

**18<sup>TH</sup>**

**ANNUAL REPORT**

**OF**

**O.P. CHAINS LIMITED**



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*CORPORATE INFORMATION*

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**BOARD OF DIRECTORS**

**Shri Om Prakash Agarwal**  
(Managing Director)

**Shri Ashok Kumar Goyal**  
(Whole-time Director)

**Shri Satish Kumar Goyal**  
(Whole-time Director)

**Shri Rajesh Kumar Gupta**  
(Independent Director)

**Smt. Astha Sharma**  
(Independent Director)

**Shri Amol Doneria**  
(Independent Director)

**Shri Ashok Kumar**  
(Chief Financial Officer)

**REGISTERED OFFICE**

8/16 A, Seth Gali, Agra  
Uttar Pradesh- 282003  
CIN-L27205UP2001PLC026372  
Email Id – opchains@rediffmail.com

**Mrs. Swapnla Gupta**  
(Company Secretary)  
E-mail: [cs@opchainsltd.com](mailto:cs@opchainsltd.com)  
[swapnlagupta@gmail.com](mailto:swapnlagupta@gmail.com)

**BANKERS**

ICICI Bank Limited  
Yes Bank  
Oriental Bank Of Commerce  
Punjab National Bank

**REGISTRAR & TRANSFER**

**Bigshare Services Private Limited**  
1st Floor, Bharat Tin Works Building  
Andheri East, Mumbai 400059

**AUDITORS**

**M/s BPN & Company.**  
(Chartered Accountants)  
B- Floor, Padamdeep Tower,  
G-10/8, Sanjay Place, Agra-282002

**INVESTOR HELPDESK**

**Web:** [www.opchainsltd.com](http://www.opchainsltd.com)  
**Ph:** 0562-3059117, **Fax:** 0562-4044990  
**E-mail:** [cs@opchainsltd.com](mailto:cs@opchainsltd.com)  
[www.opchainsltd.com](http://www.opchainsltd.com)



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## NOTICE

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NOTICE is hereby given that the 18th (Eighteen) Annual General Meeting of the Company O.P. Chains Limited shall be held on Monday, 23<sup>rd</sup> day of September, 2019 at 11:00 A.M. at Temptation, B-87, Central Bank Road, Kamla Nagar, Agra, Uttar Pradesh-282005 to transact the following business:-

### ORDINARY BUSINESS:

**1. ADOPTION OF ANNUAL FINANCIAL STATEMENT:**

To receive, consider and adopt the Financial Statements of the Company for the year ended 31.03.2019 including Audited Balance Sheet as at 31.03.2019 and the Statement of Profit and Loss for the year ended 31.03.2019 and the Reports of the Board of Directors and Auditors thereon.

**2. RE-APPOINTMENT OF MR. SATISH KUMAR GOYAL AS A DIRECTOR, LIABLE TO RETIRE BY ROTATION:**

To re-appoint Mr. Satish Kumar Goyal (holding DIN: 00095295), Whole Time Director, who retires by rotation and being eligible offers himself for re-appointment.

**3. APPOINTMENT OF M/S M/s A.J.ASSOCIATES, CHARTERED ACCOUNTANTS AS STATUTORY AUDITORS:**

To appoint M/S A.J.ASSOCIATES, Chartered Accountants (Firm Registration No. 000844C) as statutory auditors of the Company and fix their remuneration for the term of 5 years w.e.f 01/04/2019.

In this regard to consider and if thought, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 139 (1) and other applicable provisions, if any, of the Companies Act, 2013, M/s A.J.ASSOCIATES, Chartered Accountant of Agra, (FRN No.: 000844C) be and are hereby appointed as the Statutory Auditors of the company, to hold the office from the conclusion of this Annual general Meeting till the conclusion of the sixth Annual General Meeting to be held in year 2024, at such remuneration as may be fixed in this behalf by the Board of Directors, from time to time and reimbursement of out-of-pocket expenses incurred by them to carry out the audit.



## SPECIAL BUSINESS

### **4. REGULARISATION OF ADDITIONAL INDEPENDENT DIRECTOR, MR. RAJESH KUMAR GUPTA AS INDEPENDENT DIRECTOR OF THE COMPANY:**

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

**“RESOLVED THAT** pursuant to Sections 149, 152 and 161 of the Companies Act, 2013 and any other applicable provisions if any, and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and regulation 17 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations 2015, or any amendment thereto or modification thereof, Mr. Rajesh Kumar Gupta (DIN: 01048355), who was appointed as Additional Independent Director by the Board of Directors in its meeting held on 28/05/2019 w.e.f. June 1, 2019 to hold office till the conclusion of the ensuing Annual General Meeting and subject to the approval of the members in the ensuing General Meeting, for appointment as an Independent Director to hold office for a term upto 5 consecutive years from the date of ensuing general meeting, be and is hereby appointed as an Independent Director of the Company, **not liable to retire by rotation** in terms of Section 149(4), (10) & (11) and 152(6)(e) of the Companies Act, 2013 to hold office for a term of five years w.e.f 23<sup>th</sup> September 2019.

### **5. REGULARISATION OF ADDITIONAL INDEPENDENT DIRECTOR, MRS. ASTHA SHARMA AS INDEPENDENT DIRECTOR OF THE COMPANY:**

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

**“RESOLVED THAT** pursuant to Sections 149, 152 and 161 of the Companies Act, 2013 and any other applicable provisions if any, and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and regulation 17 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations 2015, or any amendment thereto or modification thereof, Mrs. Astha Sharma (DIN: 01888937), who was appointed as Additional Independent Director by the Board of Directors in its meeting held on 28/05/2019 w.e.f. June 1, 2019 to hold office till the conclusion of the ensuing Annual General Meeting and subject to the approval of the members in the ensuing General Meeting, for appointment as an Independent Director to hold office for a term upto 5 consecutive years from the date of ensuing general meeting, be and is hereby appointed as an Independent Director of the Company, **not liable to retire by rotation** in terms of Section 149(4), (10) & (11) and 152(6)(e) of the Companies Act, 2013 to hold office for a term of five years w.e.f 23<sup>th</sup> September 2019.



**6. REGULARISATION OF ADDITIONAL INDEPENDENT DIRECTOR, MR. AMOL DONERIA AS INDEPENDENT DIRECTOR OF THE COMPANY:**

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

“**RESOLVED THAT** pursuant to Sections 149, 152 and 161 of the Companies Act, 2013 and any other applicable provisions if any, and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and regulation 17 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations 2015, or any amendment thereto or modification thereof, Mr. Amol Doneria (DIN: 06897314), who was appointed as Additional Independent Director by the Board of Directors in its meeting held on 28/05/2019 w.e.f. June 1, 2019 to hold office till the conclusion of the ensuing Annual General Meeting and subject to the approval of the members in the ensuing General Meeting, for appointment as an Independent Director to hold office for a term upto 5 consecutive years from the date of ensuing general meeting, be and is hereby appointed as an Independent Director of the Company, **not liable to retire by rotation** in terms of Section 149(4), (10) & (11) and 152(6)(e) of the Companies Act, 2013 to hold office for a term of five years w.e.f 23<sup>th</sup> September 2019.

**7. TO RE-APPOINT MR. SATISH KUMAR GOYAL AS WHOLE-TIME DIRECTOR OF THE COMPANY:**

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

“Resolved that, in accordance with the provisions of Sections 196 and 197 of the Companies Act, 2013, or any amendment thereto or modification thereof, the approval of the Members of the Company be and is hereby accorded for the re-appointment of Mr. Satish Kumar Goyal (DIN: 00095295) as Whole time Director, who was appointed as Whole time Director on 01/09/2014, for a period of 5 (five) years with effect from 01st of September 2019 on the terms and conditions within the ceiling prescribed in Schedule V of the Companies Act, 2013.”

**8. TO RE-APPOINT MR. ASHOK KUMAR GOYAL AS WHOLE-TIME DIRECTOR OF THE COMPANY:**

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



“Resolved that, in accordance with the provisions of Sections 196 and 197 of the Companies Act, 2013, or any amendment thereto or modification thereof, the approval of the Members of the Company be and is hereby accorded for the re-appointment of Mr. Ashok Kumar Goyal (DIN: 00095313) as Whole time Director, who was appointed as Whole time Director on 01/09/2014, for a period of 5 (five) years with effect from 01st of September 2019 on the terms and conditions within the ceiling prescribed in Schedule V of the Companies Act, 2013.”

Place: Agra  
Date: 27.08.2019

By Order of the Board  
For O.P. Chains Limited

SD/-  
Ashok Kumar Goyal  
Whole-time Director  
DIN: 00095313



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**IMPORTANT NOTES:**

1. A Member Entitled To Attend And Vote At The Meeting Is Entitled To Appoint A Proxy/ Proxies To Attend And Vote Instead Of Himself/Herself. Such A Proxy/ Proxies Need Not Be A Member Of The Company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies must be supported by an appropriate resolution as applicable.
2. The Independent Directors have furnished the requisite declarations for their appointment as per Section 149(6) of the Companies Act, 2013.
3. Electronic copy of the Annual Report for 2019 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same.
4. Members may also note that the Notice of the 18<sup>th</sup> Annual General Meeting and the Annual Report for 2019 will also be available on the Company's website [www.opchainsltd.com](http://www.opchainsltd.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Agra for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's email id: [cs@opchainsltd.com](mailto:cs@opchainsltd.com) ; [opchains@rediffmail.com](mailto:opchains@rediffmail.com).
5. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Monday, up to the date of the Annual General Meeting of the Company.
6. The Register of Members and Share Transfer Books of the company will remain closed from 16<sup>th</sup> Day of September 2019 to 23<sup>rd</sup> Day of September 2019 (both days inclusive).





7. Pursuant to the requirement of the listing agreement, the Company declares that its equity shares are listed on the stock exchange at BSE-SME Platform. The Company has paid the annual listing fee for the year 2019-20 to the above stock exchange(s).
8. Any member requiring further information on the Accounts at the meeting is requested to send the queries in writing to the Company Secretary by 15<sup>th</sup> September, 2019.
9. Only registered members carrying the attendance slips and the holders of valid proxies registered with the Company will be permitted to attend the meeting.
10. The Securities and Exchange Board of India vide its circular no. CIR/CFD/DIL/10/2010 dated 16 December 2010, amended clause 5A of the Equity Listing Agreement for dealing with unclaimed shares in physical form. In compliance with this amendment, the Company has sent all three reminders to such shareholders whose share certificates are in undelivered form and requesting them to update their correct details viz. postal addresses, PAN details etc. registered with the Company. The Company has transferred all the shares into the folio in the name of "Unclaimed Suspense Account."

Place: Agra  
Date: 27.08.2019

By Order of the Board  
For O.P. Chains Limited

SD/-  
Ashok Kumar Goyal  
Whole-time Director  
DIN: 00095313

**EXPLANATORY STATEMENT**

(Pursuant to Section 102 of the Companies Act, 2013)

**ITEM NO. 4 REGULARISATION OF ADDITIONAL INDEPENDENT DIRECTOR, MR. RAJESH KUMAR GUPTA AS INDEPENDENT DIRECTOR OF THE COMPANY:**

**Mr. Rajesh Kumar Gupta** was appointed as an Additional Independent Director of the Company on 28/05/2019 w.e.f. June 1, 2019, in accordance with the provisions of Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013, the above director holds office only up to the date of the ensuing Annual General Meeting of the Company and subject to the approval of the members in the ensuing General Meeting, re appointed as an Independent Director to hold office for a term upto 5 consecutive years from the date of ensuing general meeting.

The Board is of the view that the appointment of **Mr. Rajesh Kumar Gupta** on the Company's Board as Director is desirable and would be beneficial to the Company and hence it recommends the said Resolution No. 4 for approval by the members of the Company.

None of the Directors/Key Managerial Personnel of the Company/their relatives, except of **Mr. Rajesh Kumar Gupta** himself, is in any way concerned or interested, in the said resolution. The Board recommends the said resolution to be passed as an ordinary resolution.

**ITEM NO. 5 REGULARISATION OF ADDITIONAL INDEPENDENT DIRECTOR, MRS. ASTHA SHARMA AS INDEPENDENT DIRECTOR OF THE COMPANY:**

**Mrs. Astha Sharma** was appointed as an Additional Independent Director of the Company on 28/05/2019 w.e.f. June 1, 2019, in accordance with the provisions of Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013, the above director holds office only up to the date of the ensuing Annual General Meeting of the Company and subject to the approval of the members in the ensuing General Meeting, re appointed as an Independent Director to hold office for a term upto 5 consecutive years from the date of ensuing general meeting.

The Board is of the view that the appointment of **Mrs. Astha Sharma** on the Company's Board as Director is desirable and would be beneficial to the Company and hence it recommends the said Resolution No. 5 for approval by the members of the Company.

None of the Directors/Key Managerial Personnel of the Company/their relatives, except of **Mrs. Astha Sharma** herself, is in any way concerned or interested, in the said resolution. The Board recommends the said resolution to be passed as an ordinary resolution.



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**ITEM NO. 6 REGULARISATION OF ADDITIONAL INDEPENDENT DIRECTOR, MR. AMOL DONERIA AS INDEPENDENT DIRECTOR OF THE COMPANY:**

**Mr. Amol Doneria** was appointed as an Additional Independent Director of the Company on 28/05/2019 w.e.f. June 1, 2019, in accordance with the provisions of Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013, the above director holds office only up to the date of the ensuing Annual General Meeting of the Company and subject to the approval of the members in the ensuing General Meeting, re appointed as an Independent Director to hold office for a term upto 5 consecutive years from the date of ensuing general meeting.

The Board is of the view that the appointment of **Mr. Amol Doneria** on the Company's Board as Director is desirable and would be beneficial to the Company and hence it recommends the said Resolution No. 6 for approval by the members of the Company.

None of the Directors/Key Managerial Personnel of the Company/their relatives, except of **Mr. Amol Doneria** himself, is in any way concerned or interested, in the said resolution. The Board recommends the said resolution to be passed as an ordinary resolution.

**ITEM NO. 7 TO RE-APPOINT SATISH KUMAR GOYAL AS WHOLE-TIME DIRECTOR OF THE COMPANY:**

Mr. Satish Kumar Goyal (DIN: 00095295) was appointed as Whole time Director of the Company on 01/09/2014 for a term of 5 (five) years, which will expire on 30/08/2019. The present proposal is to seek members' approval for the re-appointment of Mr. Satish Kumar Goyal as Whole time Director w.e.f. 01.09.2019 in terms of the applicable provision of the Companies Act, 2013. The Board of Directors of the company (the 'Board'), at its meeting held on 26<sup>th</sup> day of August, 2019 has, subject to the approval of members, re-appointed Mr. Satish Kumar Goyal for a further period of five years from the expiry of his term.

The Board feels that presence of Mr. Satish Kumar Goyal being the experienced KMP on the Board is desirable and beneficial to the company.

Mr. Satish Kumar Goyal is concerned or interested in this resolution set out at item no. 7 of the notice which pertains to his re-appointment. Further, none of the Directors of the company is, in anyway concerned or interested in this resolution.

The Board recommends resolution set out at item no. 7 of the notice for your approval.



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**ITEM NO. 8 TO RE-APPOINT ASHOK KUMAR GOYAL AS WHOLE-TIME DIRECTOR OF THE COMPANY:**

Mr. Ashok Kumar Goyal (DIN: 00095313) was appointed as Whole time Director of the Company on 01/09/2014 for a term of 5 (five) years, which will expire on 30/08/2019. The present proposal is to seek members' approval for the re-appointment of Mr. Ashok Kumar Goyal as Whole time Director w.e.f. 01.09.2019 in terms of the applicable provision of the Companies Act, 2013. The Board of Directors of the company (the 'Board'), at its meeting held on 26<sup>th</sup> day of August, 2019 has, subject to the approval of members, re-appointed Mr. Ashok Kumar Goyal for a further period of five years from the expiry of his term.

The Board feels that presence of Mr. Ashok Kumar Goyal being the experienced KMP on the Board is desirable and beneficial to the company.

Mr. Ashok Kumar Goyal is concerned or interested in this resolution set out at item no. 8 of the notice which pertains to his re-appointment. Further, none of the Directors of the company is, in anyway concerned or interested in this resolution.

The Board recommends resolution set out at item no. 8 of the notice for your approval.

Place: Agra  
Date: 27.08.2019

By Order of the Board  
For O.P. Chains Limited

SD/-  
Ashok Kumar Goyal  
Whole time Director  
DIN: 00095313



**Additional information on Director(s) recommended for appointment/re-appointment as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**IN RESPECT OF ITEM NO. 2 and 7**

**Mr. Satish Kumar Goyal**

**Brief resume and nature of expertise**

Mr. Satish Kumar Goyal (DIN 00095295) aged about 53 years is a Graduate having experience of 33 years in Managing Business. Mr. Satish Kumar Goyal joined O. P. Chains Limited since incorporation, Re-appointed as whole-time director vide AGM dated August 30, 2014 w.e.f September 01, 2014 till August 30, 2019 for a term of 5 years. Mr. . Satish Kumar Goyal is well versed in management and served as an Executive Directors as well. He is keenly engaged into the business development and controls key strategic aspects of the business at Agra, India.

**Discloser of relationships between Directors inter-se**

Mr. Satish Kumar Goyal is relative (brother) of Mr. Ashok Kumar Goyal and Mr. Om Prakash Agarwal.

