

# ANNUAL REPORT

2021-22

BFM INDUSTRIES LIMITED



## CORPORATE INFORMATION

### Board of Directors

1. Mr. Sushil Kumar Banthia
2. Mr. Sushil Kumar Daga
3. Mr. Narayan Roy
4. Mrs. Manisha Pincha

Whole-Time Director  
Non- Executive & Independent Director  
Non- Executive & Independent  
Director Non- Executive Director

### Chief Financial Officer

Mr. Devendra Kumar Agarwal

### Company Secretary & Compliance Officer

Ms. Simran Agarwal  
(appointed w.e.f 18<sup>th</sup> April, 2022)

### Registrar & Share Transfer Agent

Niche Technologies Private Limited  
3A, Auckland Place 7th Floor, Room No. 7A &  
7B, Kolkata-700017  
Phone No. 033-2234-3576, 2235-7270,  
e-mail: [nichetechpl@nichetechpl.com](mailto:nichetechpl@nichetechpl.com)  
Fax No. 033-2215-6823

### AUDITORS

#### Statutory Auditors

M/s. VKR & Associates Chartered Accountants  
Martin Burn House, Room No. 312, 3rd Floor, 1, R. N.  
Mukherjee Road, Kolkata – 700001  
(resigned w.e.f. 03.11.2021)

M/s. Komandoor & Co LLP., Chartered Accountants,  
(Firm Registration No.001420S/S200034)  
7/1A, Grant Lane, Lal Bazar, Kolkata - 700012 Ph.No  
:9163232356 E- Mail:sanjayshaw77@gmail.com  
(appointed w.e.f. 03.11.2021)

#### Registered Office

1, Ramesh Mitra Road,  
3<sup>rd</sup> Floor, P.S Bhawanipore, Kolkata –700025  
(w.e.f 14.08.2021)  
Phone No. 9007077041  
e-mail – [bfmilt@gmail.com](mailto:bfmilt@gmail.com)  
**CIN: L65993WB1918PLC000947**

#### Secretarial Auditor

Prachi Todi  
33C, Satish Mukherjee Road, Near Gouriya Math,  
Kolkata-700026  
Email:csprachi92@gmail.com; info.prachi92@gmail.com

#### Internal Auditors

Mr. Krishan Kumar Bengani  
Chartered Accountants  
Flat No 706, 7th Floor, Block-B, Swapnalok,  
Apartment-20, Salkia School Road, Howrah-711106

#### Bankers

Punjab National Bank

**BFM INDUSTRIES LIMITED**  
**103rd Annual Report for the year ended 31st March, 2022**

1. Date of Annual General Meeting : Tuesday, September 27, 2022
2. Time and Venue : 4:00 P.M and Aryans School, 149 B.T Road, Kolkata-700058

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## BFM INDUSTRIES LIMITED

Registered Office: 1 Ramesh Mitra Road 3rd Floor, P.S. Bhowanipur, Kolkata - 700025;

Fax: 033-22420588; Email id: [bfmilt@gmail.com](mailto:bfmilt@gmail.com); Website: [www.bfmind.com](http://www.bfmind.com)

CIN: L65993WB1918PLC000947; Phone: +91 9007077041

### NOTICE

Notice is hereby given that the 103<sup>rd</sup> Annual General Meeting of the Members of **M/s BFM Industries Limited** will be held on **Tuesday, the 27<sup>th</sup> day of September, 2022** at 04.00 p.m. (IST) at The Aryans School, 149 B.T Road, Kolkata-700058 to transact the following businesses:-

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended 31<sup>st</sup> March, 2022 together with the Reports of the Board of Directors and the Auditors' thereon.
2. To appoint a Director in place of Mrs. Manisha Pincha (DIN: 07143031) who retires by rotation, under the provisions of the Companies Act, 2013 and being eligible, offers herself for re-appointment.
3. **Re-appointment of M/s. KOMANDOOR & CO LLP, (FRN: 001420S/S200034), as the Statutory Auditor of the Company.**

To consider and if thought fit, to pass the following resolution, with or without modification(s), as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force and pursuant to the recommendations of Audit Committee and the Board of Directors of the Company accorded at their respective meeting held on 10<sup>th</sup> August, 2022, M/s. KOMANDOOR & CO LLP, (FRN: 001420S/S200034) be and is hereby re-appointed as the Statutory Auditors of the Company, to hold office for a term of five years from the conclusion of this Annual General Meeting of the Company till the conclusion of Annual General Meeting to be held in the year 2027, at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

#### SPECIAL BUSINESS:

4. **Revision in terms of remuneration payable to Mr. Sushil Kumar Banthia (DIN: 00555169), Whole-time Director**

To consider and, if thought fit, to pass the following resolution, with or without modification(s), as a **Special Resolution**:-

**"RESOLVED THAT**, in accordance with the provisions of Section 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] read with Schedule V to the Act, applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Article of Associations of the Company, and pursuant to the recommendation of Nomination and Remuneration Committee and approval of Board of Directors of the Company and subject to all the applicable statutory approvals, sanctions and permissions as may be necessary, the consent of the Members be and is hereby accorded for revision in terms of remuneration payable to Mr. Sushil Kumar Banthia (DIN: 00555169), Whole - time Directors, with effect from 01st April, 2022 till the expiry of his present tenure at such terms and conditions, as set out in the Explanatory Statement annexed to the Notice convening this Meeting."

**RESOLVED FURTHER THAT** notwithstanding anything to the contrary herein contained, wherein in any financial year during his tenure, the Company has no profits or inadequate profits, the Whole Time Director will be paid minimum remuneration within the ceiling limit prescribed under Section II of Part II of Schedule V of the Act, or any modification(s) or re-enactment(s) thereof.”

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to modify and/or revise the terms, remuneration and other benefits payable to Mr. Banthia as Whole-time Director of the Company from time to time as may be considered appropriate, within the prescribed limits mentioned in the Act.”

**RESOLVED FURTHER THAT** any of the Directors of the company or the Company Secretary be and are hereby severally authorized to execute all such agreements, instruments and do all such acts, deeds, matters and things and to file necessary forms with the Registrar of Companies as may be necessary to give effect to the above resolution.”

**Registered Office:**  
1, Ramesh Mitra Road,  
Third Floor, Kolkata-700025

By Order of the Board  
**BFM INDUSTRIES LIMITED**

*Sd/-*  
**Simran Agarwal**  
**Company Secretary &**  
**Compliance Officer**

**Place: Kolkata**  
**Date: 10<sup>th</sup> August, 2022**

## NOTES:

1. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 ('the Act'), in respect of the Special Business to be transacted at this Annual General Meeting ('AGM') is annexed hereto.
2. Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 on General Meetings issued by The Institute of Company Secretaries of India, Brief details relating to Director retiring by rotation seeking re-appointment at this AGM are annexed hereto.
3. Pursuant to the provision of the Act, a Member entitled to attend and vote at the Annual General Meeting ("AGM") is entitled to appoint a person as a proxy to attend and vote on his/her behalf and the proxy need not be the Member of the Company.

A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other Member. Hence the Proxy Form and Attendance Slip including Route map are annexed to this notice.

**The instrument of proxy, in order to be effective must be duly filled, stamped and signed and should be deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

4. Every Member entitled to vote at the Meeting shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the Meeting, to inspect the proxies lodged, provided that not less than three days' notice in writing of the intention to inspect is given by the Member to the Company.
5. In terms of the provisions of Section 112 & 113 of the Act, read with the rules made thereunder, Corporate/institutional members (i.e. other than individuals, HUF, NRI etc.) are requested to send to the Company a certified scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. authorizing their representatives to attend and vote on their behalf at the AGM with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail at [csprachi92@gmail.com](mailto:csprachi92@gmail.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and [bfmilt@gmail.com](mailto:bfmilt@gmail.com).
6. In case of joint holders, the Member's whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote electronically during the AGM.
7. To promote the optimum utilization of natural resources responsibly and in compliance with the Circulars issued by MCA vide General Circular No. 2/2022 dated May 5, 2022 and SEBI Circular dated May 13, 2022 read with SEBI Circular dated January 15, 2021, May 12, 2020 and other such relevant circulars issued in this behalf from time to time and in order to support the "Green Initiative in the Corporate Governance" by the Ministry of Corporate Affairs, we requests the Members who have not yet registered their e-mail ID with the Company, to register their e-mail address, in respect of electronic holdings with the Depository through their Depository Participants. Members who hold shares in physical form are requested to register their e-mail address with the Company's Registrar & Share Transfer Agent, M/s Niche Technologies Private Limited at [nichetechpl@nichetechpl.com](mailto:nichetechpl@nichetechpl.com) mentioning their Name and Folio No. The Members can also register their e-mail address with the Company by sending an email at [bfmilt@gmail.com](mailto:bfmilt@gmail.com) mentioning their Name and Folio No. The Company is concerned about protecting the environment and utilizing natural resources in a sustainable way.
8. The Annual Report for 2021-22 and Notice of the 103<sup>rd</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in

electronic form, to all such Members whose email IDs are registered with the Company/Depository Participants(s)/ Company's Registrar & Share Transfer Agent unless any member has requested for a physical copy of the same. For Member who have not registered their email address, physical copies of Notice being sent by the permitted mode. Members may also note that Notice of 103<sup>rd</sup> Annual General Meeting and Annual Report for 2021-22 will also be available on Company's website at [www.bfmind.com](http://www.bfmind.com) for their download.

9. Members / Proxies / Authorized Representatives should bring the attendance slips duly filled-in for attending the Meeting and deliver the same at the entrance of the Meeting place. Proxy / Authorized Representative of a Member should mark on the Attendance Slip as "Proxy" or "Representative", as the case may be. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID No. for easy identification of attendance at the Meeting. Copies of the Annual Report will not be distributed at the Meeting. Members are requested to carry their copies of the Annual Report to the Meeting. Further, please note that Duplicate Attendance Slips shall not be issued.
10. Members whose shares are in electronic mode are requested to inform change of address and updates of bank account(s) to their respective Depository Participants. Members holding shares in physical form are requested to notify change if any, in their present residential address or bank mandates under their signatures immediately to the Company / Registrar and Share Transfer Agent of the Company, quoting their folio number.
11. Non-Resident Indian Members are requested to inform the Registrar and Share Transfer Agent immediately of :
  - a. Change in their residential status on return to India for permanent settlement.
  - b. Particulars of their bank account maintained in India with complete name, branch, account type, account number, and address of the Bank with pin code number.
12. Members who hold shares in physical form and wish to make/ change a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, may submit such information in the prescribed form SH-13 or SH-14 as required, to the Company's Registrar & Share Transfer Agent.
13. All Statutory Registers and other relevant documents referred to in the Notice and the Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, shall be available for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, Sundays and Public holidays, between 11.00 a.m. to 1.00 p.m. upto the date of the Annual General Meeting and also at the Meeting.

The Register of Directors and Key Managerial Personnel (KMPs) and their shareholding maintained under Section 170 of Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting.

Members desirous of obtaining any relevant information with regard to the accounts of the Company at the Meeting are requested to send their requests to the Company at least seven days before the date of the Meeting so as to enable the Company to keep the information ready.
14. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number ("PAN") by every participant for various securities market transactions. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / RTA for registration of transmission / transposition, deletion of name etc.
15. In order to enhance the ease of doing business for investors in the securities market, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/ CIR/2021/655 dated 3<sup>rd</sup> November, 2021, read together with the SEBI Circular



No. SEBI/ HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/687 dated 14<sup>th</sup> December, 2021 (hereinafter, collectively 277 referred as the “SEBI KYC Circulars”) mandated furnishing of PAN, full KYC details and Nomination by the holders of physical securities. The Company has intimated the concerned security holders about the folios which are incomplete in terms of the SEBI KYC Circulars. The folios wherein the above details are not available shall be frozen in the manner and timelines given in the SEBI KYC Circulars. Further, in terms of the SEBI KYC Circulars, the securities in the frozen folios shall be eligible for payment including dividend only through electronic mode, in the manner and timelines given therein. The payment shall be made electronically upon complying with the relevant requirements of the SEBI KYC Circulars. Accordingly, Members are hereby requested to kindly comply with the SEBI KYC Circulars.

16. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/ CIR/2022/8 dated 25<sup>th</sup> January, 2022 has now decided that, with immediate effect, listed companies shall issue the securities in dematerialized form only, while processing investor service request pertaining to issuance of duplicate share certificate, claim from Unclaimed Suspense Account, renewal/ exchange of securities certificates, endorsement, sub-division/splitting/ consolidation of share certificates, transmission and transposition. The securities holder/ claimant are, accordingly, required to submit duly filled-up Form ISR-4, the format of which can be downloaded from the Company’s website, i.e. [www.bfmilttd@gmail.com](mailto:bfmilttd@gmail.com) Members holding shares in physical form are, accordingly, requested to consider converting their holding to dematerialized form.

17. The Company has designated an exclusive e-mail ID [bfmilttd@gmail.com](mailto:bfmilttd@gmail.com) which would enable the members to communicate their grievances. The Members may send their grievances, if any, to this e-mail ID for its quick redressal.

**18. Voting through Electronic Means:**

I. In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rules framed thereunder, as amended from time to time, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by Central Depository Services (India) Limited (CDSL).

II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

III. The remote e-voting period commences on 24<sup>th</sup> September, 2022 (10:00 am) and ends on 26<sup>th</sup> September, 2022 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of, 20<sup>th</sup> September 2022, may cast their vote by remote e-voting.

The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

IV. The process and manner for remote e-voting are as under:

- a. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- b. Click on “Shareholders” tab.
- c. Now Enter your User ID
  - For CDSL: 16 digits beneficiary ID,



- For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.

d. Next enter the image Verification as displayed and Click on Login.

| For Members holding shares in Demat Form and Physical Form |   |
|--|---|
| PAN  | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)<br>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.<br>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field. |
| DOB  | Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format.  |
| Bank Account Number (DBD)                                  | Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio.<br>Please Enter the DOB or Bank Account Number in order to Login.<br>If both the details are not recorded with the depository or company then please enter the member-id / folio number in the Bank Account Number details field as mentioned in above instruction (c).   |

- e. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- f. If you are a first time user follow the steps given below:
- g. After entering these details appropriately, click on "SUBMIT" tab.
- h. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- i. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- j. Click on the EVSN for the relevant Company Name <**BFM Industries Limited**> on which you choose to vote.
- k. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- l. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- m. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- n. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- o. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- p. If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- q. Note for Institutional Shareholders & Custodians :
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a compliance user which should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- r. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact them at 1800 200 5533.
- s. Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
19. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e on 20<sup>th</sup> September, 2022.
20. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
21. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
22. Ms. Prachi Todi, Company Secretary in Practice (ACS No. 53022; CP No. 22964) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at the Annual General Meeting in a fair and transparent manner.
23. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by her in writing, who shall countersign the same and declare the result of the voting forthwith.
24. The results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.bfmind.com](http://www.bfmind.com) and on the website of CDSL immediately after the declaration of result by the Chairman or a

person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchange where the shares of the Company are listed within 48 hours from the conclusion of the AGM.

25. Investors who became members of the Company subsequent to the dispatch of the Notice by the permitted mode or through email and holds the shares of the Company as on the cut-off date i.e. 20<sup>th</sup> September, 2022 are requested to send a written/email communication to the Company at [bfmilt@gmail.com](mailto:bfmilt@gmail.com) by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.
26. The notice of AGM will be sent to the Members, whose names appear in the register of members/depositories as at closing hours of business, on Friday, 12<sup>th</sup> August, 2022. A person, who is not a member as on cutoff date of 20<sup>th</sup> September, 2022 should treat this notice for information purpose only.
27. The Shareholders shall have one vote per equity share held by them as on the cut-off date of 20<sup>th</sup> September, 2022. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
28. The results on above resolution shall be declared not later than 48 hours from the conclusion of the AGM and the resolutions will be deemed to be passed on the date of AGM subject to receipt of the requisite number of votes in favour.
29. The Scrutinizer's decision on the validity of e-voting will be final.
30. In conformity with regulatory requirements, the Company will NOT be distributing any gift, gift coupons or cash in lieu of gifts at the Meeting or in connection therewith.
31. Considering the COVID-19 pandemic, shareholders who are attending the 103<sup>rd</sup> Annual General Meeting are hereby requested kindly maintain the social distancing norms and follow the protocol as issued by the municipalities/state government and other authorities.
32. A Route Map showing directions to reach to the venue of the 103<sup>rd</sup> AGM of the Company is given at the end of this Notice as per the requirement of the Secretarial Standard - 2 on "General Meetings" issued by The Institute of Company Secretaries of India.

**ANNEXURE TO THE NOTICE OF ANNUAL GENERAL MEETING**  
**Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013**

**ITEM NO. 4**

**Revision in terms of remuneration payable to Mr. Sushil Kumar Banthia (DIN: 00555169), Whole-time Director**

Upon the recommendation of Nomination and Remuneration Committee of the Company and approval of Board of Directors of the Company, proposed revision in terms of remuneration payable to Mr. Sushil Kumar Banthia (DIN: 00555169), Whole - time Directors, by way of enhancing his salary as mentioned below with effect from 1<sup>st</sup> April, 2022 till the remaining period of his present tenure. All other terms & conditions as per the agreement dated 01<sup>st</sup> August, 2019 will remain the same. Accordingly, a supplemental agreement has been executed.

A copy of the supplemental agreement entered into between Company and Mr. Banthia is available for inspection at the registered office of the Company during business hours, upto the date of the AGM.

The brief terms and conditions relating to his remuneration as detailed in the aforesaid agreement are stated hereunder:

The salary structure for Sri Sushil Kumar Banthia, considering his qualification, expertise, experience, seniority and market trend has been decided as follows:

Basic Salary: - At the rate of Rs. 51,469 per month.

Medical Reimbursement: - Rs 15500 (Yearly)

Leave Encashment: - 15000 (Yearly)

Bonus - One Month Salary: - Rs 51,469

Sitting Fees: - He shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.

