

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT FOR FY 2018-19.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

There has not been any change in the composition of Board of Directors in the Company and also there has not been appointment of any Key Managerial Personnel in the Company.

Further, pursuant to the provisions of Section 152(6) of the Companies Act, 2013, *Sri Sandeep Bhartia and Sri Navin Kumar Bhartia*, Directors of the company will retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself/herself for re-appointment. Your Board has recommended for the same.

### BUSINESS REVIEW/STATE OF THE COMPANY'S AFFAIRS

The Company is engaged in the business of Non-Banking Financial Activities. There has been no change in the business of the Company during the financial year ended 31<sup>st</sup> March, 2019.

The Company's performance is as under:-

- Revenue from operations has increased from Rs. 7, 53,161 /- to Rs.9,11,756/-
- Earnings per share have increased from Rs. (10.07) to Rs. (3.92)

<i>Particulars</i>	(Amount In ₹)	(Amount In ₹)
	<b>Year ended 31<sup>st</sup> March 2019</b>	<b>Year ended 31<sup>st</sup> March 2018</b>
Total Income	20,45,142	12,80,132
Less: Expenditure & Depreciation	27,10,331	27,88,823
Profit/(Loss) before taxation	(66,55,189)	(15,08,691)
Less: Tax Expense	76,606	1,198
<b>Profit/(Loss) after tax</b>	<b>(5,88,583)</b>	<b>(15,09,889)</b>

### MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and the date of this report.

## **RELATED PARTY TRANSACTIONS**

All related party transactions that were entered into during the financial year ended 31st March, 2019 were on an arm's length basis and were in the ordinary course of business. The details in Form AOC-2 of a material transaction between the Company and its related party are enclosed to this report.

## **RISK MANAGEMENT**

The Company has inbuilt checks and measures put in place to counter and monitor risk management.

## **ADEQUACY OF INTERNAL FINANCE CONTROL WITH REFERENCE TO FINANCIAL STATEMENT**

The Company has in place adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weaknesses in the design or operation were observed.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- a) followed in the preparation of the Annual Accounts, the applicable accounting standards with proper explanation relating to material departures if any;
- b) 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 at the end of the financial year and of the profit of your Company for that period;
- c) taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;

- d) prepared the Annual Accounts on a going concern basis; and
- e) devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

**INTERNAL COMPLAINTS COMMITTEE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is not applicable in our case.

**MANNER OF ANNUAL EVALUATION OF PERFORMANCE**

The Board of Directors shall take into consideration the following parameters for the purpose of evaluating the performance of a particular director:

In respect of each of the evaluation parameters, various descriptors have been provided to assist with the evaluation process in respect of performance of Board itself, and of its committees and individual directors, as such evaluation factors may vary in accordance with their respective functions and duties. The evaluation scale is a simple three point scale i.e. Below Expectations (1), Meets Expectations (2) and Surpasses Expectations (3).

Appraisal of each Director of the Company by the other Directors shall be based on the criteria as mentioned herein below.

**Rating Scale**

<u>Scale</u>	<u>Performance</u>
3	Surpasses Expectations
1	Meets Expectations
2	Below Expectations

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

Considering the nature of Business of your Company, no comment is required on conservation of energy and technology absorption. There have been no foreign exchange earnings or outflow during the year under review.

### Cautionary Note

Certain statements in this Report may be forward-looking and are stated as may be required by applicable laws and regulations. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of future performance and outlook. Your Company does not undertake to update these statements.

### ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation for the assistance and co operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

On behalf of the Board of Directors

For Bhartia Sons Limited

Sd/-

(Raj Kumar Bhartia)

Managing Director