**Other Listed Companies in which Satish Kumar Goyal holds Directorship and Committee membership as on August 27, 2019- NIL.**

**Shareholding in the Company as on March 31, 2019**

**17.22 %** of the Paid Up Capital

**IN RESPECT OF ITEM NO. 4**

**Mr. Rajesh Kumar Gupta**

- |    |   |   |
|----|---|---|
| 1. | Reason for change                             | Mr. Rajesh Kumar Gupta was appointed as an Independent Director of the Company at its Extraordinary General Meeting held on June 30, 2014 for a period of five years starting from July 1 <sup>st</sup> , 2014 to June 30, 2019. His term as Independent Director expires on June 30, 2019. Accordingly the board approved his reappointment as Independent Director of the Company subject to approval of members at forthcoming Annual General Meeting. |
| 2. | Date of appointment and Term of Reappointment | <p><b>Effective date of re-appointment:</b><br/> June 1<sup>st</sup>, 2019 (subject to approval of members at forthcoming Annual General Meeting)</p>   |



**Term of Re-appointment:**

June 1<sup>st</sup>, 2019 to May 31<sup>st</sup>, 2024

(subject to approval of members at forthcoming Annual General Meeting)

- |    |   |   |
|----|---|---|
| 3. | Brief Profile (In case of appointment)        | <p>Mr. Rajesh Kumar Gupta is FCMA (Cost Accountant) having vast experience in the field of Cost Accountancy. His core competency is in Project Consultancy, Cost Audit, Taxation and Management of International Business. Apart from his experience in the field of Cost Accountancy, he has been actively associated with various Corporations for over two decades.</p> <p>In the opinion of the Board, Mr. Rajesh Kumar Gupta fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is Independent of the management. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Rajesh Kumar Gupta as an Independent Director, for the approval by the shareholders of the Company.</p> |
| 4. | Disclosure of relationships between directors | <p>Mr. Rajesh Kumar Gupta is not related to any other Director of the Company.</p>  |

**IN RESPECT OF ITEM NO. 5**

**Mrs. Astha Sharma**

- |    |   |   |
|----|---|---|
| 1. | Reason for change                             | <p>Mrs. Astha Sharma was appointed as an Independent Director of the Company at its Extraordinary General Meeting held on June 30, 2014 for a period of five years starting from July 1<sup>st</sup>, 2014 to June 30, 2019. His term as Independent Director expires on June 30, 2019. Accordingly the board approved his reappointment as Independent Director of the Company subject to approval of members at forthcoming Annual General Meeting.</p> |
| 2. | Date of appointment and Term of Reappointment | <p><b>Effective date of re-appointment:</b><br/> June 1<sup>st</sup>, 2019 (subject to approval of members at forthcoming Annual General Meeting)</p>   |

**Term of Re-appointment:**

June 1<sup>st</sup>, 2019 to May 31<sup>st</sup>, 2024



(subject to approval of members at forthcoming Annual General Meeting)

- |    |   |  |
|----|---|--|
| 3. | Brief Profile (In case of appointment)        | <p>Mrs. Astha Sharma holds MBA (Corporate Management) from University of Lucknow having in depth knowledge on Corporate Records and Documentation, Strategic Management and having decision making skills. She is UGC Net (Management) and also pursuing Phd. from Department of Commerce, University of Lucknow and highlighted by truly outstanding achievements. Mrs. Astha Sharma is not a Director in any other Company in India. She does not hold by herself or for any other person on a beneficial basis, any shares in the Company In the opinion of the Board. Mrs. Astha Sharma fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is Independent of the management. Accordingly, the Board recommends the resolution in relation to appointment of Mrs. Astha Sharma as an Independent Director, for the approval by the shareholders of the Company.</p> |
| 4. | Disclosure of relationships between directors | <p>Mrs. Astha Sharma is not related to any other Director of the Company.</p>  |

#### **IN RESPECT OF ITEM NO. 6**

#### **Mr. Amol Doneria**

- |    |   |  |
|----|---|--|
| 1. | Reason for change                             | <p>Mr. Amol Doneria was appointed as an Independent Director of the Company at its Extraordinary General Meeting held on June 30, 2014 for a period of five years starting from July 1<sup>st</sup>, 2014 to June 30, 2019. His term as Independent Director expires on June 30, 2019. Accordingly the board approved his reappointment as Independent Director of the Company subject to approval of members at forthcoming Annual General Meeting.</p> |
| 2. | Date of appointment and Term of Reappointment | <p><b>Effective date of re-appointment:</b><br/> June 1<sup>st</sup>, 2019 (subject to approval of members at</p>  |



- |    |   |
|----|---|
|    | forthcoming Annual General Meeting)   |
|    | <b>Term of Re-appointment:</b>  |
|    | June 1 <sup>st</sup> , 2019 to May 31 <sup>st</sup> , 2024  |
|    | (subject to approval of members at forthcoming Annual General Meeting)  |
| 3. | <p><b>Brief Profile (In case of appointment)</b></p> <p>Mr. Amol Doneria is a fellow member of Institute of Chartered Accountants of India. His area of specialization includes audit, business consultancy, business valuation, corporate management, financial Management and corporate law. In the opinion of the Board, Mr. Amol Doneria fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is Independent of the management.</p> <p>Accordingly, the Board recommends the resolution in relation to appointment of Mr. Amol Doneria as an Independent Director, for the approval by the shareholders of the Company.</p> |
| 4. | <p><b>Disclosure of relationships between directors</b></p> <p>Mr. Amol Doneria is not related to any other Director of the Company.</p>  |

### **IN RESPECT OF ITEM NO. 8**

#### **Mr. Ashok Kumar Goyal**

##### **Brief resume and nature of expertise**

Mr. Ashok Kumar Goyal (DIN 00095313) aged about 56 years is a Graduate having experience of 33 years in Managing Business. Mr. Ashok Kumar Goyal joined O. P. Chains Limited since incorporation, Re-appointed as whole-time director vide AGM dated August 30, 2014 w.e.f September 01, 2014 till August 30, 2019 for a term of 5 years. Mr. Ashok Kumar Goyal is well versed in management and served as an Executive Directors as well. He is keenly engaged into the business development and controls key strategic aspects of the business at Agra, India.

##### **Discloser of relationships between Directors inter-se**

Mr. Ashok Kumar Goyal is relative (brother) of Mr. Satish Kumar Goyal and Mr. Om Prakash Agarwal.

**Other Listed Companies in which Satish Kumar Goyal holds Directorship and Committee membership as on August 27, 2019- NIL.**

##### **Shareholding in the Company as on March 31, 2019**

**16.05 % of the Paid Up Capital**



**UPDATION OF SHAREHOLDER INFORMATION**

To,  
O. P. Chains Limited  
8/16 A, Seth Gali, Agra  
Uttar Pradesh-282003

Updation of Shareholder Information

I / We request you to record the following information against my / our Folio No.:

**General Information:**

Folio No.:	
Name of the first named Shareholder:	
PAN: *	
CIN / Registration No.: * (applicable to Corporate Shareholders)	
Tel No. with STD Code:	
Mobile No.:	
Email Id:	

\*Self-attested copy of the document(s) enclosed

**Bank Details:**

IFSC: (11 digit)	
MICR: (9 digit)	
Bank A/c Type:	
Bank A/c No.: *	
Name of the Bank::	
Bank Branch Address:	

\* A blank cancelled cheque is enclosed to enable verification of bank details.



I / We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I / we would not hold the Company / RTA responsible. I / We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I / We understand that the above details shall be maintained till I / we hold the securities under the above mentioned Folio No. / beneficiary account.

**Place: Agra**

**Date:**

**Signature of Sole / First holder**



***DIRECTORS' REPORT TO THE SHAREHOLDERS***

The directors have pleasure in presenting the Directors Report and the audited accounts for the year ended 31<sup>st</sup> March 2019.

**FINANCIAL PERFORMANCE:**

The Company's Financial Performance for the financial year ended on 31<sup>st</sup> March, 2019 under review along with previous year figures are given hereunder:

<b><u>PARTICULARS</u></b>	<b><u>2018-19</u></b>	<b><u>2017-18</u></b>
Revenue from operation including other income	24,50,53,368.21	24,25,87,463.98
Profit before tax	6,40,318.65	5,46,415.81
Profit /(Loss) after tax	5,04,902.65	4,40,714.81
Profit for Appropriation Sub Total (A)	5,04,902.65	4,40,714.81
Transfer to General Reserve	0.00	0.00
Proposed Dividend	0.00	0.00
Tax on Dividend	0.00	0.00
Sub Total (B)	0.00	0.00
Balance carried to Balance sheet (A-B)	5,04,902.65	4,40,714.81

**TRANSFER TO RESERVES:**

The Board of Directors of your company, has decided not to transfer any amount to the Reserves for the year under review.

**DIVIDEND:**

**Profit but not declared:** The Board of Directors of your company, after considering holistically the relevant circumstances, has decided that it would be prudent, not to recommend any Dividend for the year under review.

**WEB LINK OF ANNUAL RETURN:**

The Company is having website i.e. <http://www.opchainsltd.com> and annual return of Company has been published on such website. The Link of the same is given below:

<http://opchainsltd.com/AnnualReturnMGT.html>

The Extract of Annual Return is also enclosed in this report as annexure –I.

**CAPITAL STRUCTURE:**

There is no change in the Authorized and Paid Up Share Capital of the company during the year.

The Authorized Share Capital of the Company is Rs.7,25,00,000/- (Rupees Seven Crore and Twenty Five Lakhs only) divided into 72, 50,000 (Seventy Two Lakhs and Fifty Thousand) equity shares of Rs.10/- each.

The Issued & Paid up share capital of the Company is Rs. 6,85,00,000/- (Rupees Six Crore and Eighty Five Lakhs only) divided into 68,50,000 (Sixty Eight Lakhs Fifty Thousand) equity shares of Rs. 10/- each.

**STATE OF AFFAIRS:**

The Company is engaged in the business of Trading of precious and non-precious metals. There has been no change in the business of the Company during the financial year ended 31st March, 2019.

**MATERIAL CHANGES DURING THE FINANCIAL YEAR.**

There have been **no** material changes and commitments which have occurred.

**MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR:**

There have been **no** material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.



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**APPLICATION UNDER SECURITIES AND EXCHANGE BOARD OF INDIA (SETTLEMENT PROCEEDINGS) REGULATIONS, 2018:**

The Company had submitted a settlement application on May 3<sup>rd</sup>, 2019 with the Securities and Exchange Board of India (SEBI) under Securities And Exchange Board of India (Settlement Proceedings) Regulations, 2018.

PREFACE : O.P. Chains Limited (Scrip code 539116) is listed on SME platform of BSE since 2015. The company went for Open Offer in F/y 2016-17 where in SEBI Observations on Draft Letter of Offer it was mentioned that the company made violation under Regulation 30 of SEBI (SAST) Regulations 2011. Since it was delayed disclosure under Regulation 30 of SEBI (SAST), 2011 by 72 days SEBI may initiate action against the company. Hence the company wish to suo moto apply for waiver/closure under Settlement Scheme, Regulations 2018.

The application is under process and the company awaits SEBI Order.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

During the year under review there has been **no** such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

**CORPORATE SOCIAL RESPONSIBILITY:**

The Company has not developed and implemented any Corporate Social Responsibility initiatives, as the provisions of Section 135 of the Companies Act, 2013 are not applicable to the company.

**STATUTORY AUDITORS:**

**The term of Statutory Auditor M/S BPN & Company** Chartered Accountants, who was appointed in the AGM held in the year 2014 is expiring on the ensuing Annual General Meeting .Therefore in accordance with the provisions of Sections 139 and 142 of the Companies Act, 2013, or any amendment thereto or modification thereof, **M/s A.J.ASSOCIATES.**, Chartered Accountants, is proposed to be appointed as the Statutory Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of sixth Annual General Meeting to be held in 2024, for a term of 5 (five) year.



The Company has obtained necessary certificate under Section 141 of the Companies Act 2013 from the auditor conveying their eligibility for the above appointment. The audit committee and board reviewed their eligibility criteria, as laid down under Section 141 of the Companies Act 2013 and recommended their appointment as auditors for the aforesaid period.

**BOARD'S COMMENT ON THE AUDITORS' REPORT:**

The Auditors' Report for the financial year 2018-2019, given by M/s BPN & Company, to the shareholders does **not** contain any qualification. The notes to accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any comments.

**DETAILS OF FRAUD REPORT BY AUDITOR:**

As per auditors' report, no fraud u/s 143(12) reported by the auditor.

**DIRECTORS**

As per Section 152 of the Companies Act, 2013 Mr. Satish Kumar Goyal (DIN : 00095295), Whole Time Director of the Company will retire by rotation at the Annual General Meeting, and being eligible, offer himself for re-appointment.

As per Section 196 of the Companies Act, 2013, Mr. Om Prakash Agarwal (DIN : 00095300), Managing Director & CEO of the Company, at the expiry of his term as Managing Director & CEO of the Company were re-appointed at the Board Meeting held on 20.07.2018 as per the Terms & Conditions stated in Agreement dated 20.07.2018 subject to the approval of Members at the ensuing Annual General Meeting.

**DISCLOSURE OF REMUNERATION OF EMPLOYEES COVERED UNDER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:**

None of the employee of your company, who was employed throughout the financial year, was in receipt of remuneration in aggregate of sixty lakh rupees or more or if employed for the part of the financial year was in receipt of remuneration of five lakh rupees or more per month.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The appointment of Key Managerial Personnel is mandatory as per Section 203 of the Companies Act, 2013 as the company fall in the limits as prescribed under section 203 of Companies Act 2013

The existing composition of the Company's board is fully in conformity with the applicable provisions of the Act 2013 and Regulation 17 of the SEBI (Listing Obligation And Disclosure Requirement) 2015 having the following directors as Non-Executive Independent Directors, namely, Mr. Rajesh Kumar Gupta, Mrs. Astha Sharma and Mr. Amol Doneria.

**1. DIRECTORS :**

As per Section 152 of the Companies Act, 2013 Mr. Satish Kumar Goyal (DIN ; 00095295), Whole Time Director of the Company liable to retire by rotation and being eligible offers himself for re-appointment at the forthcoming Annual General Meeting (AGM).

**2. DECLARATION BY THE INDEPENDENT DIRECTORS:**

The Company has received declarations from all Independent Directors of the Company confirming that they continue to meet the criteria of independence as prescribed under Section 149 of the Companies Act 2013 and Regulation 25 of the Listing Regulations. The Independent Directors have also confirmed that they have complied with the Company's code of conduct.

**3. CHANGES IN KEY MANAGERIAL PERSONNEL:****Changes During the Financial Year(2018-2019):**

1. Re-appointment of Mr. Om Prakash Agarwal as Managing Director w.e.f. 01.08.2018 in terms of the applicable provision of the Companies Act, 2013.

**Changes after the Financial Year up to the Date of Report:**

1. Resignation of Mr. Ashok Kumar as the CFO of the company w.e.f. 01.04.2019.
2. Appointment of Abhay Kumar Pal as C.F.O. of the Company w.e.f. 01.04.2019.
3. Re-appointment of Mr. Amol Doneria as Independent Director of the company w.e.f. 01.06.2019.
4. Re-appointment of Mr. Rajesh Kumar Gupta as Independent Director of the company w.e.f. 01.06.2019.
5. Re-appointment of Mrs. Astha Sharma as Independent Director of the company w.e.f. 01.06.2019.
6. Resignation of CS Swapna Gupta Company Secretary of the Company W.e.f 23 July 2019
7. Appointment of CS Archana Pundir as the Company Secretary and Compliance Officer of the Company w.e.f 01 August, 2019.

**LISTING OF SHARES**

The Company's shares are Listed on SME Platform of BSE Limited.

**INTERNAL CONTROL SYSTEM**

The Company has a well-placed, proper and adequate internal control system, which ensures that all assets are safeguarded and protected and that the transactions are authorized, recorded and reported correctly. The Company's internal control system comprises audit and compliance by in-house Internal Audit Division, supplemented by internal audit checks. Independence of the audit and compliance is ensured by direct reporting of Internal Audit Division to the Audit Committee of the Board.

**DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES:**

- ❖ The Company does not have any Subsidiary, Joint Venture or Associate Company.
- ❖ The company O. P. Chains limited is Associate Company of Rajaram Software Solutions Private Limited.

**RISK MANAGEMENT POLICY:**

The Board of the Company has evaluated a risk management to monitor the risk management plan for the Company. The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The development and implementation of risk management has been covered in the management discussion and analysis, which forms part of annual report.

**CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:**

There have been some materially significant related party transactions between the Company and the Directors, the management or the relatives.

Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188(1) along with the justification for entering into such contracts or arrangements in Form AOC-2 form part of the report and enclosed in this report as annexure –II.

**POLICY ON SEXUAL HARASSMENT:**

The Company has constituted committee under the sexual harassment of women at workplace (prevention, prohibition and Redressal) Act, 2013 and has in place a Policy on Sexual Harassment in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There was no complaint received from any employee during the financial year 2018-19.

**TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND ("IEPF"):**

The company does not have any dividend which remains unclaimed/unpaid for a period of seven years from the date of transfer to the unpaid dividend account and hence no amount has been transferred to the IEPF established by the Central Government.



**DISCLOSURE OF THE ISSUE OF EQUITY SHARES WITH DIFFERENTIAL VOTING RIGHTS IN THE FINANCIAL YEAR:**

Particulars under Rule 4(4) of Companies (Share Capital and Debenture) Rules, 2014 do not apply to the company as the company has not issued any equity shares with differential voting rights during the financial year.

**HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

The Company is pleased to report that during the year under reporting, the industrial relations were cordial.

