

# **Pyxis Finvest Limited**

## **14<sup>TH</sup> ANNUAL REPORT 2018-19**

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## **Company Information**

### **Board of Directors**

Mr. Kumud Ranjan Mohanty - Managing Director  
Mr. Shailendra Apte - Non-Executive Director and CFO  
Mr. Surajit Sarkar - Non-executive Director  
Mr. Parag Shah - Independent Director  
Ms. Swati Sahukara - Independent Director

### **Company Secretary**

Ms. Snehal Saboo

### **Registered Office**

Level 9 (Unit-801), Centrum House, CST Road,  
Vidyanagari Marg, Kalina, Santacruz (E),  
Mumbai-400098  
E-mail: [cs@centrum.co.in](mailto:cs@centrum.co.in)  
Website: [www.bcbfinance.com](http://www.bcbfinance.com)

### **Registrar and Share Transfer Agents**

Purva Sharegistry (I) Pvt Ltd  
9, Shiv Shakti Industrial Estate, J.R. Boricha Marg,  
Lower Parel (E), Mumbai – 400011  
Tel No.:91-22-23012518  
Fax No.: 91-22-2301 2517  
E-mail: [busicomp@gmail.com/](mailto:busicomp@gmail.com/)  
Website: [www.purvashare.com](http://www.purvashare.com)

### **Stock Exchange**

BSE Limited (SME) (534109)

### **Bankers**

Bank of India, Stock Exchange Branch,  
Fort, Mumbai 400 001  
HDFC Bank, Kalina, Santacruz (E),  
Mumbai-400098  
Axis Bank, Kalina, Santacruz (E), Mumbai-  
400098

### **Statutory Auditor**

M/s. P.D Saraf & Co.,  
Chartered Accountants,  
1103, Arcadia, 195 Nariman Point,  
Mumbai-400021

### **Internal Auditor**

M/s. F. K. Mody & co.,  
Chartered Accountants,  
4<sup>th</sup> Floor, Laxmi House 177,  
79 Kalbadevi Road, Mumbai-400002

### **Secretarial Auditor**

Pimple & Associates  
Practicing Company Secretary  
224, Corporate Avenue, Sonawala Road,  
Goregaon (E), Mumbai 400063

### **Corporate Identification Number (CIN)**

L65990MH2005PLC157586

## Directors' Report

*Dear Members,*

Your Directors take pleasure in presenting the 14<sup>th</sup> Annual Report on the business and operations of your Company together with the Audited Financial Statements for the year ended March 31, 2019.

### **FINANCIAL HIGHLIGHTS**

The financial performance of your Company for financial Year 2018-19 and 2017-18 is summarized as below:

(Rs. in Lakh)

Particulars	For Financial Year Ended	
	March 31, 2019	March 31, 2018
Total Revenue	436.60	573.07
Total Expenditure	113.92	249.20
<b>Profit before Tax</b>	<b>322.67</b>	<b>323.87</b>
Provision for Tax	112.39	97.16
<b>Profit/ (loss) After Tax</b>	<b>210.28</b>	<b>226.71</b>

### **FINANCIAL PERFORMANCE AND STATE OF COMPANY AFFAIRS**

Information on the operational and financial performance of the Company is given in the Management Discussion and Analysis Report, which is annexed to the Report, and is in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

### **SHARE CAPITAL**

During the period under review, there has been no change in the authorized as well as paid up share capital of the Company.

### **MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis forms an integral part of this Report and gives details of the overall industry structure, economic developments, performance and state of affairs of the Company's various businesses, internal controls and their adequacy, risk management systems and other material developments during the financial year 2018-19.

### **TRANSFER TO RESERVES**

Your Company proposes to transfer an amount of Rs. 42.06 lakh (Previous year Rs. 45.34 lakh) to Statutory Reserve.

### **DIVIDEND**

Considering the impending growth and expansion plans of the Company and the need to conserve the resources and redeploy the same, the Board decided not to recommend any dividend for financial year 2018-19.

## **MATERIAL CHANGES AND COMMITMENTS**

There has been no material change and commitment, affecting the financial performance of the Company which occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report.

## **LISTING FEES**

The Company's Equity shares are listed on BSE Limited and the Company has paid listing fees upto the financial year 2019-20.

## **PARTICULARS OF DEPOSITS**

Your Company being a 'Non-Deposit taking Non-Banking Financial Company' has not accepted deposits during the year under review and shall not accept any deposits from the public without obtaining prior approval of the RBI. Accordingly, the disclosure requirements under Rule 8(5)(v) and (vi) of the Companies (Accounts) Rules, 2014 are not applicable to the Company.

## **MEETINGS OF THE BOARD & COMMITTEES**

Details of meetings of the Board and committees held during the year are set out in following table.