Details of Mr. Sushil Kumar Banthia is provided in “**Annexure -1**” to the notice pursuant to the provisions of:

- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and
- (ii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

Accordingly, the Board recommends the resolution for the approval by the shareholders of the Company by means of Special Resolution, as set out in Item No. 4 of this Notice, in relation to revision of remuneration of Mr. Sushil Kumar Banthia, Whole-time Director, from Rs. 42,500/- (Rupees Forty Two Thousand Five Hundred only) to Rs. 51,469/- (Rupees Fifty One Thousand Four Hundred And Sixty Nine only) per month, with effect from 1st April, 2022 till the expiry of his present tenure with other terms of appointment as per agreement dated 01<sup>st</sup> August, 2019 remaining same, read with supplemental agreement of the Company.

Further, the disclosures as required under Section II of Part II of the Schedule V of the Companies Act, 2013 are stated below.

| <b>Information as per Section II of Part II of the Schedule V of the Companies Act, 2013:</b>   |   |
|---|---|
| <b>General Information:</b>   |   |
| Nature of Industry  | Company carries on the business of real estate and other financial related activities |
| Date or expected date of commencement of commercial production  | 14.12.1998  |
| In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus | Not Applicable  |
| The financial performance of the Company during the preceding three financial years is as under:  |   |

**(Amount in Rs.)**

| <b>Particulars</b>                           | <b>2021-22</b> | <b>2020-21</b> | <b>2019-20</b> |
|--|----------------|----------------|----------------|
| Total Income                                 | 12,55,989      | 9,66,220       | 11,72,157      |
| Total Expense                                | (16,45,844)    | (23,48,373)    | (13,67,104)    |
| Profit/Loss before Interest and Depreciation | (3,89,855)     | (13,82,153)    | (1,94,947)     |
| Profit/Loss before Tax                       | (3,89,855)     | (13,82,153)    | (1,94,947)     |
| Tax  | 29,048         | 3,588          | -              |
| Profit after Tax                             | (4,18,903)     | (13,85,741)    | (1,94,947)     |

#### **Information about Mr. Banthia:**

**Background details:** Mr. Sushil Kumar Banthia has been associated with the Company since 25.01.2010, he has been actively involved in the management of the Company and supervision of the operations of the Company.

**Past remuneration:** Mr. Sushil Kumar Banthia was paid Rs. 5,83,000/- p.a during the financial year 2021-22.

**Recognition or awards:** None

**Job profile and his suitability:** Mr. Sushil Kumar Banthia is actively involved in the management of the Company. He takes care of the overall supervision of the operations of the Company. The vast experience and exposure makes him suitable person for the position of Whole-Time Director of the Company.

**Remuneration proposed:** As set out in the Explanatory Statement under section 102 of the Companies Act, 2013 and detailed in the agreement entered into between Company and the director.

**Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):** The remuneration is commensurate with the size and nature of business of the Company and also with the functions and responsibilities entrusted upon him.

**Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:** Apart from the Directorship, Mr. Sushil Kumar Banthia has no other relationship with the Company, he is not entitled to any other emoluments from the Company apart from the remuneration agreed upon. Further, he is not related to any of the Managerial Personnel of the Company.

**Other information:**

**Reasons of loss or inadequate profit:** Due to economic slowdown and various regulatory changes.

**Steps taken or proposed to be taken for improvement:** The Company is taking adequate measures to introduce new policies or schemes in order to improve its profitability.

**Expected increase in productivity and profits in measurable terms:** The Company is expected to increase its productivity in the upcoming years.

None of the Directors, Key Managerial Personnel and relatives thereof other than Mr. Sushil Kumar Banthia, has any concern or interest, financially or otherwise, in this resolution.

**ANNEXURE - 1****DETAILS OF DIRECTOR SEEKING APPOINTMENT/ RE-APPOINTMENT (OTHER THAN INDEPENDENT DIRECTORS) AS SET OUT IN THIS NOTICE**

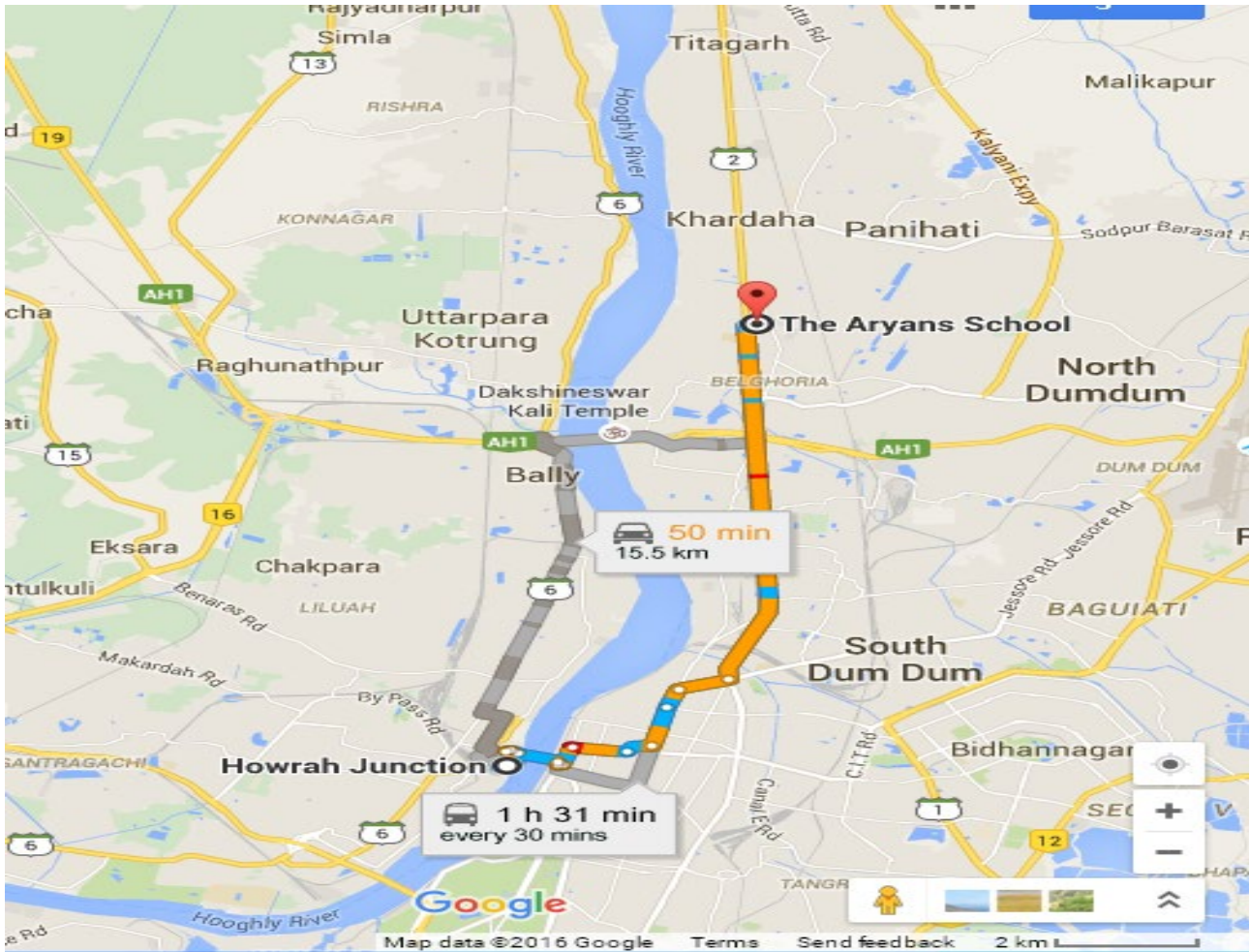
*(Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2 on General Meeting issued by the Institute of Companies Secretaries of India)*

| <b>Name of Director</b>   | <b>Mrs. Manisha Pincha</b>   | <b>Mr. Sushil Kumr Banthia</b>  |
|---|--|---|
| DIN   | 07143031   | 00555169  |
| Date of Birth   | 22.10.1980   | 01.11.1962  |
| Nationality   | Indian   | Indian  |
| Relationship with other Directors, Manager and Key Managerial Personnel of the Company              | NIL  | NIL   |
| Date of Appointment   | 27 <sup>th</sup> March, 2015   | 25 <sup>th</sup> January, 2010  |
| Expertise in specific functional area   | Managerial   | Managerial and Motivational Qualities   |
| Brief Profile   | She is having par excellence in the management activities. The Company is and will continue to benefit from her distinctive managerial qualities along with her rich experience. | He is a man with par excellence, high experience and is a great team leader. The Company is and will continue to benefit from his distinctive managerial qualities along with his rich and varied experience and exposures.   |
| No. of equity shares held in the company  | NIL  | NIL   |
| List of other companies in which Directorships held   | 1. Khatod Investments & Finance Co Ltd. 2. Namokar Duplicating Pvt. Ltd.   | 1. RDB-Cybercity Developers Private Limited 2. RDB Hyd Infrastructure Private Limited. 3. Scorpion Tradelink Private Limited 4. Bhagya Distributors Private Limited. 5. Prashant Commodities Private Limited 6. Humraj Commodities Pvt. Ltd. 7. Regent Finance Corporation Private Limited. 8. Swapno Vanijya Private Limited 9. YMS Hospitality Private Limited, 10. Banthia Financial Services Private Limited. 11. Kulay Developers Private Limited 12. Somani Estates Private Limited 13. Bengal Regent Infrastructure Ltd 14. Bhagwati Builders & Development Pvt Ltd. 15. Kulay Housing Projects Private Limited. 16. YMS Technologies Foundation |
| Chairman/Member of the Committee of the Board in the Company  | Member - Nomination and Remuneration Committee   | Member - Audit Committee<br>Member – Stakeholder Relationship Committee   |
| Chairman/Member of the Committees of the Board of other public Companies in which she is a director | Member - Audit Committee<br>Member - Stakeholder Relationship Committee  | NIL   |
| Last drawn Remuneration   | Nil  | Rs. 42,500/- per month  |
| Number of Meetings of the Board attended during the year 2021-22                                    | 4 out of 5   | 5 out of 5  |



**ROUTE MAP TO THE VENUE OF THE 103<sup>RD</sup> ANNUAL GENERAL MEETING OF  
BFM INDUSTRIES LIMITED**

**VENUE: THE ARYANS SCHOOL, 149, B.T.ROAD, KOLKATA- 700058**



**BFM INDUSTRIES LTD**

Registered Office: 1 Ramesh Mitra Road 3rd Floor,P.S. Bhowanipur, Kolkata - 700025; Phone: 09007077041

Email id : bfmiltd@gmail.com; Website:www.bfmind.com

CIN: L65993WB1918PLC000947

**ATTENDANCE SLIP**

(Please complete this Attendance Slip and hand it over at the entrance of Meeting Hall)

Regd. Folio No. /DP Client ID..... No. of shares held.....

I/ We hereby record my/ our presence at the 103<sup>rd</sup> Annual General Meeting of BFM INDUSTRIES LIMITED being held on Tuesday, 27<sup>th</sup> September, 2022 at 04.00 p.m. at The Aryans School, 149 B.T Road, Kolkata- 700058.

-----  
-----

Name of Member /Proxy (In BLOCK LETTERS)

Signature of Member/Proxy

**BFM INDUSTRIES LTD**

Registered Office: 1 Ramesh Mitra Road 3rd Floor,P.S. Bhowanipur, Kolkata - 700025; Phone: 09007077041

Email id : bfmiltd@gmail.com; Website:www.bfmind.com

CIN: L65993WB1918PLC000947

*Form MGT - 11**PROXY FORM*

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L65993WB1918PLC000947  
 Name of the Company : BFM INDUSTRIES LIMITED  
 Regd Office : 1 Ramesh Mitra Road 3rd Floor,P.S. Bhowanipur, Kolkata - 700025  
 Registered Address : -----DO-----  
 Phone No : 9007077041  
 E-mail : bfmiltd@gmail.com

|                              |  |
|------------------------------|--|
| <b>Name of the Member(s)</b> |  |
| <b>Registered Address</b>    |  |
| <b>E-Mail ID</b>             |  |
| <b>Folio No/ Client ID</b>   |  |
| <b>DP ID</b>                 |  |

I/We, being the member(s) of ..... shares of BFM Industries Limited, hereby appoint

1 Name..... Address.....

E-mail id..... Signature.....

or filing him as my/our proxy to attend and vote (on a poll) for me/us on my/our behalf at the AGM of the Company, to be held on Tuesday, 27<sup>th</sup> September, 2022 at 04.00 p.m. at The Aryans School, 149 B.T Road, Kolkata- 700058 and at any adjournment thereof in respect of such resolution(s) as are indicated below:

| Resolution No.           | Resolution  | For | Against |
|--------------------------|---|-----|---------|
| <b>Ordinary Business</b> |   |     |         |
| 1                        | <b>Ordinary Resolution</b> to receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended 31 <sup>st</sup> March, 2022 together with the Reports of the Board of Directors and Auditors' thereon. |     |         |
| 2                        | <b>Ordinary Resolution</b> to appoint a Director in place of Mrs. Manisha Pincha (DIN: 07143031) who retires by rotation and being eligible offers herself for re-appointment.  |     |         |
| 3.                       | <b>Ordinary Resolution</b> to re-appoint Statutory Auditor, M/s. KOMANDOOR & CO LLP, (FRN: 001420S/S200034) for a tenure of five (5) years from the conclusion of this AGM till the conclusion of AGM to be held in the year 2027.            |     |         |
| <b>Special Business</b>  |   |     |         |
| 4.                       | <b>Special Resolution</b> to Revision in the terms of remuneration payable to Mr. Sushil Kumar Banthia (DIN: 00555169), Whole – time Director with effect from 1 <sup>st</sup> April, 2022 till the remaining period of his present tenure.   |     |         |

Signed this.....day of .....2022

Signature of the member:

Affix revenue stamp

Signature of proxy:

*Note: This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company not less than 48 hours before the commencement of the*

## **DIRECTORS' REPORT**

**Dear Shareholders,**

Your Directors have pleasure in presenting their 103<sup>rd</sup> Annual Report on the business and operations of the Company together with the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2022.

### **FINANCIAL SUMMARY**

A summary of financial results of your Company for the year ended 31<sup>st</sup> March, 2022 is given below:

(Rs. in Lakhs)

| Particulars                             | Current Year ended<br>31.03.2022 | Previous Year ended<br>31.03.2021 |
|---|----------------------------------|-----------------------------------|
| Total Income                            | 12.56                            | 9.66                              |
| Less: Expenditure                       | (16.46)                          | (23.48)                           |
| <b>Profit/(Loss) before Tax</b>         | <b>(3.90)</b>                    | <b>(13.82)</b>                    |
| Less: Current Tax                       | -                                | -                                 |
| Less: Deferred Tax                      | -                                | -                                 |
| Less: Tax adjustments for earlier years | 0.29                             | 0.036                             |
| <b>Profit/ (Loss) after Tax</b>         | <b>(4.19)</b>                    | <b>(13.85)</b>                    |

The above figures are extracted from the financial statements prepared in compliance with Indian Accounting Standards ('Ind AS'). The Financial Statements of the Company complied with all aspects with Ind AS notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other relevant provisions of the Companies Act, 2013.

### **REVIEW OF OPERATION AND STATE OF COMPANY'S AFFAIRS**

The Company's plans for securing the growth is under way and appropriate action will be taken in future at appropriate time for future development.

During the year under review, the Company has posted a net loss of Rs. 4.19 Lakhs for the year ended 31<sup>st</sup> March, 2022 against a net loss of Rs. 13.85 Lakhs in the previous year. Total Revenue stands at Rs. 12.56 Lakhs for the year ended 31<sup>st</sup> March, 2022 and Rs. 9.66 Lakhs for the year ended 31<sup>st</sup> March, 2021.

### **DIVIDEND & RESERVES**

In order to conserve existing resources and to meet the investment needs of the Company, your Directors do not recommend any dividend for the financial year 2021-22.

Since, the Company incurred loss during the financial year 2021-22, so it proposes not to transfer any amount to its Reserves.

### **CHANGE OF REGISTERED OFFICE ADDRESS**

During the year under review, the registered office address of the Company changed from "60A Chowringhee Road, 2<sup>nd</sup> Floor, Kolkata – 700001" to "1 Ramesh Mitra Road, 3<sup>rd</sup> Floor P.S Bhowanipur, Kolkata – 700025" w.e.f 10<sup>th</sup> August, 2021.

### **SHARE CAPITAL**

The Present Authorized share capital of the Company is Rs. 1,00,00,000/- (Rupees One Crore) divided into Rs. 10,00,000 (Ten Lakh) no. of equity shares of Rs. 10/- each. The issued and paid up capital of the company consist of Rs. 30,00,000/- (Rupees Thirty Lakh) divided into Rs. 3,00,000 (Three Lakh) equity shares of Rs. 10/- each. There has been no change in the authorized and paid up Share Capital of the Company during the year under review.

Further, the Company has neither issued any shares with differential voting rights nor issued any stock options or sweat equity shares. The Company did not issue any bonus shares, nor has company bought back any of its securities during the year under review. Also no funds have been raised through preferential allotment or qualified institutional placement during the Financial Year 2021-2022.

#### **SUBSIDIARIES / JOINT VENTURES / ASSOCIATES**

Your company does not have any subsidiary company or joint venture. No Company has become or ceased to be associates during the financial year 2021-22.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of section 134(3)(c) and section 134(5) of the Companies Act, 2013, the Directors to the best of their knowledge hereby state and confirm that:

1. In the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2022, the applicable accounting standards have been followed and there are no material departures from the same;
2. The accounting policies have been selected and applied consistently and the judgments and estimates made 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 and loss of the Company for that period;
3. Proper and sufficient care have been taken 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;
4. The annual accounts have been prepared on a going concern basis;
5. The internal financial controls to be followed by the Company have been laid down and such internal financial controls are adequate and are operating effectively; and
6. Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The Board comprises of an optimum mix of Executive and Non-Executive Directors including Independent Directors. The Board's composition and size is in compliance with the provisions of the Companies Act, 2013 (hereinafter referred to as the "Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "SEBI Listing Regulations").