**FIXED DEPOSITS**

During the year under review, the Company has not accepted any fixed deposits from the public, and as on March 31, 2019 the Company had no unclaimed deposits or interest thereon due to any depositor.

**ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:**

Information regarding Energy Conservation, Technology absorption and Foreign Exchange earnings and outgo as per Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rule 2014, are given under:

**A. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:**

Energy consumed during the year does not constitute a significant amount, thus Particulars under Rule 8(3) of the Companies (Accounts) Rules, 2014 and Section 134(3) (m) of the Companies Act, 2013 on Conservation of Energy, Technology Absorption are not applicable to the Company, hence no disclosure has been made in this report.

**B. FOREIGN EXCHANGE EARNINGS & OUTGO**

Value of Imports	:	NIL
Expenditure in Foreign Currency	:	NIL
Value of Imported Raw Material	:	NIL
Foreign Exchange Earning during the year	:	NIL

**MEETINGS OF THE BOARD OF DIRECTORS:**

The Board of Directors of the Company met Seven times during the year on 25.05.2018, 29.05.2018, 20.07.2018, 10.08.2018, 14.11.2018, 12.01.2019 and 16.03.2019 in respect of which proper notices were given and the proceedings were properly recorded, signed and maintained in the Minutes book kept by the Company for the purpose. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

**COMMITTEE MEETINGS:**

The Audit Committee met 4 times during the financial year ended March 31, 2019. The Stakeholders Relationship Committee met 4 times during the financial ended March 31, 2019. The nomination and remuneration committee met 4 times during the financial year ended March 31, 2019. Members of the Committees discussed the matter placed and contributed valuable inputs on the matters brought before.

Additionally, during the financial year ended March 31, 2019 the Independent Directors held a separate meeting in compliance with the requirements of Schedule IV of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligation and Disclosure Requirements) on 07.03.2019.

**AUDIT COMMITTEE:**

The company being a listed company falls under the criteria as defined under section 177 of the Companies Act, 2013 and Rule 6 and 7 of Companies (Meetings of Board and its Powers) Rules, 2014. The company has duly constituted the Audit Committee with Mr. Amol Doneria (Chairman), Mr. Rajesh Kumar Gupta (Member) and Mr. Ashok Kumar Goyal (Member).

**VIGIL MECHANISM**

As Per Regulation 22 (1) Of SEBI (Listing Obligation and Disclosure Requirements), 2015 it is mandatory for every listed company to formulate a vigil mechanism for directors and employees to report genuine concern. According to section 177(10) of the Companies Act, 2013 it is mandatory for the company to disclose the establishment of such mechanism on the website of the company and in the Board's Report.

The Company has established a vigil mechanism, through a Whistle Blower Policy, where Directors and employees can voice their genuine concerns or grievances about any unethical or unacceptable business practice. A whistle-blowing mechanism not only helps the Company in detection of fraud, but is also used as a corporate governance tool leading to prevention and deterrence of misconduct.

It provides direct access to the employees of the Company to approach the Compliance Officer or the Chairman of the Audit Committee, where necessary. The Company ensures that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment or victimization.



### **SECRETARIAL AUDITORS**

As required under Section 204 of the Act 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company is required to appoint a Secretarial Auditor for auditing the secretarial and related records of the Company and to provide a report, in this regard M/S N.K Rastogi & Associates, was appointed as the Secretarial Auditor of the company in the Board Meeting held on 29.05.2018 for the financial year 2018-2019 but due to pre occupancy of work the firm resigned. Further the Board in its meeting held on 10.08.2018 appointed M/s R. C. Sharma & Associates as the secretarial auditor of the company for the financial year 2018-2019.

The Secretarial Audit Report made by practicing company secretary M/s R. C. Sharma & Associates for the financial year 2018-2019 contains no qualification, reservation or adverse remark.

The Board of Directors has appointed M/S R. C. Sharma & Associates, Company Secretaries as Secretarial Auditors for the financial year 2019-2020.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

The particulars of Loans, guarantees or investments made under Section 186 are furnished here under:

#### **Details of Loans:**

SL No	Date of making loan	Details of Borrower	Amount	Purpose for which the loan is to be utilized by the recipient	Time period for which it is given	Date of BR	Date of SR (if reqd)	Rate of Interest	Security
				<b>AS PER THE BALANCESHEET</b>					

#### **Details of Investments:-**

SL No	Date of investment	Details of Investee	Amount	Purpose for which the proceeds from investment is proposed to be utilized by the recipient	Date of BR	Date of SR (if reqd)	Expected rate of return
				<b>AS PER THE BALANCESHEET</b>			


**Details of Guarantee / Security Provided:**

SL No	Date of providing security/guarantee	Details of recipient	Amount	Purpose for which the security/guarantee is proposed to be utilized by the recipient	Date of BR	Date of SR (if any)	Commission
				<b>AS PER THE BALANCESHEET</b>			

**COST RECORD:**

The provision of Cost audit as per section 148 doesn't applicable on the Company.

**INDUSTRIAL RELATIONS:**

The Company maintained healthy, cordial and harmonious industrial relations at all levels. The enthusiasm and unstinting efforts of employees have enabled the Company to maintain efficiency in the industry. It has taken various steps to improve productivity across organization.

**COMPLIANCE WITH SECRETARIAL STANDARD:**

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

**CORPORATE GOVERNANCE:**

Company is committed to focus on good Corporate Governance in line with emerging Local and Global Standards. Company understands and respects its fiduciary role in the corporate world and besides adhering to the prescribed corporate practices; it voluntarily governs itself as per the highest standards of corporate governance. Strong governance practices has earned for it recognition and has strengthened its bond of trust not only with the stakeholders but with the society at large.

We are committed to defining, following and practicing the highest level of corporate governance across all our business functions. Our corporate governance is a reflection of our value system encompassing our culture, policies, and relationships with our stakeholders. Integrity and transparency are key to our corporate governance practices and performance and ensure that we retain and gain the trust of our stakeholders at all times.



The compliance Report on Corporate Governance filed with the Stock Exchanges and a certificate from Auditors of the Company regarding compliance of the conditions of Corporate Governance, as stipulated under Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached as 'Annexure III' and forms part of Annual report.

Declaration by the Managing Director, inter alia, confirming that the members of Board of Directors have affirmed compliance with the code of conduct of the Board of Directors, is attached as 'Annexure A' and forms part of Annual report.

Certificate of the CEO and CFO, inter alia, confirming the correctness of the financial statements, compliance with Company's Code of Conduct, adequacy of the Internal Control measures and reporting of matters to the Audit Committee in terms of Regulation 27 of Listing Obligation and Disclosure Requirement with the Stock Exchanges, is attached 'Annexure B' and forms part of Annual report.

#### **BOARD EVALUATION:**

The board of directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, development of suitable strategies and business plans at appropriate time and its effectiveness; etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness/conduct of committee meetings, process and procedures followed for discharging its functions etc.

The Board and the Remuneration Committee ("RC") reviewed the performance of the individual directors on the basis of the criteria such as developing and managing / executing business plans, operational plans, risk management, and financial affairs of the organization and the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role like demonstration of leadership qualities, Managing relationship with the members of the Board and management etc.



In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors and also the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The same was discussed in the board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

The performance evaluation of Independent Directors was done by the entire Board and in the evaluation the Director who was subject to evaluation did not participate. On the basis of performance evaluation done by the Board, it shall be determined whether to extend or continue their term of appointment, as and when their respective term expires.

### **INTERNAL AUDITORS**

The Company has M/s Ambika Prasad Sharma & Co, Registered Office : 6, Nehru Nagar Agra, 282002 as Internal Auditors to conduct Internal audit of the accounts maintained by the Company, for the financial year 2018-19.

There was no qualification, reservation or adverse remark made by the Internal Auditors in their report.

### **PARTICULARS OF EMPLOYEES**

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 there is no employee drawing remuneration above the limits set under Section 197 (12) of the Companies Act, 2013.

### **MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis of financial condition including the result of operations of the Company for the year under review, as required under regulation 34 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 with the stock exchanges, is given as a separate statement in Annual Report.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:–

- i. that in the preparation of annual accounts for the financial year ended 31st March 2019, the applicable Accounting Standards had been followed and that there were no material departures;
- ii. that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- iii. that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities ;and
- iv. that the directors had prepared the accounts for the financial year ended 31st March 2019 on a "going concern basis".
- v. that the directors had devised proper systems to ensure compliance with the provisions of all the applicable laws.

**ACKNOWLEDGMENT**

We thank our customers, vendors, investors and bankers for their continued support during the year. We place on record our appreciation of the contribution made by the employees at all levels. Our consistent growth was made possible by their hard work, solidarity, co-operation, and support.

We thank the Government of India, Ministry of Commerce & Industry, Ministry of Corporate Affairs, Ministry of Finance, Department of Economic Affairs, Customs & Excise Departments, Income Tax Department, Reserve Bank of India, BSE, NSE, NSDL, CDSL and various bankers, various State Governments and other Government Agencies for their support, and look forward to their continued support in the future.

Your Directors appreciate and value the trust imposed upon them by the members of the Company.

**Place: Agra**  
**Date: 27.08.2019**

**By Order of the Board**  
**For O.P. Chains Limited**

**SD/-**

**Ashok Kumar Goyal**  
**Whole time Director**  
**DIN: 00095313**



**[Annexure I]**

**FORM NO. MGT-9**

**EXTRACT OF ANNUAL RETURN**

As on the Financial Year Ended on 31/03/2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

i.	CIN	<b>L27205UP2001PLC026372</b>
ii.	Registration Date	04/12/2001
iii.	Name of the Company	<b>O. P. CHAINS LIMITED</b>
iv.	Category/Sub-Category of the Company	Company limited by shares/ Non-Government Company
v.	Address of the Registered office and contact details	8/16 A, Seth Gali, Agra Uttar Pradesh-282003
vi.	Whether listed company	YES
vii.	Name, Address and Contact details of Registrar and Transfer Agent, If any	Bigshare Services Private Limited 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Apartments (Next To Keys Hotel), Marol Maroshi Road, Andheri East, Mumbai-400059 Tel. No.: 022-62638200 Website: www.bigshareonline.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Trading of Precious and Non-Precious Metals	241	100%





### **III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

<b>Sr. No.</b>	<b>Name And Address Of The Company</b>	<b>CIN/GLN</b>	<b>Holding/ Subsidiary /Associate</b>	<b>% of shares held</b>	<b>Applicable Section</b>
			<b>NIL</b>		

### **IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

#### **i. Category-wise Shareholding**

Category of Shareholders	No .of Shares held at the beginning of the year (01.04.2018)				No. of Shares held at the end of the year (31.03.2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
<b>A (1) Indian</b>									
Individual/ HUF	3205100	0	3205100	46.79%	3335100	0	3335100	48.69%	1.9%
Central Govt	0	0	0	0	0	0	0	0	0
State Govt(s)	0	0	0	0	0	0	0	0	0
Bodies Corp	0	0	0	0	0	0	0	0	0
Banks / FI	0	0	0	0	0	0	0	0	0
Any Other	0	0	0	0	0	0	0	0	0
Subtotal(A)(1):-	3205100	0	3205100	46.79%	3335100	0	3335100	48.69%	1.9%
<b>A (2) Foreign</b>									
NRIs-Individuals	0	0	0	0	0	0	0	0	0
Other-Individuals	0	0	0	0	0	0	0	0	0
Bodies Corp.	0	0	0	0	0	0	0	0	0
Banks / FI	0	0	0	0	0	0	0	0	0
Any Other....	0	0	0	0	0	0	0	0	0
Sub-total(A)(2):-	0	0	0	0	0	0	0	0	0
<b>Total Prooter Shareholding (A)=(A)(1)+ (A)(2)</b>	<b>3205100</b>	<b>0</b>	<b>3205100</b>	<b>46.79%</b>	<b>3335100</b>	<b>0</b>	<b>3335100</b>	<b>48.69%</b>	<b>1.9%</b>



B. Public Shareholding									
<b>B (1) Institutions</b>									
Mutual Funds	0	0	0	0	0	0	0	0	0
Banks / FI	335000	0	335000	4.89%	3,35,000	0	335000	4.89%	0
Central Govt	0	0	0	0	0	0	0	0	0
State Govt(s)	0	0	0	0	0	0	0	0	0
Venture Capital Funds	0	0	0	0	0	0	0	0	0
Insurance Companies	0	0	0	0	0	0	0	0	0
FII's	0	0	0	0	0	0	0	0	0
Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total(B)(1)	335000	0	335000	4.89%	3,35,000	0	335000	4.89%	0
<b>B (2) Non Institutions</b>									
Bodies Corp.									
(i) Indian	2539900	0	2539900	37.07%	25,74,900	0	2574900	37.56%	0.6%
(ii) Overseas	0	0	0	0	0	0	0	0	0
<b>Individuals</b>									
(i) Individual shareholders holding nominal share capital upto Rs. 2 lakhs	745000	0	745000	10.88%	6,00,000	0	6,00,000	8.76%	2.12%
(ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakhs	0	0	0	0	0	0	0	0	0
Others Clearing member	25000	0	25000	0.36%	5000	0	5000	0.07%	0.287%
Sub-total(B)(2)	3309900	0	3309900	48.32%	3179900	0	3279900	46.42%	-
Total Public Shareholding(B)=(B)(1)+(B)(2)	3644900	0	3644900	53.21%	3514900	0	3514900	51.31%	-
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	6850000	0	6850000	100%	6850000	0	6850000	100%	



**ii. Shareholding of Promoters:**

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Ashok Kumar Goyal	10,00,000	14.59	0	11,00,000	16.05	0	1.46
2.	Om Prakash Agarwal	968100	14.13	0	9,68,100	14.13	0	0
3.	Satish Kumar Goyal	1150000	16.78	0	11,80,000	17.22	0	0.44
4.	Heera Devi	82000	1.19	0	82,000	1.19	0	0
5.	Kusum Agarwal	4000	0.058	0	4000	0.058	0	0
6.	Moon Goyal	1000	0.0146	0	1000	0.0146	0	0
	<b>Total</b>	<b>3205100</b>	<b>46.78</b>	<b>0</b>	<b>3335100</b>	<b>48.69</b>	<b>0</b>	

**iii. Change in Promoters' Shareholding (please specify, If there is no change):**

Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	3205100	46.79	3335100	48.69
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	<b>As it is available on RTA website</b>			
	At the End of the year	3235100	47.23	3335100	48.69



**iv. Shareholding of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	Name	Share holding at the beginning of the year (01.04.2018)		Share holding at the end of the year (31.03.2019)		Net changes during the year
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1.	Raja Ram Software Solutions Limited	2344900	34.23	2344900	34.23	-
2.	Canara Bank-New Delhi	335000	4.89	335000	4.89	-
3.	Amit Agarwal	190000	2.77	190000	2.77	-
4.	A.G.Shares And Sec.Ltd	155000	2.26	145000	1.60	0.66
5.	Savitha S	100000	1.46	100000	1.46	-
6.	Alankit Assignments Ltd	-	-	60000	0.87	0.87
7.	Pradeep Bansal	30000	0.44	30000	0.44	-
8.	Rama Shankar Agarwal	20000	0.29	20000	0.29	-
9.	National Stock Exchange of India Limited	-	-	20000	0.29	0.29
10.	Sandeepa Maheshwari	-	-	10000	0.15	0.15

**v. Shareholding of Directors and Key Managerial Personnel:**

Si. No.	Name	Shareholding at the beginning of the year (01.04.2018)		Shareholding at the end of the year (31.03.2019)		Net changes during the year
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1.	Ashok Kumar Goyal	1000000	14.5985	11,00,000	16	1.4015
2.	Om Prakash Agarwal	968100	14.1328	968100	14.1328	-
3.	Satish Kumar Goyal	1150000	16.7883	1180000	17.22	0.44



## **V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not				
<b>Total(i+ii+iii)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Change in Indebtedness during the financial year				
- Addition	0	0	0	0
- Reduction				
Net Change	0	0	0	0
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## **VI. REMUNERATION OF DIRECTORS AND KEY-MANAGERIAL PERSONNEL**

### **A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

Sl. No.	Particulars of Remuneration	Name of MD/WTM/ Manager	Total Amount
	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1. OM PRAKASH AGARWAL	300000/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2. ASHOK KUMAR GOYAL	300000/-
	(c) Profit in lieu of salary under section 17(3) Income-tax Act, 1961	3. SATISH KUMAR GOYAL	300000/-
	Stock Option		0
	Sweat Equity		0
	Commission		0
	- as % of profit		
	- others, specify...		
	Others, please specify		0
	Total(A)		900000/-
	Ceiling as per the Act		



**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
	<u>Independent Directors</u> • Fee for attending board committee meetings • Commission • Others ,please specify	1.Mr.Rajesh Kumar Gupta  2.Mr. AmolDoneria  3.Mrs. Astha Sharma				6500/- per Meeting 6500/- per Meeting 6500/- per Meeting
	Total(1)					
2	<u>Non-Executive Directors</u> • Fee for attending board committee meetings • Commission • Others ,please specify <u>Executive Director</u>					
	Total(2)					
	Total(B)=(1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

**C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD:**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
	Gross salary (a)Salary as per provisions contained in section17(1)of the Income-tax Act,1961 (b)Value of perquisites u/s17(2)Income-taxAct,1961 (c)Profits in lieu of salary under section17(3)Income-tax Act,1961	300000*	220000	117000	6,7,000
	Stock Option	0	0	0	0
	Sweat Equity	0	0	0	0
	Commission - as % of profit -others, specify...	0	0	0	0
	Others, please specify	0	0	0	0
	<b>Total</b>	<b>300000</b>	<b>220000</b>	<b>117000</b>	<b>6,37,000</b>



**\*\*NOTE:** The Managing Director is also the CEO of the company. So he is drawing salary of rs 3,00,000 in total under both designations.