<b>Particulars</b>	<b>Board</b>	<b>Audit Committee</b>	<b>Nomination &amp; Remuneration Committee</b>
Number of Meetings	4	2	2
Dates of Meetings	30.05.2018 31.08.2018 14.11.2018 13.03.2019	30.05.2018 14.11.2018	31.08.2018 13.03.2019
<b>No. of meetings attended by Directors/ Committee members</b>	As given below	As given below	As given Below
Mr. Kumud Ranjan Mohanty	3 of 4	N.A.	N.A.
Mr. Shailendra Kishor Apte	4 of 4	N.A.	N.A.
Mr. Narayan Krishnan*	1 of 2	1 of 1	0 of 1
Mr. Parag Gunvantrai Shah	4 of 4	2 of 2	2 of 2
Ms. Swati Sahukara	4 of 4	2 of 2	2 of 2
Mr. Surajit Sarkar**	2 of 2	1 of 1	1 of 1

\*Mr. Narayan Krishnan ceased to be director w.e.f August 31, 2018

\*\*Mr. Surajit Sarkar was appointed as director w.e.f August 31, 2018

The intervening gap between the Board Meetings was within the period prescribed under the Companies Act, 2013.

## **SELECTION OF NEW DIRECTORS AND BOARD MEMBERSHIP CRITERIA**

The Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, skills and experience required the Board as a whole and its individual members with

the objective of having a Board with a diverse background and rich experience in business. Characteristics expected from all Directors include independence, integrity, high personal and professional ethics, sound business judgement, ability to participate constructively in deliberation and willingness to exercise authority in a collective manner. The policy regarding the same is provided in **Annexure 1** to this Report.

#### **NOMINATION AND REMUNERATION POLICY**

The Company has in place a Nomination and Remuneration Policy for the Directors, KMP and other employees pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations which is set out in **Annexure 2** which forms part of this Report.

#### **FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

In terms of Listing Regulations, the Company is required to familiarize its Independent Directors with their roles, rights and responsibilities in the Company etc., through interactions and various programmes.

The Independent Directors are also required to undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company in terms of Schedule IV of the Companies Act, 2013.

The details on the Company's Familiarisation Programme for Independent Directors is available at [www.pyxisinvest.com](http://www.pyxisinvest.com)

#### **BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 read with the Rules issued there under and the Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force), the process for evaluation of the annual performance of the Directors/ Board/ Committees was carried out.

In a separate meeting of Independent Directors, evaluation of the performance of Non-Independent Directors, performance of Board as a whole and performance of the Managing Director was done after taking into account views of Executive and Non-Executive Directors.

#### **DECLARATION BY INDEPENDENT DIRECTORS**

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Regulation 16(1)(b) of Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force).

#### **INDEPENDENT DIRECTORS' MEETING**

A meeting of Independent Directors was held on March 13, 2019, as per schedule IV of the Companies Act, 2013.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

### ***Induction***

During the year under review, M. Surajit Sarkar was appointed as a Non-Executive Director w.e.f August 31, 2018.

As per the provisions of the Companies Act, 2013, Mr. Shailendra Apte (DIN: 00017814) will retire by rotation at the ensuing Annual General Meeting (AGM) of the Company and being eligible, seek re-appointment. The Board has recommended his re-appointment.

Information pursuant to Regulation 36(3) of the Listing Regulations with respect to the Directors seeking Appointment/Re-appointment is appended to the Notice convening the ensuing Annual General Meeting. The Board recommends their Appointment/ Re-appointment.

All the Independent Directors have furnished declarations stating that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) of the Listing Regulations.

### ***Resignation***

Due to his pre-occupation with other commitments Mr. Narayan Krishnan, Non-Executive Director of the Company resigned from the directorship of the Company with effect from August 31, 2018. The Board places on record its appreciation for the valuable services rendered by him during their tenure as Director of the Company.

### ***Key Managerial Personnel***

Mr. Shailendra Apte is the Chief Financial Officer of the Company and Mrs. Snehal Saboo is the Company Secretary.

## **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 134 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force), the Directors of the Company confirm that:

- (a) in the preparation of the annual accounts for the financial year ended March 31, 2019, the applicable Accounting Standards and Schedule III of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force), have been followed and there are no material departures from the same;
- (b) the Directors have 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 your Company as at March 31, 2019 and of the profit and loss of the Company for the financial year ended March 31, 2019;
- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force) for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts have been prepared on a 'going concern' basis;

- (e) proper internal financial controls laid down by the Directors were followed by your Company and that such internal financial controls are adequate and operating effectively; and
- (f) proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

### **AUDIT COMMITTEE**

The primary objective of the Audit Committee is to monitor and provide effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures with the highest levels of transparency, integrity and quality of financial reporting.

The Committee met 2 (two) times during the period under review. As on March 31, 2019, the composition of the Audit Committee was as follows:

<b>Name</b>	<b>Designation</b>	<b>Category</b>
Mr. Suarjit Sarkar	Chairman	Non-Executive Director
Mr. Parag Shah	Member	Independent Director
Mrs. Swati Sahukara	Member	Independent Director

The recommendation of Audit Committee given from time to time were considered and accepted by the Board.