None of the Directors of the Company are disqualified for being appointed as Directors, as specified in Section 164(2) of the Companies Act, 2013 and Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014. A certificate from whole time Company Secretary in practice, confirming the same has been annexed with this report as **Annexure-4D**

#### **(a) APPOINTMENT / RE-APPOINTMENT AND RESIGNATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

##### **Retirement by Rotation**

In accordance with the Articles of Association of the Company and Section 152 of the Act, Mrs. Manisha Pincha (DIN: 07143031) shall retire by rotation at the ensuing Annual General Meeting ("**AGM**") and being eligible offers herself for re-appointment. The Board of Directors recommends her re-appointment at the ensuing Annual General Meeting.

A brief resume of the Director being reappointed as required under Regulation 36(3) of the SEBI Listing Regulations forms a part of the Notice convening the ensuing AGM.

### **Appointment and Resignation of Director or Key Managerial Personnel**

During the year under review, no Directors were appointed and resigned from the office of Directorship.

Further, Mr. Kumar Bam Bam was resigned from the position of Company Secretary & Compliance officer w.e.f 17<sup>th</sup> January, 2022 and the Board of Directors as recommended by the Nomination and Remuneration Committee appointed Ms. Simran Agarwal as Company Secretary & Compliance Officer of the Company w.e.f 18<sup>th</sup> April, 2022.

As on the date of this report, the following are the designated Key Managerial Personnel of the Company:

1. Mr. Sushil Kumar Banthia – Whole-time Director
2. Mr. Devendra Kumar Agarwal – Chief Financial Officer
3. Ms. Simran Agarwal– Company Secretary & Compliance Officer

### **(b) MEETING OF THE BOARD OF DIRECTORS**

The Board of Directors regularly meets to discuss and decide on various matters. During the year under review, 5(five) Board meetings were convened and held on 30<sup>th</sup> June, 2021; 10<sup>th</sup> August, 2021; 3<sup>rd</sup> November, 2021; 13<sup>th</sup> November, 2021 and 12<sup>th</sup> February, 2022 in compliance with the Act and the SEBI Listing Regulations. The intervening gap between the meetings is well within the period prescribed under the Companies Act, 2013 except for the first Board meeting for the F.Y 2021-22.

SEBI vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/38 dated 19th March, 2020, read with Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/110 dated 26th June, 2020 and Circular No. SEBI/HO/CFD/CMD1/P/CIR/2021/556 dated 29th April, 2021 has extended the timeline for complying with the provisions related to Annual Financial Results from 30th May, 2021 to 30th June, 2021, accordingly the Meeting where financial results were signed was held in the month of June, 2021.

The detailed information of the Meetings of the Board, are given in the Corporate Governance Report, which forms part of this Annual Report.

### **(c) STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (7) OF SECTION 149 OF THE ACT AND REGULATION 16 OF THE SEBI LISTING REGULATIONS**

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as laid down in Section 149(6) of the Act read with the Rules made thereunder and Regulation 16 of the SEBI Listing Regulations.

All the Independent Director of the Company have registered their names in the Data Bank of Indian Institute of Corporate Affairs and they have all been exempt from the requirement of written test under Rule 6(4) of the Companies (Appointment and Qualifications of Directors) Rule, 2014.

### **(d) FAMILIARIZATION PROGRAMME UNDERTAKEN FOR INDEPENDENT DIRECTORS**

The Independent Directors are familiarized with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc in terms of Regulation 25 (7) of the SEBI Listing Regulations. The details of familiarization programs are disclosed on the Company's website at the link: <http://www.bfmind.com/policies-codes.php>

### **(e) MEETING OF INDEPENDENT DIRECTORS**

Pursuant to Regulation 25(3) of the SEBI Listing Regulations and Schedule IV of the Act read with Rules made thereunder, a separate meeting of Independent Directors was held on 01st February, 2022. The meeting was attended by all the Independent Directors of the Company. Mr. Narayan Roy was elected as the Lead Independent Director. The matters discussed at the Meeting of Independent Directors, inter-alia includes;

- a review of the performance of Non-Independent Directors;
- the performance of the Chairperson of the Company keeping in mind views of executive and non-executive Directors;
- Assessment of the quality, quantity and the timeliness of flow of information between the Management and the Board.

**(f) APPOINTMENT AND REMUNERATION POLICY OF THE COMPANY**

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Act. The details of Nomination and Remuneration Policy of the Company is available on the Company's website at the link: <http://www.bfmind.com/policies-codes.php>

**(g) FORMAL ANNUAL PERFORMANCE EVALUATION**

Pursuant to the provisions of the Act and the SEBI Listing Regulations the Nomination and Remuneration Committee and the Board has carried out the performance evaluation of the Board as a whole, the Directors individually (including Independent Directors) and the working of the Committees of the Board. The evaluation was done on the basis of structured feedback forms which included parameters such as level of engagement and contribution, independence of judgments, maintenance of integrity, confidentiality, etc.

The Directors expressed their satisfaction with the overall evaluation process.

**COMMITTEES**

**Audit Committee**

The composition and terms of reference of the Audit Committee is in accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations and the same has been furnished in the Corporate Governance Report which forms a part of this Annual Report. There has been no instance where the Board has not accepted the recommendations of the Audit Committee.

**Nomination and Remuneration Committee**

The composition and terms of reference of the Nomination and Remuneration Committee is in accordance with the provisions of Companies Act, 2013 and SEBI Listing Regulations and the same has been furnished in the Corporate Governance Report which forms a part of this Annual Report.

**Stakeholders' Relationship Committee**

The composition and terms of reference of the Stakeholders Relationship Committee is in accordance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations and the same has been furnished in the Corporate Governance Report which forms a part of this Annual Report.

**ANNUAL RETURN**

As required, pursuant to Section 92(3) of the Act read with rule 12(1) of the Companies (Management and Administration) Rules, 2014, an Annual return for the financial year 2021-22 will be uploaded on the Website of the Company i.e [www.bfmiltd.com](http://www.bfmiltd.com).

**INTERNAL FINANCIAL CONTROL SYSTEMS**

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control system and suggests improvements to strengthen the same. In the opinion of the Board, the existing internal control framework is adequate and commensurate to the size and nature of the business of the Company. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.



### **RISK MANAGEMENT POLICY**

The Board of Directors of the Company has formulated a Risk Management Policy which aims at enhancing Shareholders' value and providing an optimum risk reward tradeoff. The risk management approach is based on a clear understanding of the variety of risks that the organization faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures. The Audit Committee oversees the risk management and mitigation which is reviewed by the Board periodically at its meetings. During the year, no major risks were noticed, which may threaten the existence of the Company.

### **CORPORATE SOCIAL RESPONSIBILITY**

Since your Company does not has the net worth of Rs. 500 crores or more, or turnover of Rs. 1000 crores or more, or a net profit of Rs. 5 crores or more during the financial year, Therefore, Section 135 of the Companies Act, 2013 read with Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014 relating to Corporate Social Responsibility is not applicable to the Company and hence the Company need not adopt any Corporate Social Responsibility Policy.

### **POLICY ON PREVENTION OF INSIDER TRADING**

Your Company has adopted a "Code of Practice & Procedure for Fair Disclosure" as envisaged under SEBI (Prohibition of Insider Trading) Regulations, 2015 with a view to Regulate trading in equity shares of the Company by the Directors and Designated Employees of the Company. The said Code is available on the website of the Company at the link: <http://www.bfmind.com/policies-codes.php>

### **VIGIL MECHANISM**

Pursuant to the provisions of the Act and the SEBI Listing Regulations, your Company has formulated a Vigilance Mechanism/Whistle Blower Policy to provide a mechanism for Directors and Employees of the Company to report genuine concerns. The Whistle Blowers may approach the Vigilance Officer and the Vigilance Officer places the report / status of complaints received and resolved, if any to the members of Audit Committee. Further the aggrieved person can have direct access to the Chairman of Audit Committee. The Whistle Blower Policy also provides for adequate safeguards against victimization of persons who use such mechanism and is also available at the Company's website at the link: <http://www.bfmind.com/policies-codes.php>

### **DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013**

Your Company believes in providing Equal Opportunity / Affirmative Action. It has a Policy on Affirmative Action and a Policy on Prevention of Sexual Harassment to ensure a harassment-free workspace for the employees. The Company has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder for prevention and redressal of complaints of sexual harassment at workplace. The Internal Complaints Committee, which has been constituted as per the aforesaid policy, reports to the Audit Committee of the Board of Directors of your Company on the complaints received and action taken by it during the financial year. It may be noted that, during the year, no complaint was lodged with the Internal Complaints Committee.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE ACT**

Pursuant to Section 186(11) of the Companies Act, 2013 loans made, guarantees given or securities provided or acquisition of securities by a company in the ordinary course of its business are exempted thereafter no such disclosure is required to be given in the Annual Report.

### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All related party transactions were entered by the Company during the financial year 2021-22 is in the ordinary course of business and on arm's length basis, were reviewed and approved by the Audit Committee and are in accordance with the Policy on Related Party Transactions formulated by the Company.

During the year under review, the Company has not entered into any materially significant related party transactions/contracts/arrangements in accordance with the policy of the Company on materiality of Related Party Transactions or as per the provision of Securities and Exchange Board of India (LODR) Regulation, 2014. Therefore, no disclosure is required in Form AOC-2.

The details of Related Party Transactions as per Indian Accounting Standards (IND AS)-24 are set out in the Financial Statements of the Company, forming part of the Annual Report.

The Revised Related Party Transactions Policy as per the recent SEBI Circulars vide SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22<sup>nd</sup> November, 2021, as approved by the Board uploaded on the Company's website and may be accessed at the web link: <http://www.bfmind.com/policies-codes.php>

#### **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**

There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

#### **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

The information required pursuant to Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is appended as **Annexure-1** to the Board's Report.

None of the employees of the Company is in receipt of remuneration exceeding the limits prescribed under the Act read with the rules framed thereunder and the schedules appended thereto.

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

Disclosures 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, read with the Companies (Accounts) Rules, 2014 are given in **Annexure- 2** and forms part of this Report.

#### **AUDIT AND AUDITORS**

##### **Statutory Audit**

M/s. KOMANDOOR & CO LLP, (FRN: 001420S/S200034), the Statutory Auditor of your Company have conducted the Statutory audit of the Company for the financial year 2021-22. The Independent Auditors Report for the financial year ended 31st March, 2022 forms a part of this Annual Report.

The Company is pleased to inform that there is no qualification / reservation / adverse remark made by the Statutory Auditors in their report.

No frauds were reported by auditors under Sub-Section (12) of Section 143 of the Act.

##### **Statutory Auditors**

Your Company has appointed M/s KOMANDOOR & CO LLP as Statutory Auditor of the Company through the Postal Ballot process on 4th February, 2022 till the conclusion of Annual General Meeting to be held in the year 2022 due to the Casual Vacancy caused by resignation of M/S VKR & Associates, Chartered Accountants as the Statutory Auditor of the Company because of the expiry of the validity of the peer review certificate at a remuneration as decided by the Board and/Audit Committee and Auditors.

### **Secretarial Auditors**

Pursuant to Section 204 of the Companies Act, 2013 and the rules made thereunder, the Company had appointed Ms. Prachi Todi, Practising Company Secretary, to conduct the secretarial audit of the Company for the financial year 2021-22. The Company had provided all assistance and facilities to the Secretarial Auditor for conducting their audit. The Secretarial Audit report for the financial year 2021-22 is annexed to this report as **Annexure - 3**. There are no qualification/reservation/adverse remark made by the Secretarial Auditors in their report.

Pursuant to Regulation 24A of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with SEBI Circular CIR/CFD/CMD1/27/2019 dated February 8, 2019, the Company had appointed Ms. Prachi Todi, Practising Company Secretary, to check, on annual basis, on the compliances of all applicable SEBI Regulations and circulars/guidelines issued thereunder. The Secretarial Compliance Report for the financial year 2021-22 is annexed to this report as **Annexure 3A** and there are no qualifications, reservations or adverse remarks in the report.

### **Internal Auditors**

Pursuant to Section 138 of the Companies Act, 2013 the company had appointed Mr. Krishan Kumar Bengani., Chartered Accountants, as the Internal Auditors of the company to carry out the internal audit of the company. The Internal Auditor reports to the Audit Committee of the Board and the Internal Audit report is also placed at the meetings of the Audit Committee for review.

### **Cost Audit**

As per the Companies (Cost Records & Audit) Amendment Rules, 2014 the Company is not covered under the applicability of the Rules, hence, there is no requirement to maintain Cost Records in applicable formats and also get the records audited from a Cost Auditors.

### **CORPORATE GOVERNANCE**

A detailed report on Corporate Governance together with a certificate of compliance from whole time Company Secretary in practice, as required by SEBI Listing Regulations of SEBI (Listing Obligations and Disclosure Requirements), 2015 is presented in separate section and is annexed to this report as **Annexure – 4**.

### **CEO AND CFO CERTIFICATION**

The CEO/ CFO certificate on the financial statements of the Company as required under Regulation 17(8) of the SEBI Listing Regulations is annexed to the Corporate Governance Report which is annexed to this Report as **Annexure –4B**.

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2)(e) of SEBI Listing Regulations is presented in separate section and is annexed to this report as **Annexure - 5**.

### **STATEMENT ON COMPLIANCES OF THE APPLICABLE SECRETARIAL STANDARDS**

The Directors of your Company have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards as issued by The Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

### **HUMAN RESOURCES**

Your Company believes in adopting the best human resource practices by providing its employees a congenial and harmonious working environment with all the necessary infrastructures and by giving them equal opportunities to rise and grow. Your Company continues to implement the best of human resource policies so as to ensure that talent retention is ensured at all levels. Employee relations continued to be cordial and harmonious at all levels and in all divisions of the Company during the year under review.

### **HEALTH, SAFETY AND ENVIRONMENTAL PROTECTION**

Your Company is committed to protect the health and safety of everyone involved in its operation, and the sustainability of the environment in which it operates. The Company's policy requires the conduct of operations in such a manner so as to ensure safety of all concerned environmental regulations and prevention of misuse of natural resources. Your Company has been complying with relevant and applicable environmental laws and has been taking all necessary measures to protect the environment and maximize workers' protection and safety.

### **OTHER DISCLOSURES:**

#### **CHANGE IN NATURE OF BUSINESS, IF ANY**

There has been no change in the nature of business of the Company during the financial year ended 31<sup>st</sup> March, 2022.

#### **MATERIAL CHANGES AND COMMITMENTS AFTER THE BALANCE SHEET DATE BETWEEN THE END OF THE FINANCIAL YEAR 2021-22 AND THE DATE OF THIS REPORT**

There were no Material changes and commitments affecting the financial position of the Company between the end of the financial year i.e. 31<sup>st</sup> March, 2022 and date of this Report i.e. 28<sup>th</sup> May, 2022.

#### **PUBLIC DEPOSITS**

During the year under review your Company has not accepted Deposits falling within the meaning of Section 73 of Chapter V of the Act and the Companies (Acceptance of Deposits) Rules, 2014.

#### **INSOLVENCY AND BANKRUPTCY CODE, 2016**

No application has been made or proceedings pending under the Insolvency and Bankruptcy Code, 2016 in respect of the Company.

#### **VALUATION DIFFERENCE**

The Company has done no one time settlement with bank or financial institution.

### **ACKNOWLEDGEMENTS**

Your Directors would like to place on record their sincere gratitude to the shareholders, bankers, business associates, retailers, customers, government and other regulatory agencies for their continued support and faith in the Company. Your Directors are also happy to place on record their appreciation for the whole-hearted co-operation, commitment and contribution made by all the employees and look forward to their continued support.

**For and on behalf of the Board**

**Place: Kolkata**

**Date: 28<sup>th</sup> May, 2022**

*s/d*

**Sri Sushil Kumar Banthia  
Whole-Time Director  
(DIN: 00555169)**

*s/d*

**Sri Narayan Roy  
Director  
(DIN: 07104417)**

**A. DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR THE FINANCIAL YEAR 2021-22.**

- 1) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021-22, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22:

| Sl. No. | Name of the directors/KMPs and designation         | Remuneration of directors/KMPs for the financial year 2021-22 | % increase in Remuneration in the financial year 2021-22 | Ratio of Remuneration of each directors to the median remuneration of the employees |
|---------|--|---|--|---|
| 1       | Sushil Kumar Banthia<br>Whole-time Director        | 5,83,000  | -  | 1.78  |
| 2       | Kumar Bam Bam*<br>Company Secretary                | 3,38,459  | 3.32%  | N.A.  |
| 3       | Devendra Kumar Agarwal<br>Chief Compliance Officer | 3,14,501  | -  | N.A.  |

*\*Mr. Kumar Bam Bam resigned as Company Secretary w.e.f 17<sup>th</sup> January, 2022  
Ms. Simran Agarwal appointed as Company Secretary w.e.f 18<sup>th</sup> April, 2022*

- 2) There were two permanent employees' i.e whole-time director and chief financial officer on the rolls of company as on 31<sup>st</sup> March, 2022. Mr. Kumar Bam Bam resigned as Company Secretary w.e.f 17<sup>th</sup> January, 2022 and Ms. Simran Agarwal was appointed as Company Secretary w.e.f 18<sup>th</sup> April, 2022. Apart from this, there are no employees on the pay roll of the Company.
- 3) In the financial year 2021-22, there was 3.32% increase in the median remuneration of the employees.
- 4) Average percentage increase already made in the salaries of employees other than Managerial Personnel in the financial year 2021-22 and its comparison with the percentage increase in the managerial remuneration and justification thereof and the detail of exceptional circumstances for increase in the managerial remuneration: Not applicable since there are no employees other than managerial personnel.
- 5) The explanation on the relationship between average increase in remuneration and company performance: the increase in remuneration of employees is in line with remuneration policy of the Company where employees are given increment as per their performance.
- 6) Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company: The remuneration of the Key Managerial Personnel(s) are in line with the Remuneration Policy of the Company where their remuneration is determined based on their performance which is correlated to the performance of the Company. Further, remuneration of the KMP's is as per industry standard.
- 7) The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees. Further there is no variable component in the remuneration availed by the Directors.