**I. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NIL**

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment /Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
<b>A. Company</b>					
<b>Penalty</b>					
<b>Punishment</b>					
<b>Compounding</b>					
<b>B. Directors</b>					
<b>Penalty</b>					
<b>Punishment</b>					
<b>Compounding</b>					
<b>C. Other Officers In Default</b>					
<b>Penalty</b>					
<b>Punishment</b>					
<b>Compounding</b>					

**For O.P. Chains Limited**

Place: Agra  
Date: 27.08.2019

**S/D**  
**Om Prakash Agarwal**  
Managing Director  
DIN: 00095300



**[Annexure II]**

**AOC-2**

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

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

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NIL
b)	Nature of contracts/arrangements/transaction	NIL
c)	Duration of the contracts/arrangements/transaction	NIL
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
e)	Justification for entering into such contracts or arrangements or transactions'	NIL
f)	Date of approval by the Board	NIL
g)	Amount paid as advances, if any	NIL
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL

2. \*Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	O P CHAINS CO.*
b)	Nature of contracts/arrangements/transaction	SALES AND PURCHASE
c)	Duration of the contracts/arrangements/transaction	On Going
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	In the Ordinary Course of Business of Rs 125195148.82
e)	Date of approval by the Board	29.05.2018
f)	Amount paid as advances, if any	NO ADVANCE

**\*Relatives of Key Managerial Personne**

**For O.P. Chains Limited**

Place: Agra  
Date: 27.08.2019

**S/D**  
**Om Prakash Agarwal**  
Managing Director  
DIN: 00095300





[Annexure III]

*REPORT ON CORPORATE GOVERNANCE*

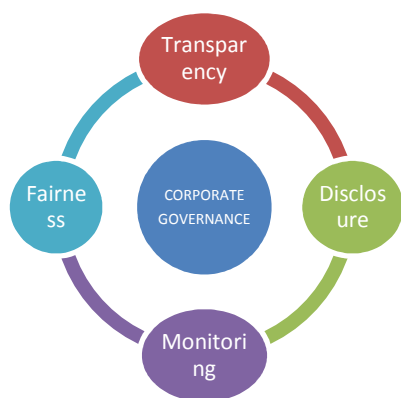
Corporate governance refers broadly to the rules, processes, or laws by which businesses are operated, regulated and controlled. A well-defined and enforced corporate governance provides a structure that works for the benefit of everyone concerned by ensuring that the enterprise adheres to accepted ethical standards and best practices as well as to formal laws.

O.P. Chains Limited is committed to run its business in a legal, ethical and transparent manner with dedication that originates from the very top and permeate throughout the organization. Besides adhering to the prescribed corporate practices as per Regulation 27 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, it voluntarily governs itself as per highest ethical and responsible standard of business.

O.P. Chains Limited Ltd believes in managing business ethically and in a transparent manner with the profit objective balanced by long term value equitably for all stakeholders. Stakeholders would include everyone ranging from the board of directors, management, shareholders to customers, employees and society at large.

*COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE*

Corporate Governance rests upon the four pillars of transparency, disclosure, monitoring and fairness to all.



In terms of the requirement of Regulation 17(5)(a) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“LODR Regulations 2015”) (earlier Clause 49(II)(E) of the Listing Agreement) & Section 149(8) read with Schedule IV of the Companies Act, 2013, the Board of Directors of the Company, in line with the Corporate Philosophy, laid down the Code of Conduct (“Code”) for all Board

Members and Senior Management of the Company.



Company's philosophy is to constantly achieve business excellence and optimize long term value through ethical business conduct. Being a value driven organization the Company envisages attainment of the highest level of transparency, accountability and equity in all facets of its operations including everyone it works with.

The Company has always strived to promote Good Governance practices which ensure that:

- A competent management team at the helm of affairs and employees have a stable environment and
- Board is strong enough with good combination of Executive and Non-Executive Directors, including Independent Directors, who represent the interest of all stakeholders.

The corporate governance structure in the Company ensures that its Board of Directors is well informed and well equipped to fulfill its overall responsibility by way of providing strategic direction to the senior management, employees, etc. which is needed to meet the aspirations of all stakeholders, including societal expectations. Its initiatives towards adhering to highest standards of governance include: professionalization of the Board; fair and transparent processes and reporting systems; and going beyond the voluntary Corporate Governance Code requirements of SEBI. Being a value driven organization the Company envisages attainment of the highest level of transparency, accountability and equity in all facets of its operations including everyone it works with, the community it is in touch with and the environment it has an impact on.

### *Board of Directors*

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#### **I. Composition & Category:**

The Board of the Company at present consists of Six Directors. Besides Chairman who is an Executive Promoter Director, Two Executive promoter Directors and Three Non-Executive Directors. The composition of the Board is in conformity with Regulation 17 of SEBI(Listing Obligation and Disclosure Requirements) Regulations, 2015, laying down an optimum combination of Executive and Non-Executive Directors, with not less than 50 per cent of the Board comprising of Non-Executive Directors, and at least one-half comprising of Independent Directors for a Board chaired by Executive Promoter Director.



**The composition and the category of Directors on the Board of the Company as on March 31, 2019 were as under:**

Name	Category	Designation	Attendance			Directorships(A)/Mandatory committee (B) Memberships		
			No. of Board Meetings Held during the year(1)	No. of Board Meetings Attended	Last AGM Attendance	Directorships in public companies	Memberships of mandatory Committees	Chairmanships of mandatory committees
Mr. Om Prakash Agarwal	Promoter & Executive Director	Managing Director/ CEO	7	7	Yes	1	0	0
Mr. Ashok Kumar Goyal	Promoter & Executive Director	Whole-time Director / Chairman	7	7	Yes	1	2	0
Mr. Satish Kumar Goyal	Promoter & Executive Director	Whole-time Director	7	7	Yes	2	0	0
Mrs. Astha Sharma	Non-Executive Director	Independent Director	7	5	No	1	1	0
Mr. Rajesh Kumar Gupta	Non-Executive Director	Independent Director	7	5	Yes	1	3	1
Mr. Amol Doneria	Non-Executive Director	Independent Director	7	5	Yes	1	3	2

**Notes:**

- (i) No Director of the Company holds directorship in excess of the limit specified in sub section (1) of Section 165.
- (ii) None of the Directors of the Company is a member in more than 10 Committees and Chairman of more than 5 Committees across all the companies in which he is a Director. Disclosures in this regard have been made by the Directors for the current year.

**II. Number of Board Meetings held:**

The Company has held at least one meeting in every three months and the maximum time gap between any two Board meetings was not more than 120 days. None of the Directors of the Company was a member of more than ten committees or the Chairman of more than five committees across all the companies in which he is a Director.



The Company Secretary under the direction of the Chairman prepares the agenda for the meetings along with the notes thereto and circulates it to the Directors, along with the notice of the meeting .

**Board Agenda:**

Meetings are governed by a structured agenda. All agenda items are backed by comprehensive background information to enable the Board to take informed decisions. The Board Members are presented in advance with the detailed agenda in respect of all Board meetings.

**Seven Board Meetings Held during the Financial year 2018-19:**

- |              |              |
|--------------|--------------|
| ❖ 25.05.2018 | ❖ 14.11.2018 |
| ❖ 29.05.2018 | ❖ 12.01.2019 |
| ❖ 20.07.2018 | ❖ 16.03.2019 |
| ❖ 10.08.2018 |              |

**III. Information available to the Board:**

In advance of each meeting, the Board is presented with relevant information on various matters related to working of the Company, especially those that require deliberation at the highest level. The Board is given presentations covering Finance, Sales, marketing, major segments and operations of the Company, overview of the business operations of major subsidiary companies, global business environment, all business areas of the Company including business opportunities, business strategy and risk management practices before taking on record the quarterly/annual financial results of the Company. In addition to matters statutorily requiring Board's approval, all major decisions involving policy formulation, strategy and business plans, new investments, compliance with statutory/regulatory requirements and major accounting provisions are considered by the Board. Minutes of the Board Meetings/Committee Meetings are circulated to the Directors well in advance and confirmed at the subsequent meetings. Further to this all the information relevant to a Company as required under listing regulations is also made available to the Board.

The following information are regularly provided to the Board, as part of the agenda papers at least 2 weeks in advance of the Board meetings.

1. Detailed Business Review.
2. Annual and Quarterly financial results of the Company
3. Minutes of the meetings of the Audit Committee and other committees of the Board.
4. Information on recruitment and remuneration of senior officers just below the level of Board.
5. Materially important show cause, demand, prosecution notices and penalty notices.
6. Any material default in financial obligations to and by the Company.
7. Non-compliance of any regulatory, statutory or listing requirements.



**IV. Board Membership Criteria:**

The selection of Board members is based on appropriate characteristics, skills and experience. The skill profile of Independent Board members is driven by the key performance indicators defined by the Board, broadly based on:

- Independent Corporate Governance
- Enhancing Shareholders' Value
- Monitoring Performance and Development
- Legal Compliances

**V. Directors' Attendance Record And Their Other Directorships/ Committee Memberships:**

As mandated by Regulation 26 of the Listing Regulations, none of the Directors is a member of more than ten Board level Committees (considering only Audit Committee and Stakeholders' Relationship Committee) or Chairman of more than five Committees across all public limited companies (listed or unlisted) in which he/she is a Director. Further all the Directors have informed about their Directorships, Committee Memberships/ Chairmanships including any changes in their positions. Relevant details of the Board of Directors attendance and their directorship's / committee membership as on March 31<sup>st</sup>, 2019 is mentioned in the corporate governance report.

**VI. Limit on The Number of Directorships:**

In compliance with the Listing Regulations, Directors of the Company do not serve as Independent Director in more than seven Listed Companies or in case he/she is serving as a Whole-Time Director in any Listed Company, does not hold such position in more than three Listed Companies.

**VII. Shareholding of Directors:**

Name	Category	Designation	No. of Shares held
Mr. Om Prakash Agarwal	Promoter & Executive Director	Managing Director/ CEO	9,68,100
Mr. Ashok Kumar Goyal	Promoter & Executive Director	Whole-time Director / Chairman	11,00,000
Mr. Satish Kumar Goyal	Promoter & Executive Director	Whole-time Director	11,80,000
Mrs. Astha Sharma	Non-Executive Director	Independent Director	NIL
Mr. Rajesh Kumar Gupta	Non-Executive Director	Independent Director	NIL
Mr. Amol Doneria	Non-Executive Director	Independent Director	NIL

**VIII. Separate Meeting of the Independent Directors:**

All Independent Directors of the Company met separately on **07.03.2019** without the presence of Non-Independent Directors and Members of Management.

**IX. Terms and conditions of appointment of Independent Directors:**

The terms and conditions of appointment of Independent Directors have been disclosed on the website of the Company i.e., [www.opchainsltd.com](http://www.opchainsltd.com).

**X. Maximum Tenure of Independent Directors:**

In accordance with Section 149(11) of the Companies Act, 2013, the tenure of ;

- Mr. Rajesh Kumar Gupta Independent Director of the Company, subject to the approval of the ensuing AGM is for a term of 5 consecutive years from 1<sup>st</sup> Day of June, 2019.
- Mr. Amol Doneria Independent Director of the Company, subject to the approval of the ensuing AGM is for a term of 5 consecutive years from 1<sup>st</sup> Day of June, 2019.
- Mrs. Astha Sharma Independent Director of the Company, subject to the approval of the ensuing AGM is for a term of 5 consecutive years from 1<sup>st</sup> Day of June, 2019.

**XI. Familiarization Programme for the Independent Directors:**

The Company conducts Familiarization Programme for the Independent Directors to provide them an opportunity to familiarize with the Company, its Management and its operations so as to gain a clear understanding of their roles, rights and responsibilities and contribute significantly towards the growth of the Company. They have full opportunity to interact with Senior Management Personnel and are provided all the documents required and sought by them for enabling them to have a good understanding of the Company, its business model and various operations and the industry of which it is a part.

**XII. Remuneration paid to Directors:****Pecuniary relationship or transactions of the Non-Executive Independent Directors vis-à-vis Company**

During the financial year under report, the Company has paid only sitting fees to the Non-Executive Independent Directors for attending the Board and Committee Meetings. Apart from above, no transaction for payment of any sum has been made with Non-Executive Independent Directors vis-à-vis your Company.



### **Criteria for making payments to the Non-Executive Directors**

The criteria of making payments to the Non-Executive Directors is enumerated in the Nomination and Remuneration Policy adopted by the Board and uploaded on the website of the Company [www.opchainsltd.com](http://www.opchainsltd.com)

### **Directors' Remuneration:**

Details of remuneration paid to Directors for the Financial Year 2018-2019 is as under:

<b><u>Name of Director</u></b>	<b><u>Sitting Fees</u></b>	<b><u>Salary &amp; Perquisites</u></b>	<b><u>Total</u></b>
Mr. Om Prakash Agarwal	0	3,00,000/-	3,00,000/-
Mr. Ashok Kumar Goyal	0	3,00,000/-	3,00,000/-
Mr. Satish Kumar Goyal	0	3,00,000/-	3,00,000/-
Mrs. Astha Sharma	6500/- per Meeting	0	6500/- per Meeting
Mr. Rajesh Kumar Gupta	6500/- per Meeting	0	6500/- per Meeting
Mr. Amol Doneria	6500/- per Meeting	0	6500/- per Meeting

**For the Financial Year 2019-2020 on the recommendation of the Nomination and Remuneration committee the Board in its Meeting held on 3<sup>rd</sup> Day of May, 2019 approved alteration in remuneration of managing director of the company i.e., Mr. Om Prakash Agarwal from Rs. 25000/- per month to Rs. 11000/- per month with effect from April 1st, 2019.**

### **XIII. Role of Board Members:**

Company has laid down a clear policy defining the structure and role of Board members. The policy of the Company is to have an optimum combination of Executive and Non-Executive promoter/Independent Directors. There is clear demarcation of responsibility and authority amongst them.

### **XIV. Code of Conduct:**

Commitment to ethical professional conduct is must for every employee, including Board members and senior management. The Code is intended to serve as a basis for ethical decision-making in conduct of professional work. The Code of Conduct enjoins that each individual in the organization must know and respect existing laws, accept and provide appropriate professional views, and be upright in his conduct and observe corporate discipline. All Board members and senior management personnel affirm compliance with the Code of Conduct annually. A declaration signed by the Chief Executive Officer (CEO) to this effect is enclosed at the end of this report.



## Committees of the Board

### **The Company has three Board Level Committees**

- Audit Committee
- Stakeholders/ Investors Relationship Committee
- Remuneration Committee

### **❖ Audit Committee:**

The Audit Committee meets periodically to review reports of Statutory/ internal Auditors and discuss their findings and suggestions.

The composition of the Audit Committee as on March 31, 2019 is as under:

Name	Category	Designation	No. of Meetings	
			Held	Attended
Mr. Amol Doneria	Non-Executive, Independent	Chairperson	4	4
Mr. Rajesh Gupta	Non-Executive, Independent	Member	4	4
Ashok Kumar Goyal	Executive	Member	4	4

The Chief Financial Officer, Internal Auditor and the Statutory Auditors are invitees to the relevant meetings of the Audit Committee in respect of businesses related to them. The Company Secretary acts as Secretary to the Audit Committee.

### **Meetings:**

During the financial year 2018-19, The Audit Committee met Four times on 29.05.2018 ; 14.07.2018 ; 14.11.2018 ; 12.01.2019. All the members were present at the Audit Committee meetings.

### **The functions of the Audit Committee include the following:**

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the board for approval, with particular reference to:





Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of section 134 of the Companies Act, 2013.

- Changes, if any, in accounting policies and practices and reasons for the same
  - Major accounting entries involving estimates based on the exercise of judgment by management
  - Significant adjustments made in the financial statements arising out of audit findings
  - Compliance with listing and other legal requirements relating to financial statements
  - Disclosure of any related party transactions
  - Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval and reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up-steps in this matter.
  6. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
  7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
  8. Discussion with internal auditors any significant findings and follow up there on.
  9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
  10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
  11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
  12. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
  13. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
  14. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee reviews the following information:

- ❖ Management discussion and analysis of financial condition and results of operations;
- ❖ Statement of significant related party transactions submitted by management;
- ❖ Letters of internal control weaknesses issued by the statutory auditors;
- ❖ Internal audit reports relating to internal control weaknesses; and
- ❖ The appointment, removal and terms of remuneration of the Chief internal auditor.

**Audit Committee Report for the year ended March 31, 2019**

To  
The Board of Directors,  
O. P. Chains Limited

Two Third member of the Audit Committee is Independent Director, according to the definition laid down in Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 with the relevant stock exchanges.

The Management is responsible for the Company's internal controls and financial reporting process. The independent auditors are responsible for performing an independent audit of the Company's financial statements in accordance with the Indian GAAP and for issuing a report thereon. The Committee is responsible for overseeing the processes related to financial reporting and information dissemination.

The Management presented to the Committee the Company's financial statements and also represented that the Company's financial statements had been drawn in accordance with the Indian GAAP.

Based on its review and discussions conducted with the Management and the independent auditors, the Audit Committee believes that the Company's financial statements are fairly presented in conformity with Indian GAAP in all material aspects.

The Committee has also reviewed Management Discussion and Analysis, Directors' Responsibility Statement, compliance relating to Financial Statements and draft Auditors' Report. The Committee also affirms that in compliance with the Whistle-Blower Policy no personnel had been denied access to the Audit Committee.

