PERFORMANCE REVIEW:**Standalone**

During the year under review, the Company has achieved revenue of Rs.15411.21 Lacs as against Rs.16881.17 Lacs in previous year. The Company has earned a Net Profit after tax (including Comprehensive income) of Rs. 15.66Lacs as against Net Profit after tax of Rs. 329.94 Lacs for the corresponding previous financial year. Turnover of the Company has slightly decreased as compared to previous year due to stiff competition prevailing in the market. 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.16798.91Lacs as against Rs. 18712.31 Lacs in previous year. The Company has earned a Net profit after tax (including Comprehensive income) of Rs. 18.17 Lacs as against Net profit after tax of Rs.319.41 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 24, 2019 to September 30, 2019 (both days inclusive). The Annual General Meeting of the Company will be held on September 30, 2019.

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.

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_-_Final.pdf

The separate audited financial statements in respect of each of the subsidiary companies for the year ended March 31, 2019 is placed on the Company's website 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, the Company has a CSR Committee which presently comprises of Mr. Brijgopal Bang as Chairman and Mrs. Anuradha Paraskar & Ms. 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

As per the provisions of section 135 read with the Section 198 of the Companies Act, 2013, the Company did have CSR Obligation for the year 2018-19. Accordingly, a meeting of CSR Committee was 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 provisions of Section 139 and other applicable provisions, if any of the Companies Act, 2013 and the Rules made thereunder, M/s. Bhattar & Company, Chartered Accountants (Firm Registration No. 131092W), were appointed as statutory auditors of the Company for a period of five years by the members of the Company at 25th Annual General Meeting (AGM) to hold office from the conclusion of 25th AGM till the conclusion of 30th AGM, subject to the ratification of their appointment by the members in every ensuing annual General Meeting Thereafter at 26th AGM the members have ratified their appointment for the balance term till the conclusion of 30th AGM. It may be noted that pursuant to the amended provisions of section 139 (as amended by the Companies Amendment Act 2017), ratification of statutory auditors appointment is not required at every Annual General Meeting. Accordingly, resolution for yearly ratification of appointment has not been proposed/required.

The specific notes forming part of the Accounts referred to in the Auditor's Report read with the notes to financial statements as referred to therein, are self-explanatory and give complete

information and addresses the observations if any. The Auditor's Report does not have any qualification or reservations or adverse comments. Further the observation/s made therein read with concerned Notes to financial statements, provide sufficient information and are self explanatory. So no further explanations or comments is required/provided in this report with respect thereto

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 2018-19.

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 w.r.t. Maintenance of hundred percent of shareholding of promoter(s) and promoter group in dematerialized form, the management states that it 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 2018-19

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 2018-19.

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 and also available on the website of the Company i.e. www.bangroup.com

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.

During the year under review, Mrs. Anuradha Paraskar was appointed as an Independent Director of the Company at Annual General Meeting of the Company held on 28th September, 2018 for a period of five years.

The Changes in Company Secretary of the Company during the Financial Year are as under:

| Sr. No. | Name | Designation | Date of appointment | Date of resignation |
|---------|----------------------|-------------------|---------------------|---------------------|
| 1. | Ms. Trupti Limbasiya | Company Secretary | February 13, 2016 | October 06, 2018 |
| 2. | Mr. Harsh Joshi | Company Secretary | February 12, 2019 | --- |

The Board places on record its sincere appreciation for the services rendered by the outgoing Company Secretary.

Further, the Board has at their meeting held on 14th August, 2019, approved and proposed for approval by the shareholders at this ensuing AGM, the re-appointment of Mr. Subrata Kumar Dey as an Independent Director of the Company, and accordingly requisite resolutions are proposed for the approval of the shareholders at the ensuing AGM, forming part of the Notice.

The Board also approved and proposed for approval by the shareholders at this ensuing AGM, the re-appointment of Mr. Brijgopal Bang as Chairman & Managing Director of the Company for a period of three years, and accordingly requisite resolutions are proposed for the approval of the shareholders at the ensuing AGM, forming part of the Notice.

The Board recommends their reappointments being in the interest of the Company.

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 Obligation and Disclosure Requirement) 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

NUMBER OF MEETINGS OF THE BOARD:

The Board met four 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, 2019 a separate meeting of the Independent Directors was held in compliance with the requirements of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirement) 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. However the Company has made investment in the subsidiary Companies. 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/BOL_Policy_on_Related_Party_Transaction_-_Final.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 2018-19, 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 Obligation and Disclosure Requirement) 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 Annual Listing fees to the above Exchanges for the year 2019-20.

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 Obligation and Disclosure Requirement) 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, 2019, 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 profit 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.