- 8) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable; and
- 9) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Note: Remuneration is calculated on the basis of actual payout during the year.

**B. STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH THE RULE 5(2) & (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR THE FINANCIAL YEAR 2020-21**

During the year under review, there were no employees who were in receipt of remuneration aggregating to Rs. 1,02,00,000 (Rupees One Crore and Two Lakh) or more for the year or Rs. 8,50,000 (Rupees Eight Lakh and Fifty Thousand) or more per month for the part of the year.

Further, there was no employee, neither throughout the financial year 2021-22 or part thereof, who received remuneration in excess of that drawn by the Wholetime director of the Company.

Further the names of Top Ten Employees\* of the Company in terms of remuneration drawn as on the financial year ended March 31st, 2022 is tabled hereunder:

| Ranking   | 1                        | 2                        | 3                                      |
|---|--------------------------|--------------------------|--|
| Name  | Sushil Kumar Banthia     | Devendra Kumar Agarwal   | Kumar Bam Bam#                         |
| Designation                                     | Whole time Director      | Chief Financial Officer  | Company Secretary & Compliance Officer |
| Age   | 58                       | 59                       | 28                                     |
| Remuneration received                           | Rs. 5,83,000/-           | Rs. 3,14,501/-           | Rs. 3,38,459/-                         |
| Nature of employment                            | Permanent and Whole time | Permanent and Whole time | Permanent and Whole time               |
| Qualifications and experience                   | Graduate; 26 years       | Graduate, 12 years       | B.com, CS; 2 years                     |
| Date of commencement of employment              | 25.01.2010               | 13.08.2014               | 20.06.2019                             |
| Previous employment                             | NA                       | RDB Group                | -                                      |
| Percentage of equity shares held in the company | Nil                      | Nil                      | Nil                                    |
| Relationship with any director or manager       | No relationship          | No relationship          | No relationship                        |

\*(There are only three employees in the payroll of the Company)

# Mr. Kumar Bam Bam resigned as Company Secretary w.e.f 17<sup>th</sup> January, 2022  
Ms. Simran Agarwal appointed as Company Secretary w.e.f 18<sup>th</sup> April, 2022



**DISCLOSURE OF PARTICULARS UNDER SECTION 134 (3)(M) OF THE COMPANIES ACT, 2013, READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014.**

| <b>A</b> | <b>CONSERVATION OF ENERGY</b>  |      |
|----------|--|------|
| a)       | Steps taken or impacts on conservation of energy                     | N.A. |
| b)       | Steps taken by the company for utilizing alternate sources of energy | N.A. |
| c)       | Capital investment on energy conservation equipments                 | N.A. |

| <b>B</b> | <b>TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION</b>  |      |
|----------|--|------|
| 1.       | Efforts made towards technology absorption,  | Nil  |
| 2.       | Benefits derived like product improvement, cost reduction, product development or import substitution.   | Nil  |
| 3.       | In case of imported technology (imported during last 5 years reckoned from the beginning of the financial year), following information may be furnished: |      |
| i)       | Technology imported  | N.A. |
| ii)      | Year of import   | N.A. |
| iii)     | Has technology been fully absorbed?  | N.A. |
| iv)      | If not fully absorbed, areas where this has not taken place, reasons there for and future plans of action  | N.A. |
| 4        | Expenditures incurred on Research & Development  | N.A. |

| <b>C.</b> | <b>FOREIGN EXCHANGE EARNING AND OUTGO</b>                          |     |
|-----------|--|-----|
| 1         | Foreign Exchange earned in terms of actual inflows during the year | Nil |
| 2         | Foreign Exchange outgo during the year in terms of actual outflows | Nil |

# *Prachi Todi*

Company Secretaries  
33C, Satish Mukherjee Road,  
Near Gouriya Math,  
Kolkata-700026  
Mobile No: 9830072442

Email: [csprachi92@gmail.com](mailto:csprachi92@gmail.com); [info.prachi92@gmail.com](mailto:info.prachi92@gmail.com)

Annexure-3

## **SECRETARIAL AUDIT REPORT**

**(FORM NO. MR-3)**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

**The Board of Directors,  
BFM Industries Limited**

**1, Ramesh Mitra Road, 3<sup>rd</sup> Floor  
P.S. Bhowanipur,  
Kolkata - 700025**

I have conducted the **Secretarial Audit** of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s BFM INDUSTRIES LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted on test check basis, in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, and relying on the representations made by the Company and its Officers, I hereby report that in my opinion, the Company has, during the financial year ended 31<sup>st</sup> March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I further report that compliance with applicable laws is the responsibility of the Company and my report constitutes an independent opinion. Further, my report is neither an assurance for future viability of the Company nor a confirmation of efficient management by the Company.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2022, according to the provisions of the following laws and as shown to me, during my audit:

- (i) The Companies Act, 2013 (**'the Act'**) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**): -

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 and other applicable regulations/guidelines/circulars as may be issued by SEBI from time to time to the extent applicable;
- d. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations/ guidelines/ circulars as may be issued by SEBI from time to time to the extent applicable.

I further report that, during the year under review, there were no actions/events in pursuance of:

- a. The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- f. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

Having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof and on the basis of the Management representation, I further report that there are no laws applicable specifically to the Company.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued and mandated by the Institute of Company Secretaries of India;
- (ii) The Listing Agreement entered into by the Company with the Calcutta Stock Exchange Limited.

During the period under review and as per the explanations and representations made by the management and subject to clarifications given to me, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the year under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the Meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

**I further report that** the shareholding of the Promoters of the Company is in physical form since the shares stands frozen by the Income Tax Department and as a result, the Company has also not been able to obtain its ISIN (International Securities Identification Number). Furthermore, since, the shares of the Company are frozen by the Income Tax Department, the minimum public shareholding of the Company is 17.402% which is less than the stipulated minimum shareholding of 25%, as prescribed under Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**I further report that** during the period under review, the Directors of the Company had applied for revocation of suspension from the Calcutta Stock Exchange and the order of revocation was passed by the Exchange on 19<sup>th</sup> January, 2022 which was effective from 27<sup>th</sup> January, 2022.

**I further report that** during the year under review, Mr. Kumar Bam Bam (Membership No. 59110) had resigned from the post of Company Secretary & Compliance Officer of the Company with effect from 17<sup>th</sup> January, 2022.

**I further report that** pursuant to the resignation of M/s VKR & Associates, Chartered Accountants (Firm Registration No.320323E) as Statutory Auditors of the Company, the Board of Directors of the Company, at their meeting held on 03<sup>rd</sup> November, 2021 approved the appointment of M/s. Komandoor & Co LLP., Chartered Accountants, (Firm Registration No.001420S/S200034) as the Statutory Auditors of the Company to hold office from the conclusion of the postal ballot of the Company, i.e., 03<sup>rd</sup> February, 2022 till conclusion of the ensuing Annual General Meeting of the Company.

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

This Report is to be read with my letter of even date which is annexed as “**Annexure A**” and forms an integral part of this Report.

**Prachi Todi**  
**Practicing Company Secretary**  
**M. No.: 53022**  
**C.P. No.: 22964**

**Date: 28<sup>th</sup> May, 2022**  
**Place: Kolkata**

**Peer Review Certificate No.: 1445/2021**  
**UDIN: A053022D000418310**

# *Prachi Todi*

Company Secretaries  
33C, Satish Mukherjee Road,  
Near Gouriya Math,  
Kolkata-700026  
Mobile No: 9830072442

Email: [csprachi92@gmail.com](mailto:csprachi92@gmail.com); [info.prachi92@gmail.com](mailto:info.prachi92@gmail.com)

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**"ANNEXURE – A"**  
**(TO THE SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022)**

**To**  
**The Board of Directors**  
**BFM Industries Limited**  
**1, Ramesh Mitra Road, 3<sup>rd</sup> Floor**  
**P.S. Bhowanipur,**  
**Kolkata - 700025**

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial Records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on the audit.
2. I have followed the Audit practices and processes as and where appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. I believe that the processes and practices that were followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibilities of the management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Prachi Todi**  
**Practicing Company Secretary**  
**M. No.: 53022**  
**C.P. No.: 22964**  
**Peer Review Certificate No.: 1445/2021**  
**UDIN: A053022D000418310**

**Date: 28<sup>th</sup> May, 2022**  
**Place: Kolkata**

# *Prachi Todi*

Company Secretaries  
33C, Satish Mukherjee Road,  
Near Gouriya Math,  
Kolkata-700026  
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Annexure – 3A

**SECRETARIAL COMPLIANCE REPORT  
OF  
BFM INDUSTRIES LIMITED  
FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2022  
[Pursuant to Circular No. CIR/CFD/CMDI/27/2019 dated 08/02/2019 issued by  
Securities and Exchange Board of India]**

To  
The Board of Directors,  
BFM Industries Limited

1, Ramesh Mitra Road, 3<sup>rd</sup> Floor,  
P.S. Bhowanipur, Kolkata – 700025

I, Prachi Todi, Company Secretary in Practice have examined:

- (a) all the documents and records made available to me and explanation provided by **M/s BFM INDUSTRIES LIMITED** (“the Listed Entity”);
- (b) the filings/submissions made by the Listed Entity to the stock exchanges;
- (c) website of the Listed Entity;
- (d) any other document/filing, as may be relevant, which has been relied upon to make this certification, for the year ended on 31<sup>st</sup> March, 2022 (“Review Period”) in respect of compliance with the provisions of:
  - (i) the Securities and Exchange Board of India Act, 1992 (“**SEBI Act**”) and the Regulations, circulars, guidelines issued thereunder; and
  - (ii) the Securities Contracts (Regulation) Act, 1956 (“**SCRA**”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“**SEBI**”).

The specific Regulations, whose provisions and the circulars /guidelines issued thereunder, have been examined, include: -

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, wherein as per Regulation 31, the shareholding of the Promoters of the Company is in physical form since the shares stands freezed by the Income Tax Department and as a result, the Company has also not been able to obtain its ISIN (International Securities Identification Number). Since, the shares of the Company are freezed by the Income Tax Department, the minimum public shareholding of the Company is 17.402% which is less than the

stipulated minimum shareholding of 25%, as prescribed in Regulation 38 of SEBI (LODR) Regulations, 2015.

During the period under review, the Directors of the Company had applied for revocation of suspension from the Calcutta Stock Exchange and the order of revocation was passed by the Exchange on 19<sup>th</sup> January, 2022 which was effective from 27<sup>th</sup> January, 2022;

- (b) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (c) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (d) Securities and Exchange Board of India (Depository and Participants) Regulations, 2018;
- (e) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993;
- (f) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; - **Not Applicable for the review period**
- (g) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; -**Not Applicable for the review period**
- (h) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; -**Not Applicable for the review period**
- (i) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not Applicable for the review period**
- (j) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 -**Not Applicable for the review period.**

Based on the above examination, I hereby report that, during the review period: -

- (a) The Listed Entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder, except in respect of matters specified below: -

| Sl. No.        | Compliance Requirement (Regulations/circulars/guidelines including specific clause) | Deviations | Observations/Remarks of the Practicing Company Secretary |
|----------------|---|------------|--|
| Not Applicable |   |            |  |

- (b) The Listed Entity has maintained proper records under the provisions of the above Regulations and circulars/guidelines issued thereunder insofar as it appears from my examination of those records.

- (c) The following are the details of actions taken against the Listed Entity/its promoters/directors/material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/Regulations and circulars/ guidelines issued thereunder:

| Sl. No.        | Action taken by | Details of violation | Details of action taken E.g. fines, warning letter, debarment, etc. | Observations/ remarks of the Practicing Company Secretary, if any. |
|----------------|-----------------|----------------------|---|--|
| Not Applicable |                 |                      |   |  |



(d) The Listed Entity has taken the following actions to comply with the observations made in previous reports:

| Sl. No.        | Observations of the Practicing Company Secretary in the previous reports | Observations made in the secretarial compliance report for the year ended | Actions taken by the listed entity, if any | Comments of the Practicing Company Secretary on the actions taken by the listed entity |
|----------------|--|---|--|--|
| Not Applicable |  |   |  |  |

**Prachi Todi**  
**Practicing Company Secretary**  
**M. No.: 53022**  
**C.P. No.: 22964**

**Date: 24<sup>th</sup> May, 2022**  
**Place: Kolkata**

**Peer Review Certificate No.: 1445/2021**  
**UDIN: A053022D000376708**

**REPORT ON CORPORATE GOVERNANCE****[Pursuant to Regulation 34(3) read with Schedule – V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]****1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Good Corporate Governance implies optimum utilisation of resources and ethical behaviour of the enterprise so as to promote the investors' trust in the Company and maximize stakeholders' value. Your Company firmly believes that Corporate Governance is guided by the core principles of transparency, accountability, compliances and ethical values. The Company has a strong legacy of fair, transparent and ethical governance practices and it believes that good Corporate Governance is essential for achieving long-term corporate goals and to enhance stakeholders' value.

**2. BOARD OF DIRECTORS**

"Management does what the Board Decides", Board of Directors being the prime structure is committed towards taking in managerial decision and managing the day to day business activities of the Company.

As per the Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act, the Board of the Company comprises of an optimal combination of Executive, Non-Executive and Independent Directors (including one Woman Independent Director) representing a judicious mix of knowledge and experience. As on March 31, 2022, The Company has four Directors, three are Non-Executive Directors and of which two are Independent Directors.

The designation, category of Directorship, number of Board Meetings attended, attendance at the last Annual General Meeting (AGM), Directorships in other companies, number of Committees in which such Director is a Chairperson or Member, are mentioned below :-

| Name of the Director     | DIN      | Designation         | Category                    | Attendance     |          | Directorship(s) in other companies* |  | Membership(s)/ Chairmanship(s) of Board Committees of other companies** |
|--------------------------|----------|---------------------|-----------------------------|----------------|----------|-------------------------------------|--|---|
|                          |          |                     |                             | Board Meetings | Last AGM | No. of other directorship(s)        | Name of Listed Companies where the director is a director          |   |
| Mr. Sushil Kumar Banthia | 00555169 | Whole-Time Director | Executive                   | 5              | Yes      | 1                                   | -  | -   |
| Mr. Sushil Kumar Daga    | 00389137 | Director            | Non-executive & Independent | 5              | Yes      | 2                                   | -  | -   |
| Mr. Narayan Roy          | 07104417 | Director            | Non-executive & Independent | 5              | Yes      | -                                   | -  | -   |
| Mrs. Manisha Pincha      | 07143031 | Director            | Non-executive               | 4              | Yes      | 1                                   | Khatod Investments & Finance Company limited (Whole-time Director) | -   |

*\*Excludes Directorships in private limited companies, foreign companies and government companies and companies registered under section 8 of the Companies Act, 2013.*

*\*\*Only memberships/chairmanships of the Audit Committee and Stakeholders' Relationship Committee in various public limited companies are considered in terms of Regulation 26(1)(b) of the SEBI Listing Regulations.*

All the Directors are free from any business or other relationship that could materially influence their judgment. In the opinion of the Board, all the Independent Directors are independent of the management and satisfy the criteria of independence as defined under the Act and as specified under SEBI Listing Regulations.

None of the Directors on the Board hold directorships in more than ten public companies. Further, none of them is a member of more than ten committees or Chairman of more than five committees across all the public companies in which he/she is a Director. The Directorship/Committee membership is based on the disclosures received from the Directors as on 31<sup>st</sup> March, 2022.

Mrs Manisha Pincha retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment. As required under Regulation 36(3) of the SEBI Listing Regulations, a brief resume of the Director retiring by rotation is appended to the Notice for convening Annual General Meeting.

#### **Board Meetings and Directors attendance record:**

The Board of Directors of the Company meets at regular intervals to discuss and decide on Company / business policy and strategy. The Board meets at least once in every quarter to review the Company's operations and to consider amongst other business, the quarterly performance and financial results of the Company. The meetings of Board are scheduled in a manner so as to comply with the provisions of the SEBI Listing Regulations as well as the Companies Act, 2013. The Agenda together with Notes thereon, containing all material information, are circulated to all the Directors, well in advance, thereby facilitating meaningful and focused discussions at the meeting. Necessary information as specified in Part A of Schedule II of the SEBI Listing Regulations are also placed before the Board for their review and consideration.

During the financial year 2021-22, the Board met five times and the details of meetings together with the attendance of Directors are tabled hereunder:

| Sl. No. | Date of Meeting | Board Strength | No. of Director's Present |
|---------|-----------------|----------------|---------------------------|
| 1       | 30.06.2021      | 4              | 3                         |
| 2       | 10.08.2021      | 4              | 4                         |
| 3       | 03.11.2021      | 4              | 4                         |
| 4       | 13.11.2021      | 4              | 4                         |
| 5       | 12.02.2022      | 4              | 4                         |

### **3. INDEPENDENT DIRECTOR**

#### **Meetings of Independent Directors**

Pursuant to Regulation 25(3) of the SEBI Listing Regulations and Schedule IV of the Act, read with Rules made thereunder, a separate meeting of Independent Directors was held on 01<sup>st</sup> February, 2022. The meeting was attended by all the Independent Directors of the Company. Mr. Narayan Roy was elected as the Lead Independent Director. The matters discussed at the Meeting of Independent Directors, inter-alia includes;

- a review of the performance of Non-Independent Directors;
- the performance of the Chairperson of the Company keeping in mind views of executive and non-executive Directors;
- Assessment of the quality, quantity and the timeliness of flow of information between the Management and the Board.