In conclusion, the Committee is sufficiently satisfied that it has complied with the responsibilities as outlined in the Audit Committee's responsibility statement.

**Date: 03/05/2019**  
**Place :Agra**

S/D  
**Amol Doneria**  
**Chairman**  
**Audit Committee**



❖ **Stakeholder/ Investors Relationship Committee:**

The composition of the Stakeholder Relationship Committee as on March 31, 2019 is as under:

Name	Category	Designation	No. of Meetings	
			Held	Attended
Mr. Amol Doneria	Non-Executive, Independent	Chairperson	4	4
Mr. Rajesh Kumar Gupta	Non-Executive, Independent	Member	4	4
Mr. Ashok Kumar Goyal	Executive	Member	4	4

**Terms of Reference:**

The terms of the reference of Stakeholder Relationship Committee include *inter alia* the following:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
5. The Committee shall carry out such other functions as may be required by any law for the time being in force.

**Meetings**

During the Financial year 2018-2019 under review 4 meetings on 12.04.2018, 14.07.2018, 12.10.2018 and 12.01.2019 were held. The Company has no complaints/ transfers pending at the close of Financial Year.

**Status of Investor complaints received by the Company during the year is as follows:**

Particulars	Pending as on April 1, 2018	Received during the Year	Disposed during the Year	Complaint not solved to the satisfaction of shareholder	Pending as on March 31, 2019
No of Complaints	Nil	Nil	Nil	Nil	Nil



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**Stakeholders' Relationship Committee Report for the year ended March 31, 2019**

To

The Board of Directors

O.P. Chains Limited,

The Stakeholders' Relationship Committee comprises of Three Members.

The Committee ensures cordial investor relations and oversees the mechanism for redressal of investors' grievances. The main responsibility of the Committee is to ensure cordial investor relations and supervise the mechanism for redressal of investor grievances pertaining to transfer of shares, non-receipt of annual report, non-receipt of declared dividends etc. It performs the functions of transfer/transmission/ remat /demat/split-up/sub-division and consolidation of shares, issue of duplicate share certificates and allied matter(s).

The Company has no complaints/transfers pending at the close of financial year.

**Date: 03/05/2019**

**Place :Agra**

S/D  
**Amol Doneria**  
**Chairman**  
**Audit Committee**



❖ **Nomination and Remuneration Committee:**

The Board of Directors of your company constituted the Remuneration Committee. Remuneration Committee should consist of at least three directors, all of whom should be non-executive directors, the Chairman of committee being an Independent Director. The role of Committee inter alia is to determine on behalf of the Board of Directors and on behalf of the Shareholders, the Company's policy on specific remuneration packages for Executive Directors.

**Composition:**

The composition of the Nomination and Remuneration Committee as on March 31, 2019 is as under:

Name	Category	Designation	No. of Meetings	
			Held	Attended
Mr. Rajesh Kumar Gupta	Non-Executive, Independent	Chairperson	4	4
Mrs. Astha Sharma	Non-Executive, Independent	Member	4	4
Mr. Amol Doneria	Non-Executive, Independent	Member	4	4

**Terms of Reference:**

1. Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
2. The Committee will make recommendations to the Board regarding the size and composition of the Board and develop and recommend to the Board the Criteria (such as independence, experience relevant to the needs of the company, leadership qualities, diversity and ability to the represent the shareholders) for the selection of the individuals to be considered as candidates for election to the Board.
3. The Committee will establish, monitor and recommend the purpose, structure and operations of the various Committees of the Board, and qualifications and criteria on membership on each Committee of the Board, and, as circumstances dictate, make any recommendations regarding periodic rotation of directors among the Committees.



4. The Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration for the directors, key managerial personnel and other employees (referred as 'Nomination and Remuneration Policy').
5. Committee shall, while formulating the 'Nomination and Remuneration Policy, ensure that—
  - a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
  - b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - c) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.
  - d) Nomination and remuneration policy shall be disclosed in the Board's Report.
6. Annual review of the salary, bonus and other compensation plans of the CEO, CFO and Senior Management team of the Company.
7. Review and recommend to the Board, the salary, bonus and compensation plans for all the executive directors of the Company.
8. The Committee shall recommend to the Board, all remuneration, in whatever form, payable to senior management.
9. The Committee shall carry out such other functions as may be required by any law for the time being in force.

## Meetings

**During the Financial Year 2018-2019** Four meetings were held on

- ✓ 12.04.2018
- ✓ 14.07.2018
- ✓ 12.10.2017
- ✓ 12.01.2019.

## Performance evaluation criteria for Independent Directors

Performance of all directors including Independent Directors are carried out in a manner as specified in Nomination and remuneration Policy and also briefly described in Director's Report forming part of Annual Report.



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**Nomination and Remuneration Committee Report for the year ended March 31, 2019**

To

The Board of Directors

O.P. Chains Limited,

The main responsibility of the Committee is to incentivize and reward Executive performance that will lead to long-term enhancement of shareholder performance. Further the Committee is also responsible for formulating policies as to remuneration, performance evaluation, Board diversity, etc. in line with Companies Act, 2013 and SEBI Listing Regulations. The financial targets fixed for FY 2018-19 were revised by the Committee.

The Committee conducted the performance evaluation of Directors for the Financial Year 2018-19. The Committee was also provided information on compensation policies for employees and the information to decide on grant of options to various employees.

**Date: 03/05/2019**

**Place :Agra**

S/D  
**Rajesh Kumar Gupta**  
**Chairman**  
**Nomination and Remuneration Committee**



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## ***DISCLOSURES***

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### **Remuneration Policy :**

The remuneration paid to the Executive Directors of the Company is approved by the Board of Directors on the recommendations of the Remuneration Committee. The Company's remuneration strategy aims at attracting and retaining high caliber talent. The strategy is in consonance with the existing industry practice and is directed towards rewarding performance. Remuneration Policy has been disclosed on the website of the company [www.opchainsltd.com](http://www.opchainsltd.com).

### **Related Party Transactions:**

The Company has formulated a Policy on materiality of Related Party Transactions and on dealing with Related Party Transactions, in accordance with relevant provisions of Companies Act, 2013 and Listing Regulations (a transaction with a related party is considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity).

The policy has been disclosed on the website of the Company at [www.opchainsltd.com](http://www.opchainsltd.com).

All Related Party Transactions are approved by the Audit Committee prior to the transaction. The Audit Committee has, after obtaining approval of the Board of Directors, laid down the criteria for granting omnibus approval which forms part of the Policy on Related Party Transactions. Related Party Transactions of repetitive nature are approved by the Audit Committee on omnibus basis for one Financial Year at a time. The Audit Committee satisfies itself regarding the need for omnibus approval and ensures compliance with the requirements of Listing Regulations and the Companies Act, 2013. All omnibus approvals are reviewed by the Audit Committee on a quarterly basis.

During the Financial Year 2018-19, there were Related Party Transactions, either as per Companies Act, 2013 or Listing Regulations which were required to be approved by the Board of Directors. Further, there were no materially significant Related Party Transactions that may have potential conflict with the interests of Company at large. Details of Related Party Transactions is disclosed in the quarterly compliance report on Corporate Governance.

### **Disclosure of accounting treatment in preparation of financial statements:**

The Company has followed prescribed Accounting Standards as laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.



**Disclosure on compliance with Corporate Governance Requirements specified in Listing Regulations:**

The Company has complied with the requirements of Part C (Corporate Governance Report) of sub-paras (2) to (10) of Schedule V of the Listing Regulations. The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and Clause (b) to (i) of Sub-Regulation (2) of Regulation 46 of the Listing Regulations and necessary disclosures thereof have been made in this Corporate Governance Report.

**Whistle-Blower Policy:**

Section 177(9) of the Companies Act, 2013 (The "Act") read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, provides for establishment Vigil Mechanism Policy of O. P. Chains Limited to report their genuine concerns in the prescribed manner. Further, Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 also provides for the establishment of vigil mechanism for employees and directors to report to the management, instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. In line with both the requirements and in order to comply with the mandatory requirement of the above provisions, it is necessary to formulate a specific Policy. The above mechanism has been appropriately communicated within the Company across all levels and has been displayed on the Company's intranet as well as on the Company's website [www.opchainsltd.com](http://www.opchainsltd.com).

The Company promotes ethical behavior in all its business activities and in line with the best international governance practices and has established a system through which employees and business associates may report unethical business practices at work place without fear of reprisal. The Company has set up a direct touch initiative, under which all employees / business associates have direct access to Mr. Amol Doneria R/o Flat No. 310, Ganpati Kings County, Near Holy Public School, Opp. Kamayani Hospital, Si Kandara Agra 282007, Uttar Pradesh, India the Chairman of the Audit Committee. The Whistle-Blower Protection Policy aims to:

- Allow and encourage employees and business associates to bring to the Management notice concerns about unethical behavior, malpractice, wrongful conduct, actual or suspected fraud or violation of policies.
- Ensure timely and consistent organizational response.
- Build and strengthen a culture of transparency and trust.

The Audit Committee periodically reviews the existence and functioning of the mechanism. It reviews the status of complaints received under this policy on a quarterly basis.

**CEO/ CFO Certification:**

The CEO and CFO certification of the financial statements and the cash flow statement for the year is enclosed with the report.

**Risk Management:**

Company has established comprehensive risk assessment and minimization procedures, which are reviewed by the Board periodically. At every Board meeting, the risk register is reviewed by the Board, new risks are identified, the same are then assessed, controls are designed, put in place and enforced through the process owner, and a fixed timeline is set for achieving the same.

**Legal Compliance Reporting:**

The Board of Directors reviews in detail, on a quarterly basis, the reports of compliance to all applicable laws and regulations. Any non-compliance is seriously taken up by the Board, with fixation of accountability and reporting of steps taken for rectification of non-compliance.

**Means of Communication with Shareholders :**

Board recognizes communication as a key element of the overall Corporate Governance framework, and therefore emphasizes on prompt, continuous, efficient and relevant communication. Financial Results are also available at Company's Website [www.opchainsltd.com](http://www.opchainsltd.com). The Company's website contains details for use of investors. The quarterly ; half yearly and annual financial results are promptly and prominently displayed on the website. Annual Reports, Shareholding Pattern and other Corporate Communications made to the Stock Exchanges are also available on the website of BSE([www.bseindia.com](http://www.bseindia.com)).

Annual Report containing Financial Statements, Directors' Report, Report on Corporate Governance, Auditors Report and other important information is circulated to the members and others entitled thereto for each financial year. It is sent electronically to shareholders whose email ids are with the Company. Members who have not yet provided their email ids to the Company / its Registrar, are requested to do the same at the earliest.

**Investor Relations :**

There is a conscious effort towards effective dissemination of information to the shareholders to communicate the company's vision and mission. The growing requirements of transparency and corporate governance have made it indispensable for companies to communicate more effectively with shareholders. Communication is done on transparent grounds.



### Details of General body meetings

#### i. General meeting

##### a. Annual general meeting:

Meeting	Year	Venue of AGM	Date	Time
15 <sup>TH</sup> AGM	2015-16	Temptation B-87, Central Bank Road Kamla Nagar Agra	17.09.2016	11:00 A.M
16TH AGM	2016-17	Temptation B-87, Central Bank Road Kamla Nagar Agra	19.09.2017	11:00 A.M
17TH AGM	2017-2018	Temptation B-87, Central Bank Road Kamla Nagar Agra	25.08.2018	11:00AM

##### b. Extraordinary general meeting:

i. No Extraordinary general meeting of the members was held during the year 2018-19.

ii. Special resolutions:

No Special resolutions were passed by the Company in the last AGM.

iii. Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise and details of the voting pattern.

During the year under review, no special resolution has been passed through the exercise of postal ballot.

None of the items to be transacted at the ensuing meeting is required to be passed by postal ballot .

### **VIII. General shareholder information:**

#### i. Annual General Meeting:

Date & Time : 23<sup>rd</sup> September, 2019 at 11.00 a.m.

Venue : Temptation B-87, Central Bank Road Kamla Nagar Agra

**ii. Financial Year :**

The financial year of the Company is from April 1, 2018 to March 31, 2019

AGM : 23<sup>rd</sup> September, 2019

Dividend payment : N/A

**iii. Financial Calendar:**

Financial year: April 1 to March 31

For the Financial Year ended March 31, 2019, results were announced on:

- First Quarter : 10<sup>th</sup> August, 2018
- Half Yearly : 14<sup>th</sup> November, 2018
- Third Quarter : 14<sup>th</sup> February, 2019
- Fourth Quarter and Annual : 29<sup>th</sup> May, 2019

**iv. Dates of Book Closure:**

Our register of members and share transfer books will remain closed from Monday, 16-09- 2019 to Monday, 23-09-2019 (both days inclusive).

Listing Fees as applicable have been paid.

**v. Corporate Identification Number (CIN):**

The Corporate Identification Number (CIN) allotted by Ministry of Corporate Affairs, Government of India is L27205UP2001OLC026372 and Company registration number is 026372. The Company is registered in the state of Uttar Pradesh with Registrar of Companies, Uttar Pradesh and Uttarakhand.

**Compliance With Mandatory Requirements:**

The Company has complied with all applicable mandatory requirements of the Listing Regulations as on 31<sup>st</sup> March, 2019. Quarterly Compliance Report on Corporate Governance, in the prescribed format, duly signed by the compliance officer is submitted regularly with the Stock Exchanges where the shares of the Company are listed.

**Dematerialization of Shares:**

For convenience of shareholders, the process of getting the shares dematerialized is given hereunder:

- a. Demat Account should be opened with a Depository Participant (DP).
- b. Shareholders should submit the Dematerialization Request Form (DRF) along with share certificates in original, to their DP.
- c. DP will process the DRF and will generate a Dematerialization Request Number (DRN).
- d. DP will submit the DRF and original share certificates to the Registrar and Transfer Agents (RTA)
- e. RTA will process the DRF and confirm or reject the request to DP/ Depositories.
- f. Upon confirmation of request, the shareholder will get credit of the equivalent number of shares in his Demat Account maintained with the DP.

**Service of Documents Through Email:**

In terms of provisions of the Companies Act, 2013 service of documents on members by a Company is allowed through electronic mode. Further, as per Listing Regulations, Listed Companies shall supply soft copies of full annual reports to all those shareholders who have registered their e-mail addresses for the purpose. Accordingly, the Company proposes to send documents like shareholders meeting notice/other notices, Audited Financial Statements, Directors' Report, Auditor's Report or any other document, to its members in electronic form at the email address provided by them and/or made available to the Company by their depositories. This will definitely help in prompt receipt of communication, reduce paper consumption and save trees as well as avoid loss of documents in transit. Members who have not yet registered their email id (including those who wish to change their already registered email id) may get the same registered/ updated either with their depositories or by writing to the Company. Format of request letter is available in the Investor section of the Company's website.

**Reconciliation of Share Capital Audit:**

An independent firm of Practicing Company Secretaries i.e., N.K. Rastogi & Associates, having registered office at 109, Choudary Complex 9, V S Block, Shakarpur, Delhi – 110092, carries out the Reconciliation of Share Capital Audit as mandated by SEBI, and reports on the reconciliation of total issued and listed Capital with that of total share capital admitted / held in dematerialized form with NSDL/CDSL and those held in physical form, for the Quarter ended June 2018 and for the rest three Quarters M/s R. C. Sharma & Associates, independent firm of Practicing Company Secretaries carries out the Reconciliation of Share Capital Audit as mandated by SEBI, and reports on the reconciliation of total issued and listed Capital with that of total share capital admitted / held in dematerialized form with NSDL/CDSL and those held in physical form.

This audit is carried out on quarterly basis and the report thereof is submitted to the Stock Exchanges, where the Company's shares are listed and is also placed before the Shareholders and Investors Grievances Committee of the Board and is available on company website [www.opchainsltd.com](http://www.opchainsltd.com).



**Share Transfer System & Transfer Agent:**

Your Company has appointed M/s Big share Services Private Limited as its Registrar & Share Transfer Agent w.e.f. 27<sup>th</sup> of January 2014. Shareholder/ Investors are requested to forward Share Transfer Documents and other related correspondence directly to M/s Big share Services Private Limited at their address at 1ST FLOOR, BHARAT TIN WORKS BUILDING, OPP. VASANT OASIS APARTMENTS (NEXT TO KEYS HOTEL), MAROL MAROSHI ROAD, ANDHERI EAST, MUMBAI-400059.