### **RELATED PARTY TRANSACTIONS**

All related party transactions that were entered during the financial year under review were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

Accordingly, particulars of contracts or arrangements with related party referred to in section 188(1) along with the justification for entering into such contract or arrangement in form AOC-2 does not form part of the Report.

### **INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The internal financial controls with reference to financial statements as designed and implemented by the Company are adequate. During the financial year under review, no material or serious observations have been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

### **PARTICULARS OF LOANS, GUARANTEES, SECURITIES AND INVESTMENTS**

In accordance with the provisions of Sections 134(3)(g) and 186(4) of the Companies Act, 2013, full particulars of loans given, investments made, guarantees given and securities provided, if any, have been disclosed in the financial statements.



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

In view of the nature of activities carried on by the Company, the requirements for disclosure in respect of conservation of energy, technology absorption, in terms of the Section 134 of the Companies Act, 2013 are not applicable to the Company. However, the Company takes all possible efforts towards energy conservation. The requirement for disclosure with respect to technology absorption does not apply to the Company as the activities in which the Company operates does not require any technology.

During the period under review, the Company has not earned any foreign exchange income and also has not incurred any foreign exchange outgo.

## **RISK MANAGEMENT POLICY**

An effective risk management policy lies at the core of our business philosophy of the Company, which is centred on delivering high and better returns to all stakeholders. With ups and downs, volatility and fluctuations in the financial business in which the Company operates, the Company is exposed to various risks and uncertainties in the normal course of our business. Since such variations can cause deviations in the results from operations and affect our financial state, the focus on risk management continues to be high. The Company has its Risk Management Policy in place which is also displayed on the website of the Company. In the opinion of the Board, during the financial year 2018-19, the Board has not noticed any elements of risk which may threaten the existence of the Company.

## **CORPORATE SOCIAL RESPONSIBILITY**

Provisions of section 135 of the Companies Act, 2013 concerning the constitution of Corporate Social Responsibility Committee and related matters are not applicable to the Company.

## **AUDITORS**

The members of the Company at the 11th Annual General Meeting of the Company held on September 19, 2016, had appointed M/s. P. D. Saraf & Co., Chartered Accountants as a Statutory Auditors till the conclusion of the 15th Annual General Meeting of the Company to be held in the year 2021 subject to ratification of their appointment at every Annual General Meeting.

However as per circular of Ministry of Company Affairs, with effect from May 7, 2018, there is no need for ratification of appointment at every Annual General Meeting, hence agenda item for ratification of appointment of Auditor is not taken.

## **SECRETARIAL AUDIT**

In accordance with the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s. Pimple & Associates, Company Secretaries, as Secretarial Auditors for the financial year 2018-19. The Secretarial Audit Report for the financial year ended March 31, 2019 is set out in **Annexure 3** to this Report. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

## **CORPORATE GOVERNANCE**

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 exempts companies which have listed their specified securities on SME Exchange from compliance with corporate governance provisions.

Since the equity share capital of your Company is listed exclusively on the SME Platform of BSE Limited, the Company is exempted from compliance with Corporate Governance requirements, and accordingly the reporting requirements like Corporate Governance Report, Business Responsibility Report etc. are not applicable to the Company.

#### **PARTICULARS OF EMPLOYEES AND REMUNERATION**

The information required under Section 197 & Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given below.

a) Ratio of remuneration of each Director to the employees' median remuneration:

Director	Designation	Remuneration p.a. (Rs.)	Ratio
Mr. Kumud Mohanty	Managing Director	Nil	N.A.
Mr. Shailendra Apte	Non-executive Director	Nil	N.A.
Mr. Surajit Sarkar	Non-executive Director	Nil	N.A.
Mr. Parag Shah	Independent Director	1,20,000	N.A.
Mrs. Swati Sahukara	Independent Director	1,20,000	N.A.

b) Percentage increase in the median remuneration of employees in the financial year 2018-19: Nil

c) Number of permanent employees on the rolls of the Company as on March 31, 2019:  
3 (Three)

d) Average percentile increase made in the salaries of employees other than key managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Since there were no employees other than three key managerial personnel, this is not applicable.

e) It is hereby affirmed that the remuneration paid during the year is as per the Remuneration policy of the Company.

f) There is no employee covered under the provisions of section 197(14) of the Companies Act, 2013.

There was no employee in the Company who drew remuneration of Rs. 1,02,00,000/- per annum during the period under review. Hence, the Company is not required to disclose any information as per Rule 5(2) of the Companies (Appointment and Remuneration) Rules, 2014.

#### **EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return as on March 31, 2019 in Form MGT – 9 in accordance with Section 92(3) of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, is annexed herewith as **Annexure 4**.

#### **DISCLOSURE ON COMPLIANCE WITH SECRETARIAL STANDARDS**

The Company confirm that the Secretarial Standards issued by the Institute of Company Secretaries of India, have been complied with.