#### **Familiarisation Programmes**

In terms of Regulation 25(7) of the Listing Regulations, the Company organizes familiarization programmes for its Independent Directors to provide insights into the Company's operations, the Company periodically conducts presentations/programs to familiarize the Independent Directors with the strategy, operations and functions of the Company inclusive of important developments in various business divisions, and new initiatives undertaken by the Company. The details of programmes for familiarisation of Independent Directors with the Company, including their duties in the Company and related matters are put up on the website of the Company at: <https://www.bfmind.com/policies-codes.php>

#### **4. Board Membership Criteria and list of core skills / expertise / competencies identified in the context of the business:**

In terms of requirement of SEBI Listing Regulations, 2015, the Board has identified the following core skills / expertise / competencies of the Directors in the context of the Company's business for effective functioning as given below:

| Name of the Director     | Area of Expertise   |                            |                                 |                    |            |
|--------------------------|---------------------|----------------------------|---------------------------------|--------------------|------------|
|                          | Industry Experience | Board Service & Governance | Finance & Accounting Experience | Strategic Planning | Leadership |
| Mr. Sushil Kumar Banthia | ✓                   | ✓                          | ✓                               | ✓                  | ✓          |
| Mr. Sushil Kumar Daga    | ✓                   | ✓                          | ✓                               | -                  | -          |
| Mr. Narayan Roy          | ✓                   | ✓                          | -                               | -                  | ✓          |
| Mrs. Manisha Pincha      | ✓                   | ✓                          | -                               | ✓                  | ✓          |

#### **5. COMMITTEES OF THE BOARD**

The Committees of the Board has been constituted under the formal approval of the Board for better governance & accountability and to conduct the affairs of the Company smoothly. The Board has constituted three Committees consisting of Directors viz. the Audit Committee, the Stakeholder Relationship Committee, Nomination & Remuneration Committee. Meeting of each of these Committee are convened by the respective Chairman of the Committee. The Minutes of the meetings of all the Committees are placed before the Board for review. Details of role and composition of these Committees including the number of meetings held during the financial year and the related attendance details are provided hereunder. Matters requiring Board's attention/ approval are placed before the Board.

The details of the Committees as on 31<sup>st</sup> March, 2022 are as hereunder-

##### **A. Audit Committee**

The Board has constituted an Audit Committee in line with the provisions of Section 177 of the Act read with Regulation 18 of the SEBI Listing Regulations.

### **Composition & Meetings**

Audit Committee comprised of three members majority of them including the Chairman were Independent. During the financial year ended 31<sup>st</sup> March, 2022, Audit Committee met five times on 30<sup>th</sup> June, 2021; 10<sup>th</sup> August, 2021; 03<sup>rd</sup> November, 2021; 13<sup>th</sup> November, 2021 and on 12<sup>th</sup> February, 2022.

The details of Composition together with the attendance of Members in the Audit Committee Meetings are tabled hereunder:

| <b>Sl. No.</b> | <b>Name</b>              | <b>Category</b>           | <b>Designation</b> | <b>No. of Meetings Attended</b> |
|----------------|--------------------------|---------------------------|--------------------|---------------------------------|
| 1.             | Mr. Narayan Roy          | Non-executive Independent | Chairman           | 5                               |
| 2.             | Mr. Sushil Kumar Daga    | Non-executive Independent | Member             | 5                               |
| 3.             | Mr. Sushil Kumar Banthia | Whole Time Director       | Member             | 5                               |

- The Company Secretary of the Company is the Secretary of the Committee.
- All the members of the Audit Committee possess good accounting & financial management expertise. Committee invites such of appropriate, to be present at its meetings. Minutes of each Audit Committee meeting are placed and discussed in the next meeting of the Board.

### **Terms of Reference**

**The Audit Committee is empowered, pursuant to its terms of reference, inter alia, to:**

- Investigate any matter within its terms of reference or in relation to the compliance with the provisions of the Companies Act, 2013 or referred to it by the Board;
- To seek any information it requires from any employee;
- Obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, when considered necessary;
- Have full access to information contained in the records of the Company

**The role of the Committee includes the following:**

- (a) To oversee the Company's financial reporting process and the disclosure of its financial information and to ensure that the financial statements are correct, sufficient and credible;
- (b) To recommend the appointment, remuneration, terms of appointment and removal of Statutory Auditor, and to review the manner of rotation of Statutory Auditor;
- (c) To recommend the appointment, remuneration and removal of Cost Auditors, where necessary;
- (d) To approve transactions of the Company with related parties, including modifications thereto;
- (e) To review and monitor the Statutory Auditor's independence and performance, and effectiveness of the audit process;
- (f) To evaluate the Company's internal financial controls and risk management systems;
- (g) Scrutiny of inter-corporate loans and investments;
- (h) Valuation of undertakings or assets of the Company, wherever it is necessary;
- (i) To review with the management the Annual and Quarterly financial statements and Auditor's Report thereon before submission to the Board for approval;
- (j) To review the following:
  1. Management discussion and analysis of financial condition and results of operations;

2. Adequacy of internal control systems and the Company's statement on the same prior to endorsement by the Board, such review to be done in consultation with the management, Statutory and Internal Auditors;
3. Reports of Internal Audit and discussion with Internal Auditors on any significant findings and follow-up thereon;
4. System / manner of maintenance, storage, retrieval, display, print out and security of books of account of the Company maintained in the electronic form;
5. Functioning of Whistle Blower Mechanism.

#### **B. Stakeholders Relationship Committee(SRC)**

The Board of Directors of the Company has constituted a Stakeholders Relationship Committee of the Board in terms of the requirements of section 178 of the Act read with Rules framed thereunder and Regulation 20 of the SEBI Listing Regulations.

#### **Composition & Meetings**

As on 31st March 2022, the Committee comprised of three Directors and was headed by a Non-executive Chairman. During the financial year under review, the Committee met four times on 30<sup>th</sup> June, 2021; 10<sup>th</sup> August, 2021; 13<sup>th</sup> November, 2021 and on 12<sup>th</sup> February, 2022.

The detail of Composition together with the attendance of Members in the Stakeholders Relationship Committee Meetings is tabled hereunder:

| Sl. No. | Name                     | Category                  | Designation | No. of Meetings Attended |
|---------|--------------------------|---------------------------|-------------|--------------------------|
| 1.      | Mr. Narayan Roy          | Non-executive Independent | Chairman    | 4                        |
| 2.      | Mr. Sushil Kumar Banthia | Whole Time Director       | Member      | 4                        |
| 3.      | Mr. Sushil Kumar Daga    | Non-executive Independent | Member      | 4                        |

#### **Terms of Reference**

The SRC Committee monitors the Company's response to investor complaints like non receipt of dividend, annual reports, notices etc. It has also been authorized to approve the issue of duplicate share certificates in lieu of those lost or destroyed. The composition and the terms of reference of the Committee meet with the requirements of Regulation 20 of the SEBI Listing Regulations and the provisions of Section 178 Act. The Committee shall consider and resolve the grievances of the security holders of the Company.

#### **Functions and Powers:**

- To review statutory compliance regarding share and debenture holders (Investors).
- To review various reports related to Investors.
- To review grievances of Investors.
- To review transfer of shares.
- To review transmission of shares.
- To review deletion of names from share certificates.
- To review change of name of member on share certificates.
- To review issue of duplicate share certificates.
- To review dematerialization of shares and
- Any other matter relating to the above mentioned functions incidental to the shareholders/investors of the Company.

In accordance with the provisions of the SEBI Listing Regulations, the power to execute transfers, transmissions, etc. of shares in the physical form has been delegated to the Registrar & Share Transfer Agents.

**Details of Shareholder’s Complaints:**

|     |   |     |
|-----|---|-----|
| (a) | Number of Shareholder’s complaints received during the year         | Nil |
| (b) | Number of Shareholder’s complaints resolved during the year         | Nil |
| (c) | Number of complaints not solved to the satisfaction of Shareholders | Nil |
| (d) | Number of complaints pending  | Nil |

**C. Nomination & Remuneration Committee**

The Board of Directors of the Company has constituted a Nomination & Remuneration Committee of the Board in terms of the requirements of section 178 of the Act read with Rules framed thereunder and Regulation 19 of the SEBI Listing Regulations.

**Composition & Meetings**

As on 31<sup>st</sup> March 2022, the Committee comprised of three Directors and was headed by a Non-executive Independent Chairman. The Committee met one time during the financial year on 12<sup>th</sup> February, 2022.

The detail of Composition together with the attendance of Members in the Nomination & Remuneration Committee Meetings is tabled hereunder:

| SL .No. | Name                  | Category                  | Designation | No. of Meetings Attended |
|---------|-----------------------|---------------------------|-------------|--------------------------|
| 1.      | Mr. Narayan Roy       | Non-executive Independent | Chairman    | 1                        |
| 2.      | Mrs. Manisha Pincha   | Non-executive Independent | Member      | 1                        |
| 3.      | Mr. Sushil Kumar Daga | Non-executive Independent | Member      | 1                        |

**Terms of Reference**

Nomination & Remuneration Committee of the Board shall act in terms of the requirements of section 178 of the Act read with Rules framed thereunder and Regulation 19 of the SEBI Listing Regulations and shall be responsible for:

- a) To determine the compensation packages of Executive Directors and Senior Managers of the Company. The committee will review recommendations made to it by the Company and others.
- b) To act as the duly authorized committee of the Board.
- c) To determine the parameters and supervise the operation of the bonus schemes of the Company.
- d) To investigate any activity within its terms of reference.
- e) To seek any information from any employee of the Company. Employees are directed to cooperate with any relevant request made.
- f) To obtain outside legal or independent professional advice. Such advisors may attend meetings as necessary.
- g) To incur such reasonable expenditure, as it deems necessary.

- h) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
- i) Formulation of criteria for evaluation of Independent Directors and the Board.
- j) Devising a policy on Board diversity.
- k) Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal and carry out evaluation of every Director's performance.

### **Nomination & Remuneration Policy**

Your Company has adopted a Nomination and Remuneration Policy for Directors, Key Managerial Personnel and Senior Management. The policy is placed on the website of the Company at the link- <https://www.bfmind.com/policies-codes.php>

### **Details of Remuneration of the Directors for the financial year ended 31st March, 2022**

(Amount in Rs.)

| Director                 | Salary     | Perquisites and other Benefits | Contribution towards Provident and/or other Funds | Performance bonus/ Commission | Sitting Fees | Total      |
|--------------------------|------------|--------------------------------|---|-------------------------------|--------------|------------|
| Mr. Sushil Kumar Banthia | 5,83,000/- | -                              | -   | -                             | -            | 5,83,000/- |

Nomination and Remuneration Committee recommends the remuneration for the Executive Directors and Key Managerial Personnel and the same is then placed before the Board of Directors and Shareholders for their approval, where required. The remuneration paid to Executive Directors is determined after keeping in view the industry benchmark, the relative performance of the Company to the industry performance. No remuneration (including sitting fee) has been paid to the Non-Executive Directors in the financial year 2021-22.

There is no other pecuniary relationship or transactions with the Non-Executive Directors vis-à-vis the Company. Also the Company has no stock option plans and hence such instruments do not form a part of the remuneration package payable to any Executive and/or Non-Executive Director.

### **Performance Evaluation of Directors**

Pursuant to the provisions of Section 178 of the Act and Regulation 17(10) of the SEBI Listing Regulations, the Nomination and Remuneration Committee and the Board has carried out the performance evaluation of the Board, the Directors individually (including Independent Directors), the Chairperson of the Company and the working of the Committees of the Board.

The criteria used for evaluation of the performance of the Independent Directors includes inter alia personal integrity, ethical standards, confidentiality, knowledge of the institution's key activities, deliberations or committee work, understanding of governance, etc.

## **6. DETAILS OF GENERAL BODY MEETINGS**

### **A. Details of Annual General Meetings**

The details of Annual General Meetings and the Extra Ordinary General Meetings held in the last three years are as hereunder:



| Financial Year | Meeting                  | Day & Date              | Time         | Venue   | Special Resolutions, if any, passed   |
|----------------|--------------------------|-------------------------|--------------|---|---|
| 2020-21        | 102nd A.G.M.             | Thursday<br>30.09.2021  | 4.00<br>P.M  | Aryans School, 149<br>B.T. Road, Kolkata-<br>700058 | No special resolution were passed in the meeting  |
| 2019-20        | 101st A.G.M.             | Wednesday<br>30.09.2020 | 4:00<br>P.M  | Aryans School, 149<br>B.T. Road, Kolkata-<br>700058 | Special Resolution for re-appointment of Narayan Roy as Independent Director and re-appointment of Sushil Kumar Banthia as Whole-Time Director were passed. |
| 2018-19        | 100 <sup>th</sup> A.G.M. | Friday<br>27.09.2019    | 05:00<br>P.M | Aryans School, 149<br>B.T. Road, Kolkata-<br>700058 | No special resolution were passed in the meeting  |

**Extra Ordinary General Meeting:** No Extraordinary General Meeting held during the financial year 2021-22.

**Postal Ballot:** No special resolution was passed through Postal Ballot during the financial year 2021-22. At present, there is no proposal for passing any Special Resolution through Postal Ballot. Therefore, the disclosures relating to postal ballot are not applicable.

## 7. CODE OF CONDUCT

### a) Code of Conduct for Directors and senior management

Pursuant to Regulation 17 of the SEBI Listing Regulations, the Company is consistently endeavoring to conduct its business in accordance with the highest standards of business ethics and to comply with applicable laws, rules and regulations. The Company believes that a good corporate governance structure would not only encourage value creation but also provide accountability and control systems to commensurate with the risks involved. The Board of Directors have adopted the Code of Conduct for the Directors and Senior Management ("the Code"). A copy of the Code has been put on the Company's website at <https://www.bfmind.com/policies-codes.php>

All Directors and Senior Management Personnel have affirmed compliance with the Code and a declaration to this effect, signed by Whole-Time Director & a Director, is attached to this report as **Annexure - 4A**.

### b) Code of Insider Trading

Pursuant to Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors has adopted Code of Practices and Procedures for Fair Disclosure of Unpublished Price sensitive information. A copy of the Code has been put on the Company's website at <https://www.bfmind.com/policies-codes.php>

## 8. CEO - CFO CERTIFICATION

The CEO and the CFO of the Company have given a certificate on financial reporting and internal controls to the Board in terms of the SEBI Listing Regulations which is attached to this Report as **Annexure - 4B**.

## 9. DISCLOSURES

a) **Disclosures on Materially Significant Related Party Transactions.**

Pursuant to Regulation 23 of the SEBI Listing Regulations and as defined under the Act, all contracts with our affiliates entered into during the said period have no potential conflict of interests of the Company at large and are being carried out at arm's length at fair market value. There are no materially significant related party transactions entered i.e. there are no transactions of material nature with its Promoters, Directors, Key Managerial Personnel or the management or their relatives etc. that may have potential conflict with the interest of the Company at large, other than in the normal course of business. The mandatory disclosure of transactions with related parties, in compliance with the Ind AS-24, forms part of this Annual Report.

The Company has formulated a policy to govern the Related Party Transactions of the Company and the same has been uploaded on the website at the link: <https://www.bfmind.com/policies-codes.php>

b) **Statutory Compliances**

As per Schedule V (C) 10(b) of the SEBI Listing Regulations, the Company is regular in complying with the requirements of the SEBI Listing Regulations as well as the regulatory authorities on the matters relating to the capital market and no penalties/strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, during the last three years.

c) **Adoption of Mandatory and Non Mandatory Requirements as per Listing Regulation**

The Company duly complied with all the mandatory requirements of the SEBI Listing Regulations and the requirements of the Stock Exchanges. The Company has also complied with the discretionary requirements as specified in part E of Schedule II of the SEBI Listing Regulation as far as they are applicable to the Company.

**The status of compliance with discretionary requirements specified in Para E of Schedule II of listing Regulation is provided below:**

**(i)The Board:** There is no regular designated by the Company.

**(ii)Shareholder Rights:** The official news release and other related information, if any, are displayed on the website of the Company. These are not sent individually to the Shareholders.

**(iii)Audit Qualifications:** There are no audit qualifications on the Company's Financial Statements for the year ended 31<sup>st</sup> March 2022.

**(iv)Reporting of Internal Auditor:** The Internal Auditor may report directly to the Audit Committee as and when required.

d) **Disclosure of Accounting Treatment**

In the preparation of Financial Statements, the Company has followed the Indian Accounting Standards issued by The Institute of Chartered Accountants of India. The significant Indian Accounting Standards have been set out in the notes to Accounts of the Standalone Audited Accounts.

e) **Whistle Blower Policy/Vigil Mechanism**

The Company believes in promoting ethical behavior and accordingly there is a mechanism for reporting unethical behavior, actual or suspected fraud or violation against the Company's Code of Conduct. Therefore, pursuant to Regulation 22 of the SEBI Listing Regulations, the Company has formulated a Whistle Blower Policy, the main objective of which is to provide adequate safeguard measures against victimization of employees.

The Policy is also placed on the website of the Company at the link: <https://www.bfmind.com/policies-codes.php>

It is noted that none of the officials/personnel of the Company has been denied access to the Audit Committee. The Vigilance Officer/Chairman of Audit Committee has not received any complaint during the financial year ended 31st March, 2022.

f) **Compliance Certificate of the Company Secretary in Practice**

Ms. Prachi Todi, Company secretary in practice have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17-27, clause (b)to(i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations and the same is annexed to this report as **Annexure - 4C**.

g) **Risk Management Policy**

The Board of Directors of the Company has formulated a Risk Management Policy which aims at enhancing shareholders' value and providing an optimum risk reward tradeoff. The risk management approach is based on a clear understanding of the variety of risks that the organization faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures.

h) **Dividend Payment Date**

The Company has not declared any dividend for the relevant Financial Year.

i) **A certificate from a Company Secretary in practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority-**

The Certificate received from Ms. Prachi Todi, Company Secretary in Practice is attached as Annexure-4D to this report.

j) **Disclosure Under Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013**

During the year under review, no complaints were received under the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**Notes:**

- The Company has no subsidiary and hence there is no need to frame any policy for determining "material" subsidiary.
- The Company has not taken any credit rating from any credit rating agency.
- The Company is not dealing in commodity and hence disclosure relating to commodity price risks and commodity hedging activities are not applicable.

**10. MEANS OF COMMUNICATION**

The Company interacts with the Shareholders through the multiple channels of communication such as publication of results, Annual Report and the Company's website. The Company also informs the Stock Exchange in a prompt manner, all price-sensitive information and all other matters which in its opinion, are material and relevant for the Shareholders.

The following means and channels of communication are used routinely to maintain transparency and to keep the shareholders well informed.