**Distribution of Shareholding (as on March 31, 2019):**

**On The Basis of Shares Held:**

No. of Equity Shares Held (Range)	No. of Shareholders	% to Total Shareholders	No. of shares held	% to total Shares held
5001- 10000	1	2.0408	10000	0.0146
30001-40000	1	2.0408	40000	0.0584
40000-50000	8	16.3265	400000	0.5839
5000-100000	23	46.9388	2300000	3.3577
100001-9999999999	16	32.6531	65750000	95.9854
<b>Total</b>	<b>49</b>	<b>100.00</b>	<b>68500000</b>	<b>100.00</b>

**On The Basis of Category:**

Category	No. of Shareholders	No. of Shares Held	% to Total shares
Promoter	6	3335100	48.69
Corporate Bodies	6	2574900	37.56
Public	32	600000	08.76
Clearing Member	1	5000	0.28
Nationalised Banks	1	335000	4.89
<b>Total</b>		<b>6850000</b>	<b>100</b>



### **LISTING ON STOCK EXCHANGES AT:**

- (a) SME Platform Of Bombay Stock Exchange Limited  
25th Floor, P.J. Tower, Dalal Street, Mumbai-400001

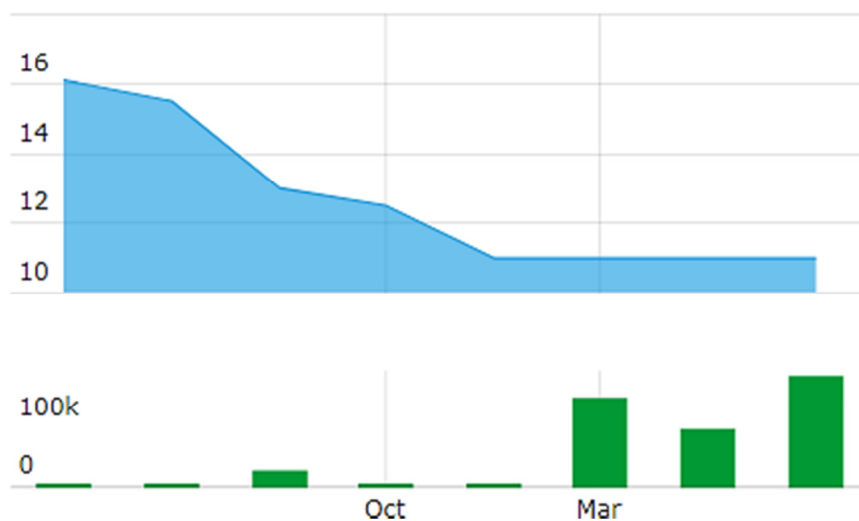
### **Address For Correspondence**

### **Market Price Data of the Equity Shares of the Company:**

The market price data and the volume of your Company's shares traded on BSE during the year ended March 31, 2019 are as follows:

Month	Total No. of share dealt during the month	BSE	
		High	Low
April-2018	10,000	16.10	15.50
May-2018	-	-	-
June-2018	25,000	13.00	13.00
July-2018	-	-	-
August-2018	-	-	-
September-2018	-	-	-
October-2018	5,000	12.50	12.50
November-2018	5,000	11.00	11.00
December-2018	-	-	-
January-2019	-	-	-
February-2019	-	-	-
March-2019	4,40,000	11.00	11.00

### **Performance of share price in comparison with the BSE indices:**



**No Suspension of Trading**

During the financial year under report and during any of the previous financial years, the securities of the Company were never suspended from trading on any of the Stock Exchange(s).

**1. For Transfer or any other query relating to Shares of the Company:**

BIGSHARE SERVICES PRIVATE LIMITED

1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Apartments (Next To Keys Hotel), Marol Maroshi Road, Andheri East, Mumbai 400059

**2. Any Query on Annual Report:**

O.P. CHAINS LIMITED

R/o: 8/16 A Seth Gali, Agra, Uttar Pradesh- 282003

Email Id: [opchains@rediffmail.com](mailto:opchains@rediffmail.com)

**Compliance with Secretarial Standards:**

The Institute of Company Secretaries of India, a statutory body, has issued Secretarial Standards on various aspects of corporate law and practices. These standards are mandatory in nature, the Company has complied with each one of them. The company has complied with the SS-1 and SS-2 issued by ICSI.





**FORM No. MR-3**  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2019

(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 Members,  
O. P. Chains Limited  
8/16 A, Seth Gali  
Agra  
Uttar Pradesh 282003

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s O. P. Chains Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our 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, We hereby report that in our opinion, the company has, during the audit period covering the Financial Year ended on 31.03.2019 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31.03.2019 according to the provisions of:-

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (a) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings(Not applicable to the Company during the Audit Period under review);
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;



- (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992/2015;
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during the Audit Period under review);
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period under review);
- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not applicable to the Company during the Audit Period under review);
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period under review);
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period under review); and
- (v) Laws specifically applicable to the industry to which the Company specifically belongs, as identified by the management are:- NIL

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India
- b) The Listing Agreements entered into by the Company with BSE Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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.



During the audit period under review all decisions at Board Meetings and Committee Meetings were carried out unanimously.

We 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.

**For R. C. Sharma & Associate  
Company Secretaries**

**S/D  
CS Ramesh Chandra Sharma  
FCS No. 5524  
C. P. No. 7957  
Proprietor**

**Place: Agra  
Date: 14.08.2019**



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Annexure – A

[Annexure to the Secretarial Audit Report of M/s. O. P. Chains Limited  
for the Financial Year ended 31st March, 2019]

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we 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, standards is the responsibility of management. Our 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.

**For R. C. Sharma & Associate  
Company Secretaries**

**S/D  
CS Ramesh Chandra Sharma  
FCS No. 5524  
C. P. No. 7957  
Proprietor**

**Place: Agra  
Date: 14.08.2019**



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**ANNEXURE-A****DECLARATION BY MANAGING DIRECTOR ON CODE OF CONDUCT**

{As required under Schedule V (D) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015}

I, Om Prakash Agarwal, Managing Director of the Company confirm that the Company has in respect of the financial year ended March 31, 2019, received from its Board members as well as senior management personnel affirmation as to compliance with the Code of Conduct.

**For O.P. Chains Limited**

Place: Agra  
Date: 27.08.2019

**S/D**  
**Om Prakash Agarwal**  
Managing Director  
DIN: 00095300

**ANNEXURE-B****CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER**

{As Required under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015}

We, Om Prakash Agarwal, Chief Executive Officer and Ashok Kumar, Chief Financial Officer, of O.P. Chains Limited, to the best of our knowledge and belief certify that:

1. We have reviewed the Balance Sheet and Profit and Loss Account of the Company for the year ended 31st March, 2019 and its entire schedule and notes on accounts, as well as the Cash Flow Statement.
2. To the best of our knowledge and information:
  - a. These statements do not contain any materially untrue statement or omit to state a material fact or contains statement that might be misleading;
  - b. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. We also certify, that based on our knowledge and the information provided to us, there are no transactions entered into by the company, which are fraudulent, illegal or violate the company's code of conduct.
4. The company's other certifying officers and we are responsible for establishing and maintaining internal controls for financial reporting and procedures for the Company, and we have evaluated the effectiveness of the Company's internal controls and procedures.
5. The Company's have disclosed, based on our most recent evaluation, wherever applicable, to the Company's auditors and to the Audit Committee of the Company, the following:
  - a. All significant deficiencies in the design or operation of internal controls, which we are aware and have taken steps to rectify these deficiencies;
  - b. Significant changes in internal control during the year;
  - c. Any fraud, which we have become aware of and that involves Management or other employees who have a significant role in the Company's internal control systems;

**For O.P. Chains Limited**

**S/D**

**S/D**

**Place: Agra  
Date: 27.08.2019**

**Om Prakash Agarwal  
MD**

**Ashok Kumar  
CFO**



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**ANNEXURE-C****CERTIFICATION BY STATUTORY AUDITOR**

**{As required under Schedule V (D) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015}**

To,

The Members of O. P. Chains Limited,

We have examined the Compliance of conditions of Corporate Governance by O. P. Chains Limited, for the year ended March 31, 2019, as stipulated in the Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination is limited to procedures, and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We state that no investor grievances were received/ lodged during the year and as on 31.03.2019, no investor complaint is pending against the Company as per the records maintained by the Stakeholders Relationship Committee.

We further state that such compliance is neither an 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.

**For BPN & Co.  
Chartered Accountants**

**S/D**  
**Nikhil Garg**  
(Partner)  
Membership No.: 407004

Place: Agra  
Date: 27.08.2019



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

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In compliance of the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations 2015”), Please find Management Discussion and Analysis Report forming part of Annual Report

### **1. INDUSTRY STRUCTURE & DEVELOPMENTS**

Company recognizes operations as an important source of competitive advantage and further believes in continually striving for higher and better levels of quality not just in its products, but also in its operations, without losing sight of its commitments towards the environment and communities where it operates. A host of initiatives are continually rolled out by the company to improve productivity while reducing its energy usage.

Company is committed to create an open and transparent organization that is focused on people and their capability and fostering an environment that enables them to deliver superior performance.

Company deals in the products which are of international standards in terms of purity. One of our strength is that we practice fair dealings in or transactions and provide quality products. We believe that an intricacy of our quality products enables us to get better margins on the products traded by us and develop long term relations.

### **2. OPPORTUNITIES AND THREATS**

The consumer landscape has been continuously evolving and one has to keep pace with the changing trends in order to win consumer confidence.

The Indian silver firms are reported to be going through a transition phase, upgrading their technologies to conform to international standards. The short supply of gold in the country and the rising prices of the yellow metal have in a way benefited silver jewellery manufacturers.

The economic outlook provides the most important basis for determining the prospects for global silver industrial demand, while prices are generally more of a secondary concern. In terms of the former, healthy western market growth over the past decade has been an important contributory factor to the strength in silver industrial demand.

Currency volatility, slowdown in category growth rates and unpredictable weather patterns are some of the threats to the company’s prospects.

### **3. RISKS AND CONCERNS**

The Company is well aware of the risks and challenges and has put in place mechanisms to ensure that they are managed and mitigated with adequate timely actions. One of the key risks faced by the Company in today’s scenario is the continued inflationary trend which is not only increasing cost pressures, but may also lead to demand compression for its products. Increase of imitation/smuggled products can hamper our growth. The input Cost Pressures were managed effectively. Growth rates across quarters have been consistent and reflect your company’s sound business strategies and strong





execution capabilities. A slowdown in overall economic growth can lead to pressure on disposable incomes and spending power of people.

To overcome the hurdles posed by a challenging external environment, Company has been taking proactive measures in portfolio, product and channel optimization. The focus of the Company is on ensuring deeper penetration and more effective distribution of products.

The Company increased its efforts to improve productivity by deploying various cost reduction and energy saving initiatives, resulting in a reduction in manufacturing costs to lower levels.

#### **4. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

Your Company has a proper and adequate system of internal control including internal financial controls. Your Company has an Audit Committee headed by a non-executive independent director, inter-alia, to oversee your Company's financial reporting process, disclosure of financial information, and reviewing the performance of statutory and internal auditors with management. The internal control system, including internal financial controls of the Company, is monitored by an independent internal audit team, which encompasses examination/ periodic reviews to ascertain adequacy of internal controls and compliance to Company's policies. Weaknesses noted along with agreed upon action plans are shared with audit committee, which ensures orderly and efficient conduct of the business and effectiveness of the system of internal control. The audit function also looks into related party transactions, preventive controls, investigations, as well as other areas requiring mandatory review per applicable laws. The powers of the Audit Committee, inter-alia, include seeking information from any employee, obtaining outside legal or other professional advice and investigating any activity of the Company within the committee's term of reference. Your Company's internal audit department verifies the information of the financial statements as well as the compliance with your Company's policies to maintain accountability and ensuring controls are in place to safeguard of all its assets and correctness of accounting records. The internal audit department shares regular updates regarding the work done, coverage, weaknesses noted and other relevant issues with appropriate management levels including Audit Committee. Observations/ weaknesses noted from time to time are suitably acted upon and followed up at different levels of management. The internal control is supplemented by an extensive program of audits and periodic review by the management.

#### **5. HUMAN RESOURCES**

‘Humankind is the Greatest Resource’

The Company's endeavour has always been to build an organisation where its people are always engaged and empowered to do their best. The Company's culture is focused on customer-centricity collaborative team work, result orientation, entrepreneurial mindset and developing people.



Owing to the competitiveness and diversity of Indian markets, the Company strives to ensure adequate succession planning of its leadership talent pool. In line with the Company's focus on employee empowerment, it has also designed new 'Ways of Working' to deliver high operational excellence and governance.

The Company recognizes and appreciates the contribution of all its employees in its growth path. Our Company strives to retain talent by facilitating career growth through job enrichment and empowerment, as it believes that the pool of the human resource is the biggest asset of the organization. Your Company maintains a cordial relationship with its employees through a constructive work environment in support of productive gains.

## **6.CAUTIONARY STATEMENT**

Statements in this Management Discussion and Analysis describing the O.P. Chains objectives, projections, estimates and expectations might be construed as 'forward looking statements' within the meaning of applicable laws and regulations.

Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downward trend in the industry, rise in input costs, exchange rate fluctuations and significant changes in political and economic environment, environment standards, tax laws, litigation and labour relations.

To ensure our Long term corporate success, company implements risk management system which includes recording, monitoring and controlling internal enterprise business risks and addressing them through informed and objective strategies.



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**INDEPENDENT AUDITOR'S REPORT**

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***Independent Auditor's Report***

To the Members of M/s O. P. Chains Limited

**Report on the Financial Statements****Opinion**

We have audited the accompanying financial statements of M/s O. P. Chains Limited. ("the Company"), which comprise the Balance Sheet as at March 31, 2019 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2019;
- b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in section 133 of the Companies Act, 2013 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control



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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements 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.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
  - c) In our opinion, all the information and explanations with regard to branch, which to the best of our knowledge and belief were necessary for the purpose of our audit have been obtained by us. There is no other Branch Auditor appointed by the Company.
  - d) The Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - e) In our opinion, the Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity and Cash Flow Statement comply with the Accounting Standards referred to in section 133 of the Companies Act, 2013;
  - f) In our opinion, there are no observations or comments on financial transactions or matters which have any adverse effect on the functioning of the Company.



- g) On the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013.
- h) In our opinion, there are no qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith.
- i) In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure by the management, commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed. That the Company has appointed Internal Auditor.

**For BPN & Company**  
**Chartered Accountants**  
**FRN: 013887C**

**Place: Agra**  
**Date: 22/05/2019**

**SD/-**  
**Nikhil Garg**  
**(Partner )**  
**Membership No. 407004**



**The Annexure referred to in paragraph 1 of Our Report on Other Legal and Regulatory Requirements.**

We report that:

S. No.	Particulars	Auditors Remark
(i)	(a) whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;	YES
	(b) whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	YES
	(c) whether the title deeds of immovable properties are held in the name of the company. If not, provide the details thereof;	YES
(ii)	whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, whether they have been properly dealt with in the books of account;	YES
(iii)	(iii) whether the company has granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. If so,	NO
	(a) whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest;	N.A.
	(b) whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;	N.A.
	(c) if the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest;	N.A.
(iv)	in respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the Companies	YES



	Act, 2013 have been complied with. If not, provide the details thereof.	
(v)	in case the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, where applicable, have been complied with? If not, the nature of contraventions should be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	N.A.
(vi)	where maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, whether such accounts and records have been made and maintained;	N.A.
(vii)	(a) whether the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated;	YES
	(b) in case dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not constitute a dispute).	No such dues
(viii)	whether the company has defaulted in repayment of dues to a financial institution or bank or debenture holders? If yes, the period and amount of default to be reported;	NO
(ix)	whether moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised. If not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported;	N.A.
(x)	whether any fraud on or by the company has been noticed or reported during the year; If yes, the nature and the amount	NO





	involved is to be indicated.	
(xi)	whether managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act? If not, state the amount involved and steps taken by the company for securing refund of the same;	YES
(xii)	whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability and whether the Nidhi Company is maintaining ten per cent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability;	N.A.
(xiii)	whether all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;	YES
(xiv)	whether the company has made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised. If not, provide the details in respect of the amount involved and nature of non-compliance;	NO
(xv)	whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act, 2013 have been complied with;	N.A.
(xvi)	whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained.	N.A.

**For BPN & Company**  
**Chartered Accountants**  
**FRN: 013887C**

**Place: Agra**  
**Date: 22/05/2019**

**Sd/**  
**Nikhil Garg**  
**(Partner )**  
**Membership No. 407004**





**STANDALONE BALANCE SHEET as at 31st March, 2019**

<b>Particulars</b>	<b>Note No.</b>	<b>As at March, 31<sup>st</sup>, 2019</b>	<b>As at March, 31<sup>st</sup>, 2018</b>
<b>I. EQUITY AND LIABILITIES</b>			
(1) Shareholder's Fund			
(a) Share Capital	1	6,85,00,000	6,85,00,000.00
(b) Reserves and Surplus	2	23,84,78,528.17	23,79,73,625.52
(c) Money received against share warrants		0	0
<b>(2) Share Application Money pending Allotment</b>			
(3) Non-Current Liabilities			
(a) Long Term borrowings	3	0	0
(b) Deferred Tax Liabilities (Net)		40,902	31,711.00
(c) Other Long term Liabilities		0	0
(d) Long Term Provisions	4	0	0
(4) Current Liabilities			
(a) Short Term Borrowings		0	0
(b) Trade Payables		0	0
(c) Other Current Liabilities	5	4,13,551.79	43,880.00
(d) Short term Provisions	6	1,79,500	2,39,030.00
<b>TOTAL</b>		<b>30,76,12,481.96</b>	<b>30,67,88,246.52</b>
<b>II. Assets</b>			
<b>(1) Non-Current Assets</b>		<b>28,28,60,709.50</b>	<b>2,83,876,947.50</b>
(a) Fixed Assets			
(i) Tangible Assets	7	4,05,902.50	5,79,359.50
(ii) Intangible Assets		0	0
(iii) Capital work in progress		0	0
(iv) Intangible assets under development		0	0
(b) Non-current investments	8	28,20,92,000	28,23,08,550.00
(c) Deferred Tax Assets (Net)	9	0	0
(d) Long term loan and advances	10	2,45,200.00	2,45,200.00
(e) Other non-current assets	11	11,7607	7,43,838.00
<b>(2) Current Assets</b>		<b>2,47,51,772.47</b>	<b>2,29,11,299.02</b>
(a) Current investments		0	0
(b) Inventories	12	2,30,91,776.97	2,07,34,452.54
(c) Trade receivables		0	0
(d) Cash and Cash equivalents	13	1,58,320.62	1,46,504.42
(e) Short Term loans and advances	14	6,51,183.88	5,77,352.06
(f) Other current assets	15	8,50,491	14,52,990.00
<b>TOTAL</b>		<b>30,76,12,481.96</b>	<b>30,67,88,246.52</b>



Significant Accounting Policies & Notes on  
Financial Statements 1 -  
34  
AUDITOR'S REPORT  
AS PER OUR REPORT OF EVEN DATE.

**FOR & ON BEHALF OF THE  
BOARD**

S/D  
  
(OM RAKASH  
AGARWAL)  
MANAGING DIRECTOR

S/D  
  
(ASHOKKUMAR  
GOYAL)  
WHOLE TIME  
DIRECTOR

S/D  
(SWAPNLA GUPTA)  
COMPANY SECRETARY

S/D  
(ASHOK KUMAR)  
CFO

**FOR AND ON BEHALF OF**

**M/S BPN & CO.  
CHARTERED  
ACCOUNTANT  
F. R. N. 013887C**

S/D  
  
(Nikhil Garg)  
  
PARTNER  
M. No. 407004



**STANDALONE PROFIT & LOSS A/C as at 31st March, 2019**

<b>Particulars</b>	<b>Note No.</b>	<b>As at March, 31<sup>st</sup>, 2019</b>	<b>As at March 31<sup>st</sup>, 2018</b>
I. Revenue from operations	17	24,47,09,728.21	24,25,44,596.98
II. Other Income	18	3,43,640	42,867.00
<b>III. Total Revenue (I+II)</b>		<b>24,50,53,368.21</b>	<b>24,25,87,463.98</b>
<b>IV. Expenses:</b>			
Cost of materials consumed		0	0
Purchase of Stock in Trade:	19	24,24,93,549.45	23,37,59,972.01
Changes in inventories of finished goods, work-in progress and stock in trade	20	(23,57,324.43)	38,03,449.75
Employee Benefit Expenses	21	19,81,181	19,35,000.00
Financial Costs	22	1,108.80	1,526.28
Depreciation and amortization Expenses	23	1,73,457	2,86,466.00
Other Expenses	24	21,21,077.74	22,54,634.13
<b>Total Expenses</b>		<b>24,44,13,049.56</b>	<b>24,20,41,048.17</b>
<b>V. Operating Profit before Provisions and Contingencies</b>		6,40,318.65	5,46,415.81
<b>VI. Provisions (other than Tax and Contingencies)</b>		0	0
<b>VII. Profit from ordinary activities for the year before tax</b>		6,40,318.65	5,46,415.81
<b>VIII. Tax Expenses</b>			
(a) Current tax for the current year		1,26,225	1,39,830.00
(b) (less) MAT Credit ( where applicable)		0	0
(c) Current tax expenses relating to prior years		0	0
(d) Net current tax expenses		0	0
(e) Deferred Tax		9,191	(34,129.00)
		135416	105701
<b>Profits from continuing activities for the year after tax (A)</b>		<b>5,04,902.65</b>	<b>4,40,714.81</b>
<b>. DISCONTINUING OPERATIONS</b>			
Profit / (Loss) from discontinuing operations (before tax)			
Gain / (Loss) on disposal of assets / settlement of liabilities attributable to the discontinuing operations			
(a) on ordinary activities attributable to the discontinuing operations			
(b) on gain / (loss) on disposal of assets / settlement of liabilities			
<b>Profit/(Loss) from Discontinuing Operations (B)</b>		<b>0</b>	<b>0</b>
<b>Profit/(Loss) for the Year (A)</b>		<b>5,04,902.65</b>	<b>4,40,714.81</b>
Paid-up Equity Share Capital (Face Value of `10 each)		68,500,000.00	68,500,000.00
XVI. Earning per equity share:			
(1) Basic Earning per share		0.07	0.06
Weighted Average No. of Shares (Face Value `10)			



Significant Accounting Policies & Notes on Financial  
Statement

"1 to 34"

AS PER OUR REPORT OF EVEN DATE.

**FOR & ON BEHALF OF THE  
BOARD**

**FOR AND ON BEHALF OF**

**M/S BPN & CO.  
CHARTERED  
ACCOUNTANT  
F. R. N. 013887C**

S/D

(OM RAKASH  
AGARWAL)  
MANAGING DIRECTOR

S/D

(ASHOKKUMAR  
GOYAL)  
WHOLE TIME  
DIRECTOR

S/D

(Nikhil Garg)  
  
PARTNER  
M. No. 407004

S/D

(SWAPNLA GUPTA)  
COMPANY SECRETARY

S/D

(ASHOK KUMAR)  
CFO



## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2019

**O.P. CHAINS LIMITED**  
8/16 A SETH GALL, AGRA-282003

	As at 31st March 2019	As at 31st March 2018
<b>NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2019</b>		
<b>Note No. 1</b>		
<b>Share Capital</b>		
<b>Authorised</b>		
72,50,000 Equity Shares of ₹10 each	72,50,000.00	72,50,000.00
<b>Issued &amp; Subscribed</b>		
68,50,000 (PY 68,50,000 Equity Shares of ₹10 each fully paid up)	68,50,000.00	68,50,000.00
<b>Paid-up</b>		
68,50,000 (PY 68,50,000 Equity Shares of ₹10 each fully paid up)	68,50,000.00	68,50,000.00

The company has only one class of shares referred to as equity shares having a par value of ₹10. Each holder of one equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holders of the shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

### **Reconciliation of Number of Shares Outstanding**

<b>Issued &amp; Subscribed Capital:</b>		
Number of Shares outstanding at the beginning of the year	6,850,000.00	6,850,000.00
Add: Shares issued during the year	-	-
Number of Shares outstanding at the end of the year	6,850,000.00	6,850,000.00
<b>Paid up Capital:</b>		
Number of Shares outstanding at the beginning of the year	6,850,000.00	6,850,000.00
Add: Shares allotted during the year	-	-
Number of Shares outstanding at the end of the year	6,850,000.00	6,850,000.00

Shares Held By Shareholders Holding More Than 5%	2018-19		2017-18	
	Number of Shares	Percentage of Share-holding (%)	Number of Shares	Percentage of Share-holding (%)
Mr Om Prakash Agarwal	988,100.00	14.13	988,100.00	14.13
Mr Ashok Kumar Goyal	1,000,000.00	14.60	1,000,000.00	14.60
Mr Satish Kumar Goyal	1,180,000.00	17.23	1,150,000.00	16.79
Raja Ram Software Solutions (P) Ltd	2,344,900.00	34.23	2,344,900.00	34.23

### **Note No. 2**

#### **RESERVE & SURPLUS**

##### **Securities Premium Reserve**

	As at 31st March 2019	As at 31st March 2018
Opening Balance of Securities Premium Reserve	119,095,000.00	119,095,000.00
Add : Premium on shares allotted	-	-
Closing Balance of Securities Premium Reserve	119,095,000.00	119,095,000.00

##### **General Reserve**

	As at 31st March 2019	As at 31st March 2018
General Reserve - Opening Balance	90,000,000.00	90,000,000.00
Add : Transfer from profit & loss account during the year	-	-
General Reserve - Closing Balance	90,000,000.00	90,000,000.00

##### **Surplus**

	As at 31st March 2019	As at 31st March 2018
Balance Brought forward from earlier years	28,878,625.52	28,437,910.71
Add: Net adjustments during the year	-	-
Add: Profits during the year	504,902.65	440,714.81
Less: Transfer to general reserve	-	-
Balance carried forward to next years	29,383,528.17	28,878,625.52
	238,478,528.17	237,973,625.52





**O.P. CHAINS LIMITED**  
**NON-CURRENT LIABILITIES**

**Note No. 3**

**Long-term Borrowings**

**Term Loan from Bank:**

Secured :

Loan

Less : Current Maturities out of above shown separately \*

	-	-
	-	-
	-	-

**Note No. 4**

**Long Term Provision**

	-	-
	-	-

**Note No. 5**

**Other Current Liabilities**

Advance From Customers

Current Maturities of Long-term borrowings

CS Gaurav Agarwal

**Other Payables :**

Electricity Payable

Telephone Payable

TDS Payable

CGST Payable

SGST Payable

	2019	2018
	-	-
	-	-
	324,000.00	-
	21,000.00	20,500.00
	3,151.79	-
	46,500.00	250.00
	9,450.00	11,565.00
	9,450.00	11,565.00
	413,551.79	43,880.00

**Note No. 6**

**Short-term Provisions**

**Provision for employee benefits:**

Salary & Wages Payable

**Provisions other than for employee benefits :**

Director Sitting Fee

N.K.Rastogi & Associates

Provision for Income Tax - Current - Net

Auditors' Remuneration Payable

	-	-
	94,500.00	100,500.00
	-	2,700.00
	-	64,830.00
	85,000.00	71,000.00
	179,500.00	239,030.00

**Note No. 8**

**Non Current Investments**

Unquoted Investment \*

	282,092,000.00	282,308,550.00
	282,092,000.00	282,308,550.00

**\* Investments In Partnership Firms as Partner as on 31.03.2019**

S.No	Particulars	Amount
1	Ashok Housing	137,350,000.00
2	O P Chains Housings	144,742,000.00
	<b>Total</b>	<b>282,092,000.00</b>



# O. P. CHAINS LIMITED

## XVIII (18<sup>th</sup>) ANNUAL GENERAL MEETING



## O.P. CHAINS LIMITED

## Note No. 7

## Fixed Assets &amp; Depreciation thereon as on 31.03.2019

S. No.	Nature of Assets	GROSS BLOCK			DEPRECIATION				NET BLOCK	
		As on 01.04.2018	Additions/Adjustment during the year	As on 31.03.2019	Rate of Depreciation	As on 01.04.2018	For the year	As on 31.03.2019	As on 31.03.2019	As on 31.03.2018
1.	<b>Plant &amp; Equipment</b>	814,336.00	-	814,336.00	-	773,619.00	-	773,619.00	40,717.00	40,717.00
2.	<b>Furniture &amp; Fixtures</b>									
	Office Equipment	30,000.00	-	30,000.00	-	28,500.00	-	28,500.00	1,500.00	1,500.00
	Mobile Phone	3,200.00	-	3,200.00	-	3,040.00	-	3,040.00	160.00	160.00
	Air Conditioner	10,750.00	-	10,750.00	-	10,212.00	-	10,212.00	538.00	538.00
	Furniture & Fixtures	21,000.00	-	21,000.00	-	19,950.00	-	19,950.00	1,050.00	1,050.00
3.	<b>Vehicles</b>									
	Car	0.00	-	0.00	-	-	-	0.00	-	0.00
	Car	219,149.00	-	219,149.00	-	208,192.00	-	208,192.00	10,957.00	10,957.00
	Car	390,958.00	-	390,958.00	-	371,410.00	-	371,410.00	19,548.00	19,548.00
	Car	360,757.00	-	360,757.00	-	342,719.00	-	342,719.00	18,038.00	18,038.00
	Car	1,005,235.00	-	1,005,235.00	-	1,044,240.00	-	1,044,240.00	0.00	0.00
	Car	409,481.00	-	409,481.00	33.69%	385,595.00	3,412.00	389,007.00	20,474.00	23,886.00
	Car	4,409,400.00	-	4,409,400.00	37.36%	3,954,246.00	170,045.00	4,124,291.00	285,109.00	455,154.00
4.	<b>Others</b>									
	Computer	22,000.00	-	22,000.00	-	20,900.00	-	20,900.00	1,100.00	1,100.00
	Computer	390,527.50	-	390,527.50	-	383,816.00	-	383,816.00	6,711.50	6,711.50
	<b>Total</b>	<b>8,086,793.50</b>	<b>0.00</b>	<b>8,086,793.50</b>		<b>7,546,439.00</b>	<b>173,457.00</b>	<b>7,719,896.00</b>	<b>405,902.50</b>	<b>579,359.50</b>

Note:- Dep. has been charged as per Companies Act, 2013.





# O. P. CHAINS LIMITED

## XVIII (18<sup>th</sup>) ANNUAL GENERAL MEETING

**O.P. CHAINS LIMITED****Note No. 9**

In accordance with Accounting Standard notified under the Companies Act, 2013 by the Central Government, the timing difference have resulted in net deferred tax Liabilities of Rs. 40,902/- for the period ended as on 31st, March 2019 (Prev. Year: 31,711/-). As a prudent measure, the deferred tax credit has been recognised in the accounts with an appropriate allowance.

Break up of Deferred Tax Assets is given below :

	2019	2018
Deferred Tax Asset :		
On account of Contingent Provision against Non Performing Assets:		
Opening Deferred Tax Assets	(31,711.00)	(65,840.00)
On account of Depreciation:	-	-
	(31,711.00)	(65,840.00)
Deferred Tax Liability :		
On account of Depreciation:	9,191.00	(34,129.00)
Opening Deferred Tax Liabilities	-	-
Depreciation	-	-
	9,191.00	(34,129.00)
Deferred Tax Assets (Net)	(40,902.00)	(31,711.00)

**Note No. 10****Long term Loans and Advances**

Telephone Security	21,200.00	21,200.00
Electricity Security	20,500.00	20,500.00
BSE Limited Security A/c	203,500.00	203,500.00
	245,200.00	245,200.00

**Note No. 11****Other Non Current Assets**

Income Tax Recoverable (Net of Provision) :		
Related to AY 2014-15	28,498.00	595,930.00
Demand Deducted for AY 2009-10 in AY 2015-16 & AY 2016-17	-	17,889.00
Demand Deducted for AY 2010-11 in AY 2015-16 & AY 2016-17	-	44,685.00
Income Tax Refundable AY 2019-20	3,775.00	-
NSC Purchased at Branch Office (Dholpur A/c) *	58,001.00	58,001.00
FDR A/c (Ahmedabad Branch) **	27,333.00	27,333.00
	117,607.00	743,838.00

\* NSC lying with Rajasthan Government VAT Department Rs. 23,000/- plus Rs. 15,000/- and accrued interest thereon

\*\* FDR lying with Gujarat Government VAT Department Rs. 25,000/- plus interest thereon

**Note No. 12****Inventories**

(At cost or net realisable value, whichever is less)

**Raw Materials :****Stock in Trade:**

Silver

CY 609.996 kgs@ 37855.62

PY 534.847 kgs@ 38767.07

**Finished Goods :**

23,091,776.97	20,734,452.54
---------------	---------------

**Note No. 13****Cash & Cash Equivalents**

Balances With Bank \*

Cash in Hand

As at 31st March	As at 31st March
2019	2018
115,300.62	28,050.42
43,020.00	118,454.00
158,320.62	146,504.42

\* Balance in Current Accounts with Banks as on 31.03.2019

Sl. No.	Particulars	Amount
1	RCC Bank A/c No. 625703002371	15,541.02
2	Oriental Bank Of Commerce, Sanjay Place A/c No. 08425011000504	8,870.46
3	PNB, Surya Nagar A/c No. 0983009300002510	14,483.14
3	Yes Bank A/c No. 005081300000581	76,406.00
Total		115,300.62





**O.P. CHAINS LIMITED****Note No. 14****Short-term Loans & Advances****Other Loans & Advances:**

Input SGST	320,423.44	252,538.28
Input CGST	320,423.44	252,538.28
Input IGST	10,337.00	48,425.50
<b>Other Loans &amp; Advances:</b>		
VAT A/c :		
UP Vat - May-2015	-	23,850.00
	<b>651,183.88</b>	<b>577,352.06</b>

**O.P. CHAINS LIMITED****Note No. 15****Other Current Assets**

RCM on Unregistered	-	23,130.00
Bigshare Services Pvt. Ltd.	(36.00)	-
SME IPO Exps	591,737.00	1,183,477.00
Hem Securities Ltd.	(50,972.00)	(50,972.00)
Hindustan Zinc Ltd	9,143.00	(3,264.00)
MVTC Limited	300,619.00	300,619.00
	<b>850,491.00</b>	<b>1,452,990.00</b>

**Note No. 16****Contingent Liabilities & Commitments****(to the extent not provided for)****a. Contingent Liabilities:**

Claims against the Company not acknowledged as debts: Nil (Prev. Year: Nil)

**b. Commitments:**

Estimated amounts of contracts remaining to be executed on capital account and not and not provided for : Nil (Prev. Year: Nil)

c. In the opinion of the Board, the assets other than fixed assets and non current investments are approximately of the same value stated, if realised, in the ordinary course of business.

**Note No. 17****Income From Operations**

Silver Sale GST @ 3.00%	244,709,728.21	160,997,521.58
Silver Sale VAT	-	81,547,075.40
	<b>244,709,728.21</b>	<b>242,544,596.98</b>

**Note No. 18****Other Incomes**

Interest on IT Refund	343,640.00	-
GST Expenses Reversed	"	3,750.00
Profit / Loss From Rate Diff. Hindustan Zinc Ltd.	"	112.00
Profit On Sale Of Car	"	39,005.00
	<b>343,640.00</b>	<b>42,867.00</b>

As at 31st March

2019

As at 31st March

2018

**Note No. 19****Purchases Of Stock In Trade**

Silver Purchase VAT	-	56,138,621.05
Silver Purchase GST @ 3.00%	242,493,549.45	177,621,350.96
	<b>242,493,549.45</b>	<b>233,759,972.01</b>



# O. P. CHAINS LIMITED

## XVIII (18<sup>th</sup>) ANNUAL GENERAL MEETING

**O.P. CHAINS LIMITED****Note No. 20****Changes In Inventories**

Opening Stock	20,734,452.54	24,537,902.29
CY 534.847 kgs@ 38767.07		
PY 590.3240 kgs@ 41566.84		
Closing Stock	23,091,776.97	20,734,452.54
CY 609.996 kgs@ 37855.62		
PY 534.847 kgs@ 38767.07		
Increase/(Decrease) in Stocks	(2,357,324.43)	3,803,449.75

**Note No. 21****Employee Benefit Expenses**

Salary & Wages	1,051,181.00	972,000.00
Bonus to Employees	30,000.00	63,000.00
Director Remuneration	900,000.00	900,000.00
	1,981,181.00	1,935,000.00

**Note No. 22****Finance Cost****Interest Expenses :**

Interest on Car Loan

**Other Borrowing Cost:**

Bank Commission &amp; Charges

1,108.80	1,526.28
1,108.80	1,526.28

**Note No. 23****Depreciation & Amortisation Expenses**

Depreciation on Fixed Assets

173,457.00	286,466.00
173,457.00	286,466.00

**Note No. 24****Other Expenses****Office and Administration Expense**

Accounting Charges	144,000.00	132,000.00
Advertisement Expenses	-	19,320.00
Big Share (R & T/NSDL/CDSL) Services Exp A/c	30,000.00	32,280.50
Board Meeting Exp	4,043.00	14,035.00
BSE Annual Listing Fess	25,000.00	28,750.00
Car Fuel Expenses	63,074.00	7,454.00
Car Insurance Expenses	72,280.00	119,556.36
Car Maintenance	36,789.00	126,972.00
CDSL Expenses	22,500.00	25,876.00
Consulting Charges	360,000.00	-
Directors Sitting Fees	105,000.00	100,500.00
Electricity Exp.	303,439.00	280,815.00
General & Shop Exp.	16,706.50	16,312.00
GST Reversal	1,862.20	-
Insurance exp.	43,061.00	46,859.00
Interest on Service tax on Director Sitting Fees	-	51.00
Interest on CGST	264.00	-
Interest on SGST	264.00	-
Interest on Income Tax	620.00	-
Market Making Expenses	112,500.00	354,376.00
NSDL Annual Fees	16,545.00	43,126.00
Office Rent *	6,000.00	66,000.00
Round Off	26.25	(5.43)
ROC Expenses	15,100.00	-
SME IPO Expenses Written Off	591,740.00	591,740.00
Telephone exp.	12,863.79	14,346.70
VAT Demand Paid 2015-2016	-	1,270.00
NSDL Fee for Processing Tender Offer for Takeover	-	115,000.00

**Legal and Professional Expenses**

Secretarial Audit Expenses	50,000.00	29,000.00
Internal Audit Expenses	14,000.00	23,000.00
Auditor's Remuneration	25,000.00	25,000.00
Legal Exp.	10,000.00	41,000.00
Professional fees	38,400.00	-

2,121,077.74

2,254,634.13

\* Office Rent includes Rs. 6,000/- for shop at Chaubey Ji Ka Phatak, Khatia Bazar, Agra



# O. P. CHAINS LIMITED

## XVIII (18<sup>th</sup>) ANNUAL GENERAL MEETING



### O.P. CHAINS LIMITED

#### Note No. 25

Particulars of employees who are in receipt of RS 60,00,000 per annum when employed throughout the financial year or Rs 5,00,000 per month when employed for the part of year : Nil (Prev. Year: Nil).

#### Note No. 26

Payment to Auditors :

	2019	2018
(a) As Auditors	25,000.00	25,000.00
(b) As Advisor, or in any other capacity in respect of :		
(i) Company Law Matters	-	-
(ii) Tax Auditors	-	-
(ii) Income Tax Matters	-	-
(iii) R. B. I. Matters	-	-
(iv) Service tax etc.	-	-
	<u>25,000.00</u>	<u>25,000.00</u>

#### Note No. 27

There has been no prior period or extra-ordinary item of income or expenditure which has been entered in the books of accounts during the year.

#### Note No. 28

A provision of `1,26,225/- (Prev. Year: `1,39,830/-) has been made for current income tax during the year. The provision for current tax is made on the basis of taxable income for the current accounting year in accordance with the Income Tax Act, 1961.

#### Note No. 29

In accordance with Accounting Standard notified under the Companies Act, 2013 by the Central Government, the timing difference have resulted in net deferred tax liability of `Rs. 40,902/- (Prev. Year: deferred tax liability Rs. 31,711/-). As a prudent measure, the deferred tax credit has been recognised in the accounts with an appropriate allowance.

Break up of Deferred Tax Assets is given below :

	2019	2018
Deferred Tax Asset :		
On account of Contingent Provision against Non Performing Assets:		
Opening Deferred Tax Assets	(31,711.00)	(65,840.00)
On account of Depreciation:	-	-
	<u>(31,711.00)</u>	<u>(65,840.00)</u>
Deferred Tax Liability :		
On account of Depreciation:		
Opening Deferred Tax Liabilities	9,191.00	(34,129.00)
Depreciation	-	-
	<u>9,191.00</u>	<u>(34,129.00)</u>
Deferred Tax Assets (Net)	<u>(40,902.00)</u>	<u>(31,711.00)</u>

#### Note No. 30

1. Ahmedabad Branch registered on 15.09.2005 vide TIN 24309900406 and closed on 03.09.2011
2. Delhi Branch registered on 11.10.2007 vide TIN 07070334162 and closed on 28.07.2009
3. Dholpur (Rajasthan) branch registered on 30.07.2004 vide TIN 08160952083 and business closed in F.Y 2006-07
4. Delhi branch registered on 02.02.2014 vide TIN 07886912499 and closed on 22.09.2014

#### Note No. 31

The company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence, following disclosures under the said Act have been shown as: Nil

	2019	2018
(a) The principal amount and interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of accounting year.	Nil	Nil
(b) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each year.	Nil	Nil
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointment day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	Nil	Nil
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, under Section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

#### Note No.32

CIF value of Imports  
Earnings in foreign currency  
Expenditures in foreign currency

2019

Nil  
Nil  
Nil

2018

Nil  
Nil  
Nil



**O.P. CHAINS LIMITED****Note No.33****Related Party Disclosures**

Related Parties disclosures, as required in terms of "Accounting Standard (AS) 18" are given below :

1. Name of the related parties and description of relationships :

**a) Individual with Control:**

- (i) Mr Om Prakash Agarwal
- (ii) Mr Ashok Kumar Goyal
- (iii) Mr Satish Kumar Goyal

**b) Key Managerial Personnel :**

- (i) Mr Om Prakash Agarwal , CEO & Managing Director
- (ii) Mr Ashok Kumar Goyal, Chairman & Whole Time Director
- (iii) Mr Satish Kumar Goyal, Whole Time Director

**c) Relatives of Key Management Personnel, where transactions have taken place:**

- (i) O.P. Chains Company

Note : Related party relationships are as identified by the Company and relied upon by the Auditors.

2. Transactions carried out with related parties referred to above are on arm's length basis and are in the ordinary course of Business:

S. No.	Nature of Transaction	Individual with Control	Key Managerial Personnel	Relatives of Key Managerial Personnel	Total
1.	Share Application Money Received	-	-	-	-
2.	Shares Allotted during the year	-	-	-	-
3.	Unsecured Loan Received	-	-	-	-
4.	Unsecured Loan Refunded	-	-	-	-
5.	Interest paid to Depositors	-	-	-	-
6.	Salaries paid to Staff	-	-	-	-
7.	Directors Remuneration	900,000.00	-	-	900,000.00
8.	Professional Fees	-	-	-	-
9.	Purchase	-	-	-	-
##	Sales	-	-	125,195,148.82	125,195,148.82
	<b>TOTAL</b>	<b>900,000.00</b>	<b>-</b>	<b>125,195,148.82</b>	<b>126,095,148.82</b>

That during the year unsecured loan taken and squared off during the same year with nil outstanding balance

**Note No. 34**

Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure

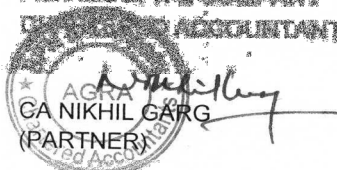




**O. P. CHAINS LIMITED**  
**Cash Flow Statement For The Period ended on March 31, 2019**

	Amount in ₹ 2018-19	Amount in ₹ 2017-18
<b>1. Cash Flow from Operating Activities</b>		
<b>Profit Before Tax:</b>		
Net Profit / (Loss) before Tax & extraordinary items	640,319	546,416
Adjustment for		
Depreciation written off	173,457	286,466
Profit on sale of car	-	(39,005)
Other Non-Cash Expenses	-	-
Expenses Payable	-	-
Financial Charges	1,109	1,526
<b>Operating Profit / (Loss) before working capital changes</b>	<b>814,884</b>	<b>795,403</b>
<b>Adjustment to Changes in Working Capital</b>		
Increase in Current Liabilities	369,672	89,110
Decrease in Current Assets	602,499	4,298,548
Increase in Current Assets	(2,431,156)	(310,854)
Decrease in Current Liabilities	(59,530)	-
<b>Cash Generated from/(used) from operating activities</b>	<b>(703,631)</b>	<b>4,872,207</b>
Income Tax Paid	(130,000)	(75,000)
Income Tax Refund	630,006	-
<b>Cash (used in) / from operating activities before extraordinary items</b>	<b>(203,625)</b>	<b>4,797,207</b>
<b>Cash Generated from/(used) from operating activities (A)</b>	<b>(203,625)</b>	<b>4,797,207</b>
<b>Cash Flow from Investing Activities</b>		
Dividend Income/Income from Sale Of Investments	-	-
Sale/Purchase of Fixed Assets	-	100,000
Sale/(Purchase) of Investments	218,580	(4,870,000)
Security Deposit	-	-
<b>Net Cash / used in) / from investing activities (B)</b>	<b>218,580</b>	<b>(4,769,999)</b>
<b>Cash Flow from Financing Activities</b>		
Issue of Share Capital	-	-
Repayment of Loan	-	-
Finance Charges	(1,109)	(1,526)
<b>Net Cash ( used in) / from Financing Activities (C)</b>	<b>(1,109)</b>	<b>(1,526)</b>
<b>Net Cash Increase in cash &amp; Cash equivalents (A+B+C)</b>	<b>11,816</b>	<b>25,681</b>
<b>Cash &amp; Cash equivalents in beginning</b>	<b>146,504</b>	<b>120,823</b>
<b>Cash &amp; Cash equivalents as at the end (refer note-13)</b>	<b>158,320</b>	<b>146,504</b>

FOR HIS FIRM & COMPANY  
 CHARTERED ACCOUNTANTS



Place:- Agra

Date:- 22/5/19





**M/s O. P. CHAINS LTD**  
**8/16-A, SETH GALI, AGRA**

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS**

**1. Basis of Preparation of financial statements**

The financial statements are prepared under historical cost convention on an accrual basis. The Accounting policies applied by the company are consistent with those used in the previous year. The financial statement are prepared to comply in all material respects with the mandatory Accounting Standards issued by The Institute of Chartered Accountants of India and the relevant provisions of the Companies Act , 2013. The preparation of financial statement are in conformity with generally accepted accounting principles. That the Company has not adopted IND AS in view of proviso to the The Companies (Indian Accounting Standards) Rules, 2015, vide notification [G.S.R 111\(E\) dated 16 Feb 2015](#).

**2. Fixed Assets**

All fixed assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use.

**3. Depreciation**

Depreciation is provided on written down value method at the rates prescribed under schedule II to the Companies Act, 2013 on life basis. Additions to fixed assets during the year are being depreciated on pro-rata basis on put to use basis at the rates prescribed in the schedule II to the Companies Act, 2013.



#### **4. Investments**

Company has contributed amount in two Partnership Firms, viz., M/s Ashok Housing and M/s O P Chains Housings, as one of the Partner.

#### **5. Inventories**

The Inventory is valued at cost or net realizable value whichever is lower.

#### **6. Revenue recognition**

(i) Revenue from sale of goods is recognized upon delivery of the goods to buyers and are disclosed net of sales return, discounts and rate difference.

(ii) Income on Investment:

(a) Interest income is accounted on accrual basis.

#### **7. Retirement and other benefits**

No contribution made to provident fund or any other fund as explained that provisions of provident fund act is not applicable to the company.

Provision for gratuity and leave encashment has not been in the accounts as these expenses are accounted on the actual payment basis.

#### **8. Foreign Exchange Transaction**

The company's financial statements are presented in INR, which is also the company's functional currency.

Earnings: Rs. Nil Previous year Rs. Nil

Outgo: Rs. Nil Previous year Rs. Nil

#### **9. Contingent liabilities**

Contingent Liabilities arising out of capital commitments and contractual obligations are made on the basis of actual acceptance. Contingent liabilities in respect of show cause notices issued by various Government authorities are considered only when converted into demand.

**10. Income Tax**

Income tax payable is determined in accordance with the Indian Income Tax Act, 1961. Deferred tax expenses are recognized on timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax is a liability measured using the tax rates and the tax laws that have been enacted or substantively enacted at the balance sheet date.

**11. Impairment**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal /external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount.

**12. Earnings Per Share**

Basic Earnings per share is calculated by dividing the net profit for the year attributable to Equity Shareholders by the numbers of equity shares outstanding during the year.

**13. Segment Information**

Based on the analysis of the company's internal organization and management structure, the management of the Company has classified its business activities as "Traders in bullion and ornaments of gold and silver segment."

**14. Provision**

A provision is recognized when an enterprise has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best management estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.





### 15. Related Party transactions

Transactions with related parties during the year ended and outstanding balances as at 31<sup>st</sup> March 2019 are

<b>Name of Related Parties</b>	<b>Relationship</b>	<b>Nature of Transaction</b>	<b>Amount of Transactions</b>	<b>Outst</b>
Om Prakash Agarwal	Director	Salary	3,00,000/-	Nil
Ashok Kumar Goyal	Director	Salary	3,00,000/-	Nil
Satish Kumar Goyal	Director	Salary	3,00,000/-	Nil
O P Chains Co.	A Director of the Company is the proprietor of O P Chains Co.	Sales Purchases	12,51,95,148.82/- Nil	Nil
Ashok Housing	Contribution as Partner		Net Balance Rs. 13,73,50,000/-	
O P Chains Housings	Contribution as Partner		Net Balance Rs. 14,47,42,000/-	

### 16. Contingent Liabilities not provided for in respect of:-

<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>
(1) Estimated Amount of Contracts remaining to be executed.	Nil	Nil
(2) Sales Tax/Customs/other statutory claims Pending with respective authorities	Nil	Nil
(3) Unexpired bank guarantee	Nil	Nil
(4) Disputed demand of Income Tax	Nil	Nil

**17. Deferred Tax Liabilities/(Assets)**

Deferred Tax Asset/Liability has been created on the amount of difference which is due to timing difference.

**18.** The Company has been carrying on the business of trading of precious metals & Ornaments. The Company is also a Partner in two firms mentioned above.

**19. Expenditures on Employees**

Break up of expenditure incurred on employees who were employed throughout financial year and were in receipt of remuneration aggregating to not less than Rs.60,00,000/-per annum, or if employed for a part of financial year were in receipts of remuneration aggregating to not less than Rs.5,00,000/-per month.

<b>Particulars</b>	<b>Current Year</b>	<b>Previous year</b>
a.Salaries& Allowances (including perquisites)	Nil	Nil
b. Contribution to provident fund (Superannuation &Gratuity Fund)	Nil	Nil
c. Number of Employees	Nil	Nil

**20. Payment to auditors**

<b>Particulars</b>	<b>Current year</b>	<b>Previous year</b>
(a) Audit fees	25,000.00	25,000.00
(b) Company law Matter	Nil	Nil
(c) Income tax Consultancy	Nil	Nil

**21. Director's Remuneration**

<b>Particulars</b>	<b>Current year</b>	<b>Previous year</b>
(a)Salary	9,00,000/-	9,00,000/-
(b) Contribution of PF & G.F	Nil	Nil
(c) Prequisites	Nil	Nil



**22.** In the opinion of the board , the current assets, loans and advance ,if realized in the ordinary course of business have value on realization at least to the amount at which these are stated in the balance sheet. the provision for all known liabilities are adequate and not in excess of the amount reasonably necessary.

**23.** Confirmation for Balances Grouped under the head “Other Current Liabilities” and “Trade Receivables” and “Advances” has been confirmed by the Management.

**24.** As informed to us by the management no balances are outstanding for more than 45 days at the balance sheet date to the suppliers registered themselves under the micro, Small and Medium Enterprises development (MSMED) Act, 2006.

**25.** Notes 1 to 35 form integral part of Balance Sheet and profit & loss account and have been duly annexed.

**26.** Previous years figures have been regrouped/reclassified wherever necessary to correspond with the current year’s classification/disclosure.

**27.** The company is not amortising the expenditure incurred on website as the amount involved is insignificant. Hence it is being debited to profit & loss account.

**AS PER OUR REPORT ATTACHED FOR AND ON BEHALF THE BOARD  
FOR BPN & COMPANY**

**CA NIKHIL GARG  
PARTNER**

**OM PRAKASH AGARWAL (DIN 00095300)  
MANAGING DIRECTOR**

**SD/-  
PLACE: AGRA  
DATED: 22/05/2019**

**SD/-  
ASHOK KUMAR GOYAL (DIN 00095313)  
WHOLE TIME DIRECTOR  
SD/-  
SWAPNLA GUPTA  
SECRETARY (MRN:- A29434)  
SD/-  
ABHAY KUