

BADRIDAS INVESTMENT COMPANY LIMITED

(CIN: L67120WB1972PLC028566)

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DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors hereby present the 46th Annual Report and Audited financial statement for the year ended 31st March 2018.

Financial Performance

The Company's financial performance for the year ended 31st march, 2018 is summarized below:

<u>Particulars</u>	As on 31.03.2018 (Rs.)	As on 31.03.2017 (Rs.)
Sales /Other Income	20,13,341.00	20,95,996.00
Profit/ (Loss) before taxation	(9,19,028.79)	(6,36,331.16)
Tax	12,361.00)	(14,872.00)
Profit / (Loss) for the year	(9,31,389.79)	(6,21,459.16)
Earning per share	(1.96)	(1.30)

Financial Performance

During the financial year under review, total sales and other income decreased from 20,95,996.00 to Rs. 20,13,341.00. The net loss for the financial year stood at Rs. (9,31,389.79) as compared to net loss of Rs. (6,21,459.16) in the previous financial year.

Dividend

The Board of Directors regrets their inability to recommend any dividend in view of losses for the financial year under report.

Change in the nature of business, if any

There is no change in the nature of the business of the Company.

Certified to be true Copy,

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

No significant and material order was passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future during the financial year under review.

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 were no material changes and commitments affecting the financial position of the Company occurring between March 31, 2018 and the date of this Report of the Directors.

Subsidiary / Joint Ventures / Associates

Your Company has no subsidiaries or Joint Venture or associate companies therefore disclosure in this regard is not provided in this Report.

Internal Financial Control

The Company has in place an established internal control system designed to ensure proper recording of financial and operational information and compliance of various internal controls and other regulatory and statutory compliances.

Share Capital

The paid up Equity Share Capital as on March 31, 2018 was Rs. 47,62,570. During the year under review, your Company has not issued any shares or any convertible instruments.

Risk Management

The Board members were informed about risk assessment and minimization procedures after which the Board formally adopted steps for framing, implementing and monitoring the risk management plan for the company.

Board of Directors

Mrs. Aruna Periwal, (DIN : 00013686), Director retires by rotation and being eligible, offers herself for re-appointment.

Key Managerial Personnel

The following persons were formally appointed as Key Managerial Personnel (KMP) of the Company in compliance with the provisions of Section 203 of the Companies Act, 2013:

- a) Mrs.Aruna Periwal, Managing Director
- b) Mr.Srikant Sharma, Chief Financial Officer (CFO)

Your Company is looking for a suitable candidate to be appointed as Company Secretary designated as KMP.

Meetings of Board

During the financial year 2017-18, the Board met 9 times on 05.04.17, 29.05.17, 31.07.17, 11.08.17, 25.08.2017, 18.09.17, 14.11.17, 12.02.18 & 31.03.18.

Board Evaluation

The Nomination & Remuneration Committee laid down the policy and process of evaluation of Board of Directors. Under this policy a set of parameters to be used in the evaluation process has been determined for:

- i. Self evaluation of the Board Members
- ii. Evaluation of Non- Independent Directors' performance by Independent Directors.
- iii. Evaluation of Chairman's performance by Independent Directors.
- iv. Assessment of quantity, quality and timeliness of information to the Board

Using the parameters mentioned above and in accordance with Guidance Note on Board Evaluation issued by SEBI dated 05.01.2017 the evaluation of the Board Members was carried out.

A separate meeting of Independent Directors was held on 30.12.2017 to evaluate performance of the Chairman of the Board, the Directors and the Board as a whole. The independent directors of your Company have given declaration that they meet the criteria of independence under sec.149 (6) of the Companies Act, 2013.

Remuneration Policy

Nomination and Remuneration Committee has formulated the Nomination, Remuneration and Evaluation Policy for Directors, Key Managerial Personnel (KMPs) and other employees in terms of the provisions of Section 178(3) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The said policy which has been approved by the Board outlines the appointment criteria and qualifications, the term/ tenure of the Directors on the Board of Company and the matters related to remuneration of the Directors. The Remuneration Policy is hosted on the companies website at www.badridasinvestmentco.com.

Audit Committee

The composition of the Audit Committee as on 31st March, 2018 is as follows:

1. Mr. Shambhu Agarwal, Chairman
2. Mr. Mahesh Kumar Saraf
3. Mrs. Prakash Chand Bhutoria

Vigil Mechanism

The Company has in place a vigil mechanism details of which are available on the Company's website www.badridasinvestmentco.com

Contracts and Arrangements with Related Party

The Company follows a Policy of disclosure of Related Party Transactions in each Meeting of the Audit Committee and also of the Board of Directors. The details of Related Party Transactions are enclosed as Annexure-1

Loans, guarantees and investments

The particulars of loans guarantees and investments made in securities under section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 has been provided in the financial statements of the Company.

Disclosure under Section 197 (12) and Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 as amended

The requisite details relating to ratio of remuneration, percentage increase in remuneration etc as stipulated under the above rules are annexed as Annexure – 2 to this report.

Extract of the Annual Return

The extract of the Annual Return in Form No. MGT – 9 is enclosed as Annexure - 3 and forms part of this Report. The same is hosted on Companies website at www.badridasinvestmentco.com.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Your Company does not have any activity relating to Conservation of Energy and Technology Absorption and also there has been no Foreign Exchange Earnings and Outgo during the financial year under review.

Directors' Responsibility Statement

Pursuant to Section 134(3) (c) read with Section 134(5) of the Companies Act, 2013 the Directors of your Company confirm that :

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (ii) 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 the Company at the end of the financial year and of the profit of the Company for that period;
- (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 have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (vi) There is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Deposits

The Company has not accepted any deposits from the public, and as such, there are no outstanding deposits in terms of the Companies (Acceptance of Deposits) Rules, 2014 as amended.

Corporate Social Responsibility (CSR)

The provisions of Sections 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable to the Company.

Listing

The Equity Shares of the Company continues to be listed with Calcutta Stock Exchange Ltd. and the annual listing fees has been paid up to date.

Corporate Governance

In terms of the provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 Corporate Governance is not applicable to us.

Auditors and Auditors Qualifications

In terms of the provisions of Section 139 of the Companies Act, 2013 read with provisions of the Companies (Audit and Auditors) Rules, 2014 as amended, M/s. H.R. Agarwal & Associates, Chartered Accountants (Firm Registration No.323029E), was appointed as the Auditors of the Company from conclusion of the 45th AGM until conclusion of the 48th AGM of the Company scheduled to be held in the year 2020.

The members may note that consequent to the changes made in the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 by the Ministry of Corporate Affairs (MCA) vide notification dated May 7, 2018, the proviso to Section 139 of the Companies Act, 2013 read with explanation to sub-rule 7 of Rule 3 of the Companies (Audit and Auditors) Rules, 2014, the requirement for ratification of Auditors appointment at every AGM has been done away. Therefore, the requirement of ratifying the appointment of M/s. H.R. Agarwal & Associates, Chartered Accountants , as the Auditors of the Company at the every AGM does not arise.

Your Company has received a certificate from M/s. H.R. Agarwal & Associates, Chartered Accountants confirming their eligibility to continue as Auditors of the Company in terms of the provisions of Section 141 of the Companies Act, 2013 and the Rules framed thereunder.

Secretarial Audit

A Secretarial Audit was conducted during the year by the Secretarial Auditor, Beni Gopal Lahoti, Proprietor of B G Lahoti & Associates, Company Secretary in whole time Practice, having (Membership No.37056 & COP - 14749) in accordance with the provisions of section 204 of the Companies Act, 2013. The Secretarial Auditor's Report is attached as Annexure - 4 and forms a part of this Report of the Directors. The observation made by the Secretarial Auditor has been noted by the Company.

The Company is in process of appointment of qualified Company Secretary.

Internal Audit & Controls

In terms of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014, Mr.Madan Gopal Sharma, Chartered Accountants was the Internal Auditor for the Company during the financial year.

Internal Auditors' findings are discussed and suitable corrective actions are taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

Cost Audit Record

The Company is not required to maintain Cost Audit records in term of Section 148 (1) of the Companies Act, 2013

Secretarial Standards

The Board of Directors hereby affirms that your Company in general has adhered to the Secretarial Standards as prescribed by the Institute of Company Secretaries of India during the financial year under report.

Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company has constituted an Internal Complaints Committees in accordance with the requirements under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 which ensures implementation and compliance with the Law as well as the policy at every unit. There were no cases/ complaints reported in this regard during the year 2017-18.

Fraud

No cases of fraud were reported during the year under review.

Acknowledgement

Your Directors wish to place on record their appreciation of assistance and co-operation received from bankers, lenders, suppliers, customers, Government authorities, employees & other stake holders.

On behalf of the Board of Directors

Place: Kolkata

Date: 23.08.2018

Sd/-
Aruna Periwal
Managing Director
(DIN : 00013686)

Sd/-
Shambhu Agarwal
Director
(DIN : 00015736)

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL

2. Details of material contracts or arrangement or transactions at arm's length basis:

(a) Name(s) of the related party and nature of relationship – (i) PIONEER POLYFEB LTD., (ii) PIONEER PLASTIC INDUSTRIES LTD., (iii) MR. MANISH PERIWAL & (iv) PURMA PLAST PVT. LTD. (Enterprise over which KMP and his relatives have significant influence)

(b) Nature of contracts/arrangements/transactions – Loan given

(c) Duration of the contracts / arrangements/transactions – On Demand

(d) Salient terms of the contracts or arrangements or transactions including the value, if any :

(i) Principal Loan outstanding – Rs. 38,00,000/- Net interest receivable – Rs. 3,16,710/-.

(ii) Principal Loan outstanding – Rs. 8,75,000/- Net interest receivable – Rs. NIL

(iii) Principal Loan outstanding – Rs.83,00,000/- Net interest receivable – Rs.18,82,782/-.

(iv) Principal Loan outstanding – Rs.76,00,000/- Net interest receivable – Rs.13,29,805/-.

(e) Date(s) of approval by the Board, if any: ---

(f) Amount paid as advances, if any: NIL

Place : Kolkata

Date: 23.08.2018

Sd/-

Aruna Periwal
Managing Director

DIN : 00013686

Sd/-

Shambhu Agarwal
Director

DIN : 00015736

DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016

Name of the Director / CEO / CFO / Company Secretary / Manager	Designation	(i) Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2017-18	(ii) Percentage increase in Remuneration during 2017-18
Mrs. Aruna Periwal	Managing Director	3.75:1.	N.A.
Mr. Shambhu Agarwal	Director	N.A.	N.A.
Mr. Mahesh Kumar Saraf	Director	N.A.	N.A.
Mr. Prakash Chand Bhutoria	Director	N.A.	N.A.
Mr. Srikant Sharma	C.F.O.	1:1	8.01%

- The Directors, except Mrs. Aruna Periwal, were not paid any remuneration during F.Y 2016-17

Sl. No.	Description	Remarks
iii.	the percentage increase in the median remuneration of employees in the financial year;	0.37%
iv.	the number of permanent employees on the rolls of company;	6 (SIX)
v.	average percentile increase already made in the salaries of employees other than the 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;	Average percentile increase in managerial remuneration : 0% Average percentile increase in non-manual remuneration : 1.85%
vi.	It is hereby affirmed that the remuneration to managerial personnel referred to above is as per the remuneration policy of the Company.	

PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 (2) and 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016

It is hereby affirmed that:

- (i) No employee was in receipt of remuneration for the year in aggregate of more than Rs. 1.02 Crores (if employed throughout the financial year);
- (ii) No employee was in receipt of remuneration for any part of the year at a rate which in aggregate was more than Rs. 8.5 lacs per month (if employed for a part of the financial year);
- (iii) No employee was in receipt of remuneration in excess of that drawn by the Managing Director of Whole-time Director or Manager nor holds by himself or along with his spouse and dependent children more than two percent of the equity shares of the Company.

Top Ten Employees in terms of Remuneration drawn for F.Y. 2017-18:

Sl. No.	Name	Designation	Remuneration	Nature of Employment	Qualification and Experience	Date of Commencement of Employment	Age	Last Employment Held	% of equity shares held	Whether relative of any Director / Manager
1	Mrs. Aruna Perival	Managing Director	7,20,000/-	Five years	B.COM	01.01.2015	75 yrs.		2.246	NO
2	Mr. S.K. Sharma	C.F.O	1,92,000/-	Permanent	B.COM	01.10.1997	57 yrs.		NIL	NO
3	Mr. S.K. Khandal	P.A.	2,19,600/-	Permanent	B.COM	01.05.2000	73 yrs.		NIL	NO
4	Mr. R.K. Sharma	Accountant	4,54,200/-	Permanent	B.COM	01.04.1975	60 yrs.		NIL	NO
5	Mr. Tapan Chandra	Telephone Operator	1,79,100/-	Permanent	B.COM	01.10.2004	57 yrs.		NIL	NO
6	Mr. Dilip Singh	Peon	1,24,720/-	Permanent	MATRIC	01.10.2004	47 yrs.		NIL	NO