- (a) The quarterly unaudited financial results and annual audited financial results are disseminated to the Stock Exchanges where the Company is listed, immediately after the conclusion of the Board Meetings in which the Financial Results are approved. These results are also displayed on the website of the Company, [www.bfmind.com](http://www.bfmind.com) and are published in widely circulated newspapers viz, The Financial Express in English and Duranta Barta in Bengali.
- (b) The Company has designated an e-mail id as [bfmilt@gmail.com](mailto:bfmilt@gmail.com) especially for its investors to report any grievances.
- (c) Official news releases, if any, are displayed on Company's website.
- (d) Annual Report containing, *inter alia*, Directors' Report, Auditors' Report, Audited Annual Accounts and other important information is circulated to Members and others entitled thereto.
- (e) Management Discussion and Analysis Report (MDAR) forms part of the Directors' Report and the same forms a part of this Annual Report.

#### **11. RECONCILIATION OF SHARE CAPITAL**

Pursuant to Regulation 76 of the Securities and Exchange Board of India (Depositories & Participants) Regulations, 2018 (erstwhile Regulation 55A of the Securities and Exchange Board of India (Depositories & Participants) Regulations, 2003) issued by a Practicing Company Secretary, confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form, is placed before the Board on a quarterly basis and also submitted to the stock exchanges.

#### **12. GENERAL SHAREHOLDERS INFORMATION**

|   |   |
|---|---|
| <b>Annual General Meeting ("AGM") Day, Date, Time &amp; Venue</b> | The AGM will be held on Tuesday, 27 <sup>th</sup> Day of September, 2022 at the Aryans School, 149, B.T Road, Kolkata-700058 at 04.00P.M  |
| <b>Tentative Financial Year</b>                                   | 1st April, 2022 to 31st March, 2023   |
| <b>Tentative Financial Calendar</b>                               | Results for the Quarter ended 30th June, 2022 - on or before 14th August 2022.<br>Results for the Quarter ended 30th September, 2022 - on or before 14th November 2022.<br>Results for the Quarter ended 31st December, 2022 - on or before 14th February 2023.<br>Results for the Quarter ended 31st March, 2023 - on or before 30th May 2023. |
| <b>Listing on Stock Exchanges</b>                                 | Name: The Calcutta Stock Exchange Limited<br>Add : 7, Lyons Range, Dalhousie, Kolkata – 700 001<br><br>The listing fees for the F.Y 2022-23 have been paid to the above Stock Exchange.   |
| <b>Stock Code</b>   | The Calcutta Stock Exchange Limited - 12154   |
| <b>Registrar &amp; Share Transfer Agent</b>                       | M/s Niche Technologies Pvt. Ltd.<br>3A, Auckland Place, 7th Floor, Room No.7A & 7B, Kolkata<br>Phone No: 033-2280-6616, Fax No: 033-2215-6823   |

|  |   |
|--|---|
|  | E-mail: nichetechpl@nichetechpl.com<br>Contact Person: Mr. S. Abbas (Sr. Manager-Systems)   |
| <b>Compliance Officer</b>  | Ms. Simran Agarwal<br>1 Ramesh Mitra Road, 3 <sup>rd</sup> Floor<br>Kolkata – 700025<br>Phone no. 9007077041<br>Email id: bfm_cs@rdbindia.com |
| <b>Investor complaint to be addressed to</b>   | Niche Technologies Pvt. Ltd.(RTA) or Ms. Simran Agarwal (Compliance Officer)  |
| <b>E-mail ID of Grievance Redressal Division</b>   | bfmilt@gmail.com  |
| <b>Payment of Listing Fees</b>   | Annual listing fee for the year 2021-22 has been paid by the Company to CSE   |
| <b>Outstanding Warrants,GDRs/ADRs and Convertible Bonds, Conversion date and likely impact on equity</b> | Not Applicable  |

#### **Market Price of the Company's share**

There was no trading in shares of the Company at the Calcutta Stock Exchange Limited during the financial year 2021-22.

#### **Share Transfer System**

Request for transfer of Equity Shares held in physical form may be lodged with M/s Niche Technologies Private Limited, Registrar & Share Transfer Agent or may be sent to the Company Secretary & Compliance Officer at the Registered Office of the Company. The shares transfer requests received by the Company/Registrar & Share Transfer Agent are processed expeditiously provided the documents are complete and shares under transfer are not under dispute.

#### **Distribution of Shareholding**

Distribution of shareholding by size as on 31st March, 2022:-

| Range of Shares  | Number of Shareholders | % of Shareholders | No. of Shares | % of Shares   |
|------------------|------------------------|-------------------|---------------|---------------|
| 1 – 500          | 147                    | 90.74             | 18359         | 6.11          |
| 501 – 1000       | 6                      | 3.70              | 3890          | 1.30          |
| 1001 – 5000      | 4                      | 2.47              | 9496          | 3.17          |
| 5001 – 10000     | 0                      | 0.00              | 0             | 0.00          |
| 10001 – 50000    | 3                      | 1.85              | 79463         | 26.49         |
| 50001 – 100000   | 1                      | 0.62              | 84869         | 28.29         |
| 100001 and above | 1                      | 0.62              | 103923        | 34.64         |
| <b>Total</b>     | <b>162</b>             | <b>100.00</b>     | <b>300000</b> | <b>100.00</b> |

#### **Pattern of shareholding by category as on 31st March, 2022:-**

| Category                     | Number of Shares | % to Total |
|------------------------------|------------------|------------|
| Promoters and Promoter Group | 247794           | 82.598     |

|                                    |               |               |
|------------------------------------|---------------|---------------|
| Banks, Financial institutions etc. | 21158         | 7.053         |
| Private corporate bodies           | 2347          | 0.782         |
| Indian Public                      | 27012         | 9.004         |
| NRIs/ OCBs                         | 1689          | 0.563         |
| Clearing Members                   | Nil           | Nil           |
| <b>Total</b>                       | <b>300000</b> | <b>100.00</b> |

**Details of shares held by Directors as on 31st March, 2022:-**

| Name of Director         | No. of Equity Shares | % of Total holding |
|--------------------------|----------------------|--------------------|
| Mr. Sushil Kumar Banthia | Nil                  | Nil                |
| Mr. Narayan Roy          | Nil                  | Nil                |
| Mr.Sushil Kumar Daga     | Nil                  | Nil                |
| Mrs. Manisha Pincha      | Nil                  | Nil                |

**Dematerialization of shares and Liquidity**

The details of shares held in dematerialized and physical form as on 31st March, 2022 are as hereunder:

| Status of Dematerialization  | No. of Shares | Percentage of Total Share |
|------------------------------|---------------|---------------------------|
| Share held in NSDL           | Nil           | Nil                       |
| Share held in CDSL           | Nil           | Nil                       |
| Shares held in physical form | 300000        | 100%                      |

**Outstanding GDRs/ADRs/Warrants or any Convertible Instruments**

The Company has not issued any ADRs/GDRs/Warrants/Stock Options or any other convertible instruments.

**Commodity price risk or foreign exchange risk and hedging activities**

Not applicable

**Plant Location**

The Company does not have any Manufacturing or Processing plant.

**Address for correspondence**

**BFM Industries Limited**

1, Ramesh Mitra Road,

P.S Bhowanipur, 3<sup>rd</sup> Floor,

Kolkata - 700025

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

For and on behalf of the Board

s/d

Sushil Kumar Banthia

Whole-Time Director

Place: Kolkata

Date: 28<sup>th</sup> May, 2022

**Compliance with Code of Conduct for Directors and Senior Management Personnel**

**DECLARATION**

“Pursuant to Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Sushil Kumar Banthia, Whole-Time Director of BFM Industries Limited, on the basis of confirmations / declarations received, hereby confirm that all the Members of the Board and Senior Management of the Company have complied with the Company’s Code of Conduct for the Board of Directors and Senior Management Personnel for the financial year 2021-22.”

Date: 28<sup>th</sup> May, 2022  
Place: Kolkata

*s/d*  
**Sushil Kumar Banthia**  
**Whole-Time Director**

**CEO - CFO CERTIFICATION**

To,  
The Board of Directors,  
**BFM Industries Limited**

**A.** We have reviewed the financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

(1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

**B.** There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violate of the listed entity's code of conduct.

**C.** We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps that have been taken or proposed to be taken to rectify these deficiencies.

**D.** We have indicated to the Auditors and the Audit Committee that there are-

(1) No significant changes in internal control over financial reporting during the year;

(2) No significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(3) No instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For **BFM Industries Limited**

s/d  
**Sushil Kumar Banthia**  
**Whole-Time Director**

Place: Kolkata  
Date: 28th May, 2022

For **BFM Industries Limited**

s/d  
**Devendra Kumar Agarwal**  
**Chief Financial Officer**



# *Prachi Todi*

Company Secretaries  
33C, Satish Mukherjee Road,  
Near Gouriya Math,  
Kolkata-700026  
Mobile No: 9830072442

Email: [csprachi92@gmail.com](mailto:csprachi92@gmail.com); [info.prachi92@gmail.com](mailto:info.prachi92@gmail.com)

**Annexure-4C**

## **PRACTICING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE**

To

The Board of Directors,  
M/s BFM Industries Limited  
1, Ramesh Mitra Road, 3<sup>rd</sup> Floor,  
P.S. Bhowanipur, Kolkata - 700025

1. I, Prachi Todi, Practicing Company Secretary, have examined the compliance of conditions of Corporate Governance by **M/s BFM Industries Limited** (hereinafter referred to as "**the Company**"), for the year ended on 31<sup>st</sup> March 2022 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "**the SEBI Listing Regulations**").

### **Management's Responsibility**

2. The compliance of the conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

### **My Responsibility**

3. My examination is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.

### **Opinion**

4. In my opinion, and to best of my information and according to explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations to the extent applicable to the Company.
5. I further state that such compliance is neither assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**Prachi Todi**  
Practicing Company Secretary  
M. No.: 53022  
C.P. No.: 22964  
Peer Review Certificate No. 1445/2021  
UDIN: A053022D000429851

Date: 28<sup>th</sup> May, 2022  
Place: Kolkata

# Prachi Todi

Company Secretaries  
33C, Satish Mukherjee Road,  
Near Gouriya Math,  
Kolkata-700026  
Mobile No: 9830072442

Email: [csprachi92@gmail.com](mailto:csprachi92@gmail.com); [info.prachi92@gmail.com](mailto:info.prachi92@gmail.com)

**Annexure-4D**

## **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

*[Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

To,  
The Board of Directors,  
M/s BFM Industries Limited  
1, Ramesh Mitra Road, 3<sup>rd</sup> Floor,  
P.S. Bhowanipur, Kolkata – 700025

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s BFM Industries Limited**, CIN: **L65993WB1918PLC000947** and having registered office at **1, Ramesh Mitra Road, 3<sup>rd</sup> Floor, P.S. Bhowanipur, Kolkata – 700025** (hereinafter referred to as 'the Company'), as produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications {including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)} as considered necessary and explanations furnished to me by the Company & its Officers, I hereby certify that none of the Directors on the Board of the Company as stated below, for the Financial Year ending 31<sup>st</sup> March, 2022, have been debarred or disqualified from being appointed or continuing as Directors by the Securities & Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

| Sl.No. | Name of Director     | DIN      | Designation                  | Date of Original Appointment |
|--------|----------------------|----------|------------------------------|------------------------------|
| 1.     | SUSHIL KUMAR BANTHIA | 00555169 | Whole-time Director          | 25/01/2010                   |
| 2.     | MANISHA PINCHA       | 07143031 | Non-executive Women Director | 27/03/2015                   |
| 3.     | NARAYAN ROY          | 07104417 | Independent Director         | 09/03/2015                   |
| 4.     | SUSHIL KUMAR DAGA    | 00389137 | Independent Director         | 25/01/2010                   |

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on the verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Prachi Todi**  
**Practicing Company Secretary**  
M. No.: 53022  
C.P. No.: 22964  
Peer Review Certificate No. 1445/2021  
UDIN: A053022D000428452

**Date: 28<sup>th</sup> May, 2022**  
**Place: Kolkata**

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **WORLD ECONOMIC OVERVIEW**

World Scenario Global growth prospects have weakened significantly due to the Russia - Ukraine conflicts which culminated in a war, in February, 2022. The economic damage caused due to the war between the two countries has contributed to significant slowdown in global growth in the year 2022. Rising energy prices and supply disruptions have resulted in higher and more board-based inflation than anticipated. Amid the prolonging Russia - Ukraine war and increasing tensions in Indo Pacific region, the world economy will continue to suffer. The new variants of COVID-19 has resulted in re-imposing of mobility restrictions globally.

### **INDIAN ECONOMIC OVERVIEW**

On the back of rapid vaccination program roll-out and Government support, India contained the impact of the COVID-19 third wave, while also pursuing the objective of economic recovery. In addition, the Union Budget commitment to asset creation (public infrastructure development) in 2022-23 will re-energize the virtuous cycle of investment and crowd in private investment with huge multiplier effects, boosting inclusive and sustainable growth. India is expected to be among one of the fastest growing major economies, with the Reserve Bank of India (RBI) projecting GDP growth to be around 7.2% in 2023.

Considering the speed with which the government is trying to vaccinate the Indian population, it is expected that there will be significant growth in domestic consumption.

### **OPPORTUNITIES & THREATS**

The Indian Economy is presently growing positively and is expected to play a significant role in the global economy. Apart from accelerating the economic reforms, the industry has to address the challenges of job creation, growth-oriented investments and innovating outreaches to drive sustainable and inclusive growth. Indian urbanization is taking shape at rapid pace. The governments' ambitious call for "Make in India", "Youth development as the Starts-up" "The Atmanirbhar Yojana" creates various opportunities in the industry. The growth of bearing industry thus seems to be on positive mood.

COVID-19 pandemic and its variants continue to disrupt economic activity globally. Over and above, the Global economy is grappled with slow down, high inflation etc. It has reduced the further opportunities of growth to a large extent. Strengthening of Dollar against Indian rupee and the consequent rise in cost of materials. Although with the minimal opportunities the Company can grow further in the market arena in order to increase its margin through general trading in securities of profitable ventures. However, the margin may be affected due to the adverse trends in stock prices of the related securities.

### **INDUSTRY STRUCTURE AND DEVELOPMENTS**

Financing Companies have become an integral part of India's financial system. In recent times, they have emerged as lenders to both companies and individuals. When it comes to lending, they are generally regarded to be complementary to banks and are often able to offer better services and products to their customers.

However, there has been significant improvement in the business model of these companies with improvement in overall business environment and have been able to expand their resource profile by diversifying the funding avenues.

### **RISK & CONCERN**

The Company's business is exposed to several financial and market risks. However your Company's business model is efficient enough to manage the risks associated with the business opportunities. The risks are

vigilantly monitored and managed with proper understanding upon thorough considerations of market conditions, adequate systems, checks and balances duly in place considering the business objective, risk absorbing capacity and capital deployment.

## PERFORMANCE

During the year under review, the performance of your Company in terms of earning and disbursement was as follows.

Some of the highlights of your Company's performance during the year under review are:

- Profit/(Loss) Before taxes stood at Rs. (3,89,855)/- as against loss of Rs. (13,82,153)/- of the last year.
- The Net Profit/(Loss) after taxation stood at Rs. (4,18,903)/- as against profit of Rs. (13,85,741)/- in the last year.

## OUTLOOK

The outlook of the business of the Company looks stable in the financial year 2021-22.

## FINANCIAL REVIEW

Results

(Rs. In Lacs)

| Particulars                             | For the year ended<br>31.03.2022 | For the year ended<br>31.03.2021 |
|---|----------------------------------|----------------------------------|
| Revenue                                 | 12.56                            | 9.66                             |
| EBITDA                                  | (3.90)                           | (13.82)                          |
| Profit Before Exceptional Items and Tax | (3.90)                           | (13.82)                          |
| Profit for the year                     | (4.19)                           | (13.86)                          |

## SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

Pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the details of key financial ratios along with the reasons for significant changes therein are given below:

| Particulars             | For the year ended<br>31.03.2022 | For the year ended<br>31.03.2021 | Reason for Significant Changes   |
|-------------------------|----------------------------------|----------------------------------|--|
| Debtor Turnover         | -                                | -                                | -  |
| Inventory Turnover      | 4.87                             | 6.32                             | Due to Significant increase in revenue from operation                      |
| Interest Coverage Ratio | -                                | -                                | -  |
| Current Ratio           | 20.59                            | 11.82                            | Due to reduction in the value of Current Liability                         |
| Debt Equity Ratio       | -                                | -                                | -  |
| Operating Margin Profit | (0.31)                           | (1.43)                           | Due to Significant increase in revenue from operation and decrease in loss |
| Net Profit Margin       | (0.31)                           | (1.43)                           | Due to Significant increase in revenue from operation and decrease in loss |

**DETAILS OF CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PRECEDING FINANCIAL YEAR**

| <b>Particulars</b>  | <b>For the Year Ended 31.03.2022</b> | <b>For the year Ended 31.03.2021</b> | <b>Reason for Significant Changes</b> |
|---------------------|--------------------------------------|--------------------------------------|---------------------------------------|
| Return on Net worth | (0.00075)                            | (0.0224)                             | Due to re-grouping of the accounts    |

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has a proper and adequate system of internal controls commensurate with the size and nature of its business. Internal Control and Audit is an important procedure and its effectiveness is reviewed by the Audit committee of the Company on a quarterly basis. The Company has also a well-defined organization structure, authority level and internal rule and regulations. These have been designed to ensure effective and efficient operation and compliance of applicable laws and regulations and to provide reasonable assurance that all assets are safeguarded; transactions are authorized, recorded and reported correctly.

**HUMAN RESOURCE DEVELOPMENT**

Your Company always considers Human Resource as its most valuable asset and therefore continuously tries to frame such policies that are effective enough to retain its substantial pool of managerial resources through friendly work environment that encourages the employees to give their best and contribute to the maximum in the growth of the Company. Employees' relations continued to be harmonious throughout the year with the management.

**DISCLOSURE OF ACCOUNTING TREATMENT**

The Company has prepared its financial statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (IND-AS) as prescribed under the Companies Act, 2013 and the rules made thereunder.

**CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations may be considered to be "forward looking statements" within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. The important factors that could make a difference to the Company's operations are changes in the government regulations, tax laws, other statutes and other incidental factors.

**By order of the Board**

*s/d*

**Mr. Sushil Kumar Banthia**  
**Whole-Time Director**

**Date : 28/05/2022**

**Place : Kolkata**

# ***FINANCIAL STATEMENTS***

## **INDEPENDENT AUDITORS REPORT**

TO THE MEMBERS OF  
**BFM INDUSTRIES LTD**

### **Report on the Audit of the financial Statements**

#### **Opinion**

We have audited the accompanying Ind AS financial statements of BFM INDUSTRIES LTD ('the Company'), which comprise the Balance Sheet as at 31 March 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to explanatory information ('the financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its loss and Other Comprehensive Income, Changes in Equity and its Cash Flows for the year then ended.

#### **Basis of Opinion**

We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

#### **Key audit matters**

We have determined that there are no key audit matters to communicate in our report.

#### **Information other than the financial statements and auditors' report thereon**

The Company's board of directors is responsible for other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance and take necessary actions as applicable under the relevant laws and regulations. We have nothing to report in this regard.

## Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit and Other Comprehensive Income, Changes in Equity and Cash Flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting standards ('Ind AS') specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those board of directors are also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibility for the Audit of the Financial Statements

Our Objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board or Directors.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Other matters

Attention is drawn to the fact that the audited financial statements of the Company for the year ended 31 March 2021 were audited by erstwhile auditors, expressed an unmodified opinion on those audited financial statements. Our opinion is not modified in respect of this matter.

#### Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central government of India in terms of section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable

As required by section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and believe were necessary for the purpose of our audit;
- b) In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of written representations received from the directors as on 31st March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022 from being appointed as a director in terms of section 164(2) of the Act; and
- f) With respect to adequacy of internal financial controls over financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B
- g) In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act read with Schedule V to the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended) in our opinion and to the best of our information and according to the explanations given to us:

- i) The Company does not have any pending litigations which would impact its financial position.
- ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- iii) There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.
- iv) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the ultimate beneficiaries. Based on reasonable audit procedures adopted by us, nothing has come to our notice that such representation contains any material misstatement.
- v) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the ultimate beneficiaries. Based on reasonable audit procedures adopted by us, nothing has come to our notice that such representation contains any material misstatement.
- vi) In our opinion and according to the information and explanations given to us, the dividend declared during the year is in compliance with Section 123 of the Act.

**Annexure A to the Independent Auditor's report on the financial statements of BFM INDUSTRIES LTD for the year ended 31 March 2022**

(Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report of even date)

(i)(a)(A) The Company does not have any Property, plant and equipment, hence this clause is not applicable to the Company.

(B) The Company does not have any Intangible Assets, hence this clause is not applicable to the Company.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii)(a) The physical verification of inventory (excluding stocks with third parties) has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedures of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. In respect of inventories of stores and spares, the Management has a verification programme designed to cover the items over a period of three years. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(ii)(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

(iii)(a) The Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:

(b) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.

(c) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.

(d) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable. The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

(iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013, hence this clause is not applicable to the Company.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, Sec 148(1) is not applicable to the company, hence this clause is not applicable to the Company.

(vii) The Company does not have liability in respect of Sales tax, Service tax, Duty of excise and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority

© According to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis by the Company. Accordingly, clause 3(ix)(d) of the Order is not applicable.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.

(x)(a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi)(a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the Management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

(xiv)(a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company does not have any internal audit system in the Company.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi)(a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence this clause is not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) M/s VKR & Associates, the statutory auditors of the Company have resigned from Company. As informed, there have been no issues, objections or concerns raised by the said outgoing auditors.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from

the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, CSR is not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

(xxi) Reporting under clause xxi of the Order is not applicable at the level of reporting.

**For Komandoor& Co LLP**  
**Chartered Accountants**  
**Firm Reg. No. 001420S/S200034**

**Sanjay Shaw**  
**(Partner)**  
**M. No. 305966**

**UDIN:22305966AJUFTA7364**

**Date: 28<sup>th</sup> May, 2022**

**Place: Kolkata**



**Annexure B to the Independent Auditor's Report on the financial statements of BFM INDUSTRIES LTD for the year ended 31 March 2022**

Report on the Internal Financial Controls with reference to the aforesaid financial statements under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013

(Referred to in Paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" section of our report of even date)

**Opinion**

We have audited the internal financial controls with reference to financial statements of BFM INDUSTRIES LTD ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company as at and for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered accountants of India (the "Guidance Note").

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively 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, as required under the Companies Act, 2013

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with

generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For Komandoor & Co LLP**  
**Chartered Accountants**  
**Firm Reg. No. 001420S/S200034**

**Sanjay Shaw**  
**(Partner)**  
**M. No. 305966**  
**UDIN::22305966AJUFTA7364**

**Date: 28<sup>th</sup> May, 2022**  
**Place: Kolkata**

## BFM INDUSTRIES LTD

### Balance Sheet as at 31st March, 2022

| Particulars  | Note<br>No. | As at<br>March 31, 2022<br><i>(Amount in ` 00)</i> | As at<br>March 31, 2021<br><i>(Amount in ` 00)</i> |
|--|-------------|--|--|
| <b>A ASSETS</b>  |             |  |  |
| 1 Non-current assets   |             |  |  |
| (a) Financial assets   |             |  |  |
| Investment   | 2           | 5,379,838.18                                       | 4,667,184.28                                       |
| Total non-current assets   |             | 5,379,838.18                                       | 4,667,184.28                                       |
| 2 Current assets   |             |  |  |
| (a) Inventories  | 3           | 61,160.61  | 61,023.85  |
| (b) Financial Assets   |             |  |  |
| (i) Trade receivable   | 4           | 379.50   | 379.50   |
| (ii) Cash and cash equivalents   | 5           | 409.28   | 1,029.69   |
| (iii) Loans & Advances   | 6           | 587,531.06   | 617,449.81   |
| (c) Other current assets   | 7           | 2,442.90   | 2,247.30   |
| Total current assets   |             | 651,923.35   | 682,130.15   |
| Total assets   |             | <b>6,031,761.53</b>                                | <b>5,349,314.43</b>                                |
| <b>B EQUITY AND LIABILITIES</b>  |             |  |  |
| 1 Equity   |             |  |  |
| (a) Equity share capital   | 8           | 30,000.00  | 30,000.00  |
| (b) Other equity   |             | 5,970,107.90                                       | 5,261,642.76                                       |
| Total Equity   |             | 6,000,107.90                                       | 5,291,642.76                                       |
| 2 Current liabilities  |             |  |  |
| (a) Financial liabilities  |             |  |  |
| Trade payables   | 9           |  |  |
| (A) total outstanding dues of micro enterprises and small enterprises; and                 |             | -  | -  |
| (B) total outstanding dues of creditors other than micro enterprises and small enterprises |             | -  | 30,434.35  |
| (b) Other current liabilities  | 10          | 31,653.63  | 27,237.05  |
| Total current liabilities  |             | 31,653.63  | 57,671.40  |
| Total equity and liabilities   |             | <b>6,031,761.53</b>                                | <b>5,349,314.43</b>                                |

*The accompanying notes are an integral part of the Financial Statements*

For Komandoor & Co.LLP  
Chartered Accountants  
Firm Registration No. 001420S/S200034

For & on Behalf of the Board

Mr.Sushil Kumar Banthia  
Wholetime Director  
DIN:00555169

Mr.Narayan Roy  
Director  
DIN:07104417

Sanjay Shaw  
(Partner)  
Membership No. 305966  
Date: 28th day of May, 2022  
Place: Kolkata

Mr.Devendra Kumar Agarwal  
Chief Financial Officer

Ms.Simran Agarwal  
Company Secretary



## **BFM INDUSTRIES LTD**

### **Statement of Profit & Loss for the year ended 31st March 2022**

| Particulars  | Note No. | As at<br>31st March,2022<br>(Amount in ` 00) | As at<br>31st March,2021<br>(Amount in ` 00) |
|--|----------|--|--|
| <b>INCOME</b>  |          |  |  |
| I Revenue from operations  | 11       | 12,559.89                                    | 9,662.20                                     |
| II Total Income  |          | <u>12,559.89</u>                             | <u>9,662.20</u>                              |
| <b>EXPENSES</b>  |          |  |  |
| <b>Construction Activity Expenses</b>                                      |          |  |  |
| Changes in inventories of finished goods, stock-in-Trade, WIP              | 12       | 136.76<br>(136.76)                           | -  |
| Employee benefits expense  | 13       | 12,877.71                                    | 12,496.91                                    |
| Other expenses   | 14       | 3,580.73                                     | 10,986.82                                    |
| Total Expenses   |          | <u>16,458.44</u>                             | <u>23,483.73</u>                             |
| IV Profit/(Loss) before exceptional items and taxes (II-III)               |          | <u>(3,898.55)</u>                            | <u>(13,821.53)</u>                           |
| V Add / (Less) : Exceptional items   |          | -  | -  |
| VI Profit/(Loss) before Tax (IV-V)   |          | <u>(3,898.55)</u>                            | <u>(13,821.53)</u>                           |
| VII Tax expenses :   |          |  |  |
| (a)Current tax   |          | -  | -  |
| (b)Deferred tax  |          | -  | -  |
| (c)Tax adjustments for earlier years                                       |          | 290.48                                       | 35.88  |
| VIII Profit/ (loss) for the period from continuing operations(VI-VII)      |          | <u>(4,189.03)</u>                            | <u>(13,857.41)</u>                           |
| IX Profit/ (loss) for the period from discontinuing operations             |          | -  | -  |
| X Profit/ (loss) for the period (VIII+IX)                                  |          | <u>(4,189.03)</u>                            | <u>(13,857.41)</u>                           |
| XI Other Comprehensive Income  |          |  |  |
| A.Item that will not be reclassified to profit or loss :                   |          |  |  |
| Remeasurements in Equity Investments                                       |          | 712,653.90                                   | (66,933.21)                                  |
| B.Income tax relating to items that will be reclassified to profit or loss |          | -  | -  |
| Total other comprehensive income (a+b)                                     |          | <u>712,653.90</u>                            | <u>(66,933.21)</u>                           |
| XII Total comprehensive income for the year                                |          | 708,464.87                                   | (80,790.62)                                  |
| XIII Earnings per share: (FV - Rs.10/- Note 20)                            |          |  |  |
| Basic&Diluted (of Rs. 10 each)   |          | (1.39)                                       | (4.62)                                       |

***The accompanying notes are an integral part of the Financial Statements***

For & on Behalf of the Board

For Komandoor & Co.LLP  
Chartered Accountants  
Firm Registration No. 001420S/S200034

Mr.Sushil Kumar Banthia  
Wholetime Director  
DIN:00555169

Mr.Narayan Roy  
Director  
DIN:07104417

Sanjay Shaw  
(Partner)  
Membership No. 305966  
Date: 28th day of May, 2022  
Place: Kolkata

Mr.Devendra Kumar Agarwal  
Chief Financial Officer

Ms.Simran Agarwal  
Company Secretary

## **BFM INDUSTRIES LTD**

### Cash Flow Statement for the year ended on 31st March, 2022

(Amount in ₹ 00)

(Amount in ₹ 00)

| Particulars   | For the year ended<br>31st March,2022 | For the year ended<br>31st March,2021 |
|---|---------------------------------------|---------------------------------------|
| <b>A. Cash Flow From Operating Activities:</b>                          |                                       |                                       |
| Net Profit as per Statement of Profit & Loss                            | (3,898.55)                            | (13,821.53)                           |
| Adjustments for:  |                                       |                                       |
| Profit/(Loss) on Sale of Investment                                     | -                                     | -                                     |
| <b>Operating Profit before Working Capital Changes</b>                  | (3,898.55)                            | (13,821.53)                           |
| Adjustments for:  |                                       |                                       |
| Trade Payables  | (30,434.35)                           | (8,377.00)                            |
| Other Current Liabilities   | 4,416.58                              | 841.51                                |
| Inventories   | (136.76)                              | -                                     |
| Trade Receivable  | -                                     | 25,863.05                             |
| Loans & Advances  | 29,918.75                             | (5,456.18)                            |
| Other Current Assets  | (195.60)                              | 100.00                                |
| <b>Cash generated from Operating Activities</b>                         | (329.93)                              | (850.15)                              |
| Less Direct taxes Refund (Paid)   | (290.48)                              | 639.49                                |
| <b>Net Cash generated from Operating Activities (A)</b>                 | (620.41)                              | (210.66)                              |
| <b>B. Cash Flow from Investing Activities:</b>                          |                                       |                                       |
| Sale/(Purchase) of Investments  | -                                     | -                                     |
| Profit on sale of Investments   | -                                     | -                                     |
| <b>Net Cash from Investing Activities (B)</b>                           | -                                     | -                                     |
| <b>C. Cash Flow from Financing Activities</b>                           |                                       |                                       |
| <b>Net Cash from Financing Activities (C)</b>                           | -                                     | -                                     |
| <b>Net (Decrease) / Increase in cash &amp; cash Equivalents (A+B+C)</b> | (620.41)                              | (210.66)                              |
| <b>Opening Cash &amp; Cash Equivalents</b>                              | 1,029.69                              | 1,240.35                              |
| <b>Closing Cash &amp; Cash Equivalents</b>                              | 409.28                                | 1,029.69                              |

**Additional Information:**

1. All figures in brackets are outflow.
2. Direct Taxes paid are treated as arising from Operating Activities and are not bifurcated between Investing and Financing Activities.
3. Previous Year figures have been recast/restated where necessary

This is the Cash Flow Statement referred to in our report of even date

For Komandoor & Co.LLP  
Chartered Accountants  
Firm Registration No. 001420S/S200034

For and on behalf of the Board

Mr.Sushil Kumar Banthia  
Wholtime director  
DIN:00555169

Mr.Narayan Roy  
Director  
DIN:07104417

Sanjay Shaw  
(Partner)  
Membership No. 305966  
Date: 28th day of May, 2022  
Place: Kolkata

Mr.Devendra Kumar Agarwal  
Chief Financial Officer

Ms.Simran Agarwal  
Company Secretary

**1. SIGNIFICANT ACCOUNTING POLICIES****a. Basis of Preparation:**

The financial statements are prepared as going concern under historical cost convention and on an accrual basis unless otherwise stated. As required by Schedule III, the Company has classified assets and liabilities into current and non-current based on the operating cycle. An operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Since in case of non-banking financial company normal operating cycle is not readily determinable, the operating cycle has been considered as 12 months.

**b. Use of estimates:**

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amount of assets and liabilities (including contingent liabilities) as on the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

**c. Recognition of revenue and expenditure:**

Items of Income & Expenditure are accounted for on accrual basis unless otherwise stated in these financial statements.

Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income is recognised when the right to receive is established.

**d. Investments:**

All investments are bifurcated into Non Current and Current. Investments that are readily realisable and are intended to be held for not more than a year from the date of Balance Sheet are classified as Current Investments. All other investments are classified as Non Current. Current Investments are carried at lower of cost or fair market value, determined on an individual investment basis. Non Current Investments are carried at cost. Provision for Diminution in the value of Non Current Investments is made, only if such a diminution is other than temporary.

**e. Cash & Cash Equivalents**

Cash and cash equivalents for the purpose of in cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

**f. Employee benefits:**

Short Term Employee Benefits: The undiscounted amount of Short Term Employee Benefits expected to be paid in exchange of service rendered by the employees is recognized on actual basis in the Statement of Profit and Loss in the period when the employee actually renders service.

Post Employment Benefits: No post employment benefits are payable to any employee.

**g. Taxation:**

**Current Tax:** Current tax is determined as the amount of tax payable in respect of taxable income for the year in accordance with the provisions of the Income Tax Act, 1961. Minimum Alternative Tax credit available under section 115JB of the Income Tax Act, 1961 will be accounted in the year in which the benefits are claimed.

**Deferred Tax:** Deferred tax is recognised subject to consideration of prudence on the basis of timing differences being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods using the tax rates and

laws that have been enacted or substantially enacted as on the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent that there is reasonable certainty that the asset will be realised in future.

**h. Contingent Liability:**

A provision is recognised for a present obligation as a result of past events if it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on best estimate of the amount required to settle the obligation as at the Balance Sheet date. Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent liability and are disclosed by way of note.

**i. Earnings Per Share:**

Earnings Per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31st MARCH 2022**

**A. Equity Share Capital (Amount in `)**

| Particulars                         | Balance at the beginning of the reporting year | Changes in equity share capital during the year | Balance at the end of the reporting Year |
|-------------------------------------|--|---|--|
| For the year ended 31st March, 2021 | 3,000,000                                      | -   | 3,000,000                                |
| For the year ended 31st March, 2022 | 3,000,000                                      | -   | 3,000,000                                |

**B. Other Equity (Amount in `)**

| Particulars                                    | Reserve and Surplus |                    |                                   |                            |                   | Items of other comprehensive income      |   | Total            |
|--|---------------------|--------------------|-----------------------------------|----------------------------|-------------------|--|---|------------------|
|  | Capital Reserve     | Securities premium | Share Options Outstanding Account | Capital Redemption reserve | Retained Earnings | Transfer from Other comprehensive income | Equity instruments through other comprehensive income |                  |
| <b>Balance at 1st April 2018</b>               | 862,514             | -                  | -                                 | -                          | 5,969,223         | -  | (786,837)   | <b>6,044,901</b> |
| Profit for the year                            | -                   | -                  | -                                 | -                          | 288               | -  | -   | <b>288</b>       |
| Other Comprehensive income(net of tax)         | -                   | -                  | -                                 | -                          | -                 | -  | (383,930)   | <b>(383,930)</b> |
| <b>Total comprehensive income for the year</b> | -                   | -                  | -                                 | -                          | <b>288</b>        | -  | <b>(383,930)</b>                                      | <b>(383,642)</b> |
| Transfer to General Reserve                    | -                   | -                  | -                                 | -                          | -                 | -  | -   | -                |
| <b>Balance at 31st March 2019</b>              | <b>862,514</b>      | -                  | -                                 | -                          | <b>5,969,511</b>  | -  | <b>(1,170,767)</b>                                    | <b>5,661,259</b> |
| Profit for the year                            | -                   | -                  | -                                 | -                          | (1,949)           | -  | -   | <b>(1,949)</b>   |
| other Comprehensive income/(loss)              | -                   | -                  | -                                 | -                          | -                 | -  | (316,876)   | <b>(316,876)</b> |
| <b>Total comprehensive income/(loss)</b>       | -                   | -                  | -                                 | -                          | <b>(1,949)</b>    | -  | <b>(316,876)</b>                                      | <b>(318,825)</b> |
| Transfer to General Reserve                    | -                   | -                  | -                                 | -                          | -                 | -  | -   | -                |
| <b>Balance at 31st March 2020</b>              | <b>862,514</b>      | -                  | -                                 | -                          | <b>5,967,562</b>  | -  | <b>(1,487,642)</b>                                    | <b>5,342,434</b> |

**BFM Industries Ltd**

**Notes to and forming part of the Financial Statements** (Amount in ` 00) (Amount in ` 00)

| Particulars                                  | As at<br>31st March, 2022 |                  | As at<br>31st March, 2021 |                  |                     |
|--|---------------------------|------------------|---------------------------|------------------|---------------------|
|  | Nos.                      | Amount(`)        | Nos.                      | Amount(`)        |                     |
| <b>Note "2" Investments</b>                  | <b>Face Value</b>         |                  |                           |                  |                     |
| (Other than Trade -At fair Value,fully paid) |                           |                  |                           |                  |                     |
| Investment in Equity Instrument              |                           |                  |                           |                  |                     |
| <b>In Others - Quoted</b>                    |                           |                  |                           |                  |                     |
| Khatod Investment & Finance Ltd.             | 10                        | 10,300           | 1,456.42                  | 10,300           | 1,456.42            |
| RDB Reality & Infrastructure Ltd             | 10                        | 3,253,400        | 1,163,090.50              | 3,253,400        | 553,078.00          |
| <b>TOTAL (A)</b>                             |                           | <b>3,263,700</b> | <b>1,164,546.92</b>       | <b>3,263,700</b> | <b>554,534.42</b>   |
| <b>In Others - Unquoted</b>                  |                           |                  |                           |                  |                     |
| Aakanshi Agency Pvt. Ltd.                    | 10                        | 1,900            | -                         | 1,900            | -                   |
| Alok Nirman Pvt Ltd                          | 10                        | 39,000           | 3,169.22                  | 39,000           | 3,166.01            |
| Alok Niwas Pvt Ltd                           | 10                        | 39,000           | 6,960.15                  | 39,000           | 5,581.65            |
| Alok Villa Pvt Ltd                           | 10                        | 38,000           | 2,534.37                  | 38,000           | 2,541.81            |
| Ankur construction Pvt. Ltd.                 | 10                        | 85,000           | 11,171.33                 | 85,000           | 11,176.94           |
| Aradhana Tieup Pvt.Ltd                       | 10                        | 1,900            | 78.43                     | 1,900            | 115.38              |
| Bestway Supplier Pvt. Ltd                    | 10                        | 1,900            | 2,912.27                  | 1,900            | 2,930.37            |
| Bhagya Distributors Pvt. Ltd.                | 10                        | 1,900            | 73.01                     | 1,900            | 84.60               |
| Bidyut Kutir Nirman P Ltd.                   | 10                        | 39,000           | 3,303.26                  | 39,000           | 3,321.99            |
| Fair Merchandise Pvt. Ltd.                   | 10                        | -                | -                         | 1,900            | 143.77              |
| Fast Suppliers Pvt. Ltd.                     | 10                        | -                | -                         | 1,900            | 2,203.97            |
| Goldline Wrinting instrument ltd             | 10                        | 23,385           | 51,859.50                 | 23,385           | 51,848.15           |
| Johari towers Pvt ltd                        | 10                        | 4,130            | 33,685.48                 | 4,130            | 32,595.19           |
| Loka Propertiers Pvt. Ltd.                   | 10                        | 88,000           | 67,096.55                 | 88,000           | 56,353.13           |
| Lokenath Distributors Pvt. Ltd.              | 10                        | 1,900            | 101.66                    | 1,900            | 121.63              |
| Matribhumi Vinimay Pvt. Ltd.                 | 10                        | 1,900            | 50.06                     | 1,900            | 69.95               |
| Modak Vyapaar Pvt. Ltd                       | 10                        | 2,196            | 16,812.74                 | 1,900            | 32,584.95           |
| Navrang Dealers Pvt. Ltd                     | 10                        | 1,900            | (11.32)                   | 1,900            | 13.11               |
| Orchid Enclave Pvt. Ltd.                     | 10                        | 1,900            | (10.31)                   | 1,900            | 10.30               |
| Oswal Enclave Pvt Ltc                        | 10                        | 7,400            | 8,008.44                  | 7,400            | 8,048.41            |
| Pancham Vanijya Pvt. Ltd.                    | 10                        | 28,750           | 117,068.81                | 28,750           | 117,122.53          |
| Paramdham Mercantile Pvt. Ltd.               | 10                        | 250,000          | 992,441.22                | 250,000          | 992,267.89          |
| Pincha Estate Development (P) Ltc            | 10                        | 1,900            | 26.85                     | 1,900            | 47.14               |
| Pincha Quality Apartment (P) Ltd.            | 10                        | 1,900            | (1.30)                    | 1,900            | 19.08               |
| Polpit Traders Pvt. Ltd.                     | 10                        | 1,900            | 97.32                     | 1,900            | 117.68              |
| Prathmesh Barter Pvt. Ltd.                   | 10                        | 5,000            | 329.32                    | 5,000            | 329.32              |
| Rajson Financial Services Pvt Ltd            | 10                        | 3,037            | 5,412.54                  | 3,037            | 5,412.54            |
| Ranchhod Vanijya Pvt. Ltd.                   | 10                        | 1,900            | 1.51                      | 1,900            | 21.33               |
| Rashmi Dealers Pvt. Ltd.                     | 10                        | -                | -                         | 800              | 30.67               |
| RD Devcon Pvt Ltd                            | 10                        | 1,900            | 69,033.05                 | 1,900            | 63,661.34           |
| RD Motor Pvt Ltd                             | 10                        | 200,000          | 21,869.33                 | 200,000          | 21,869.33           |
| Sagar Distributors Pvt. Ltd.                 | 10                        | 1,900            | 130.89                    | 1,900            | 150.76              |
| Samspa Expo Pvt Ltd                          | 10                        | 81,600           | 12,048.47                 | 81,600           | 12,122.32           |
| Splendor Dealer Pvt. Ltd                     | 10                        | 1,900            | 118.18                    | 1,900            | 118.18              |
| Superior Dealers Pvt. Ltd.                   | 10                        | 1,900            | 135.88                    | 1,900            | 135.88              |
| YMS Finance P. Ltd. (Formely Pyramid S       | 10                        | 805,432          | 2,788,675.90              | 805,432          | 2,686,196.26        |
| Zayan Realtors Pvt. Ltd.                     | 10                        | 1,600            | 108.44                    | 1,600            | 116.29              |
| <b>TOTAL (B)</b>                             |                           | <b>1,770,930</b> | <b>4,215,291.26</b>       | <b>1,775,234</b> | <b>4,112,649.86</b> |
| <b>TOTAL (A+B)</b>                           |                           | <b>5,034,630</b> | <b>5,379,838.18</b>       | <b>5,038,934</b> | <b>4,667,184.28</b> |

**BFM Industries Ltd**

**Notes to and forming part of the Financial Statements** (Amount in ` 00) (Amount in ` 00)

| Particulars  | As at            |                   | As at            |                   |
|--|------------------|-------------------|------------------|-------------------|
|  | 31st March, 2022 |                   | 31st March, 2021 |                   |
| <b>Note "3" Inventories</b><br>(at lower of cost or NRV)             |                  |                   |                  |                   |
| Work in Progress   |                  | 61,160.61         |                  | 61,023.85         |
|  |                  | <b>61,160.61</b>  |                  | <b>61,023.85</b>  |
| <b>Financial Assets</b>  |                  |                   |                  |                   |
| <b>Note "4" Trade Receivables</b><br>(Unsecured, considered good)    |                  |                   |                  |                   |
| Trade Receivables  |                  | 379.50            |                  | 379.50            |
|  |                  | <b>379.50</b>     |                  | <b>379.50</b>     |
| <b>Note "5" Cash &amp; Cash Equivalents</b>                          |                  |                   |                  |                   |
| Balances with Bank   |                  | 386.33            |                  | 1,004.24          |
| Cash on hand (As Certified by the Management)                        |                  | 22.95             |                  | 25.45             |
|  |                  | <b>409.28</b>     |                  | <b>1,029.69</b>   |
| <b>Note "6" Loans &amp; Advances</b><br>(Unsecured, considered good) |                  |                   |                  |                   |
| Loan to :  |                  |                   |                  |                   |
| Related Parties  |                  |                   |                  |                   |
| Others   |                  |                   |                  |                   |
| Body Corporate   |                  | -                 |                  | -                 |
| Body Corporate   | 228,731          |                   | 152,550          |                   |
| Others   | -                | 228,731.06        | -                | 152,549.81        |
| Advances to:   |                  |                   |                  |                   |
| Others   |                  | 358,800.00        |                  | 464,900.00        |
|  |                  | <b>587,531.06</b> |                  | <b>617,449.81</b> |
| <b>Note "7" Other current assets</b>                                 |                  |                   |                  |                   |
| <b>Advances other than capital Advances</b>                          |                  |                   |                  |                   |
| Advance to Staff   |                  | 1,300.00          |                  | 1,320.00          |
| <b>Others</b>  |                  |                   |                  |                   |
| Tax Payments net of Provisions                                       |                  | 1,142.90          |                  | 927.30            |
|  |                  | <b>2,442.90</b>   |                  | <b>2,247.30</b>   |

**BFM Industries Ltd**

Notes to and forming part of the Financial Statements (Amount in ` 00) (Amount in ` 00)

| Particulars  | As at<br>31st March, 2022 |                  | As at<br>31st March, 2021 |                  |
|--|---------------------------|------------------|---------------------------|------------------|
|  |                           |                  |                           |                  |
| <b>Note "8" Shareholders fund</b>  |                           |                  | <b>Nos.</b>               | <b>Amount(`)</b> |
| <b>a) Share Capital - Equity Share of Rs.10/- each</b>   |                           |                  |                           |                  |
| <b>Capital Structure</b>   |                           |                  |                           |                  |
| Authorised   | 10,000                    | 100,000.00       | 10,000                    | 100,000.00       |
| Issued, Subscribed and Paid Up   | 3,000                     | 30,000.00        | 3,000                     | 30,000.00        |
| <b>b) Reconciliation of the number of shares outstanding</b>   |                           |                  |                           |                  |
| As at the beginning & end of the year  |                           |                  | 300,000                   | 30,000.00        |
| <b>c) Rights, Preferences &amp; Restrictions attaching to shares and restrictions on repayment of capital</b>  |                           |                  |                           |                  |
| The Company has only one class   |                           |                  |                           |                  |
| <b>d) Details of shareholder holding more than 5% share</b>  |                           |                  |                           |                  |
|  | <b>Shares held</b>        | <b>% holding</b> | <b>Shares held</b>        | <b>% holding</b> |
| Ankur Construction Pvt Ltd   | 103,923                   | 0.35             | 103,923                   | 0.35             |
| YMS Finance Private Limited (Formerly Pyramid Sales  | 84,869                    | 0.28             | 84,869                    | 0.28             |
| Loka Properties Pvt Ltd  | 48,983                    | 0.16             | 48,983                    | 0.16             |
| Life Insurance Corporatin of India   | 20,461                    | 0.07             | 20,461                    | 0.07             |
| e) Shares reserved for issue under options and contracts   | -                         | -                | -                         | -                |
| f) Commitments for Sale of Shares  | -                         | -                | -                         | -                |
| g) Shares issued as fully paid bonus during period of 5 ye   | -                         | -                | -                         | -                |
| <b>Note "9" Trade Payables</b>   |                           |                  |                           |                  |
| Micro, Small & Medium Enterprise   |                           | -                |                           | -                |
| Others   |                           | -                |                           | 30,434.35        |
| *The Company is in communication with its suppliers to ascertain the applicability of "The Micro, Small and Medium Enterprises Development Act, 2006". As on the date of this Balance Sheet the Company has not received any communications from any of its suppliers regarding the applicability of this Act to them. |                           |                  |                           |                  |
|  |                           | -                |                           | <b>30,434.35</b> |
| <b>Note "10" Other Current Liabilities</b>   |                           |                  |                           |                  |
| Advance against Joint venture  |                           | 5,664.62         |                           | 25,700.93        |
| Security Deposit (Rituraj)   |                           | 25,692.71        |                           | -                |
| Professional Tax   |                           | 1.30             |                           | 1.50             |
| Other Liabilities  |                           | 295.00           |                           | 1,534.62         |
|  |                           | <b>31,653.63</b> |                           | <b>27,237.05</b> |



**BFM INDUSTRIES LTD**

**Notes to and forming part of the Financial Statements**

| Particulars   | <i>(Amount in ` 00)</i>        |                                |
|---|--------------------------------|--------------------------------|
|   | Financial year Ended           | Financial year Ended           |
|   | 31st March 2022<br>Amount in ` | 31st March 2021<br>Amount in ` |
| <b><u>Note - "11" Revenue From Operations</u></b>   |                                |                                |
| Interest on Loan                                    | 12,260.01                      | 9,619.31                       |
| Interest on I.Tax Refund                            | 43.15                          | 42.89                          |
| Others  | 256.73                         | -                              |
|   | <b>12,559.89</b>               | <b>9,662.20</b>                |
| <b><u>Note - "12" Changes in Inventories</u></b>    |                                |                                |
| Opening Stock Work - in - Progress                  | 61,023.85                      | 61,023.85                      |
| Less : Closing Stock Work - in - Progress           | 61,160.61                      | 61,023.85                      |
|   | <b>(136.76)</b>                | <b>-</b>                       |
| <b><u>Note - "13" Employee Benefits Expense</u></b> |                                |                                |
| Salary & Bonus                                      | 7,047.71                       | 6,410.18                       |
| Director's Remuneration                             | 5,830.00                       | 5,830.00                       |
| Gratuity  | -                              | 256.73                         |
|   | <b>12,877.71</b>               | <b>12,496.91</b>               |
| <b><u>Note - "14" Other Expense</u></b>             |                                |                                |
| Auditors Remuneration                               | -                              | -                              |
| -Audit Fees   | 295.00                         | 177.00                         |
| -Other Services                                     | -                              | 59.00                          |
| Rates & Taxes                                       | 25.00                          | 25.00                          |
| Repair & Maintanace                                 | -                              | -                              |
| Professional Fees                                   | 846.32                         | 585.09                         |
| Sundry Balances written off                         | -                              | 9,410.93                       |
| Bank Charges  | 14.95                          | 7.91                           |
| Filing Fees   | 355.00                         | 54.00                          |
| General & Office Expenses                           | 95.60                          | 317.28                         |
| Printing & Stationery                               | 134.23                         | 49.70                          |
| Postage & Telegram                                  | 108.89                         | -                              |
| Telephone & Internet Charges                        | 119.39                         | 131.86                         |
| Advertisement & Publicity                           | 241.50                         | 169.05                         |
| Demat Charges                                       | 105.85                         | -                              |
| Listing fee   | 1,239.00                       | -                              |
|   | <b>3,580.73</b>                | <b>10,986.82</b>               |

15. Amount in the financial statements are presented in Rupees and rounded off to the nearest decimal thereof. The figures have been re-grouped/ re-classified, wherever necessary to conform to the current year presentation.
16. In the opinion of the Board the Current Assets, Loans and Advances are not less than the stated value if realised in ordinary course of business. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary. There is no contingent liability except stated and informed by the Management.
17. **Contingent Liabilities:-**  
The Contingent Liabilities during the year under review are NIL. (P. Y. NIL)

**18. Earnings per share in accordance with AS-20**

| Earnings per share is computed as under:-               |     | 2021-22  | 2020-21   |
|---|-----|----------|-----------|
| Profit available for Equity Shareholders (Rs)           | (A) | (389855) | (1385741) |
| Weighted average number of Equity Shares outstanding    | (B) | 3,00,000 | 3,00,000  |
| Face value of Rs.10/- per share                         |     | 10       | 10        |
| Earnings per Equity share – Basic & Diluted (A/B) (Rs.) |     | (1.30)   | (4.62)    |

**19. Key Management Personnel**

|                        |   |
|------------------------|---|
| Sushil Kumar Banthia   | Whole Time Director                           |
| Devendra Kumar Agarwal | Chief Financial Officer                       |
| Kumar Bambam           | Company Secretary (resigned w.e.f 17.01.2022) |

**20. Disclosure of transactions with related parties and outstanding balances.**

| Nature of Transactions                        | Key Managerial Personnel |           |
|---|--------------------------|-----------|
|   | 2021-22                  | 2020-21   |
| <b>Details of Transaction during the year</b> |                          |           |
| Salary (Remuneration)                         | 12,35,960                | 12,24,018 |
| Gratuity                                      | -                        | 25,673    |
| Advance against salary adjusted               | -                        | 10,000    |

**For & on Behalf of the Board**

For Komandoor & Co.LLP  
Chartered Accountants  
Firm Registration No. 001420S/S200034

Mr.Sushil Kumar Banthia  
Whole time Director  
DIN:00555169

Mr. Narayan Roy  
Director  
DIN:07104417

Sanjay Shaw  
(Partner)  
Membership No. 305966  
Date: 25th day of May,2022  
Place: Kolkata – 700 00

Mr.Devendra Kr. Agarwal  
Chief Financial Officer

Simran Agarwal  
Company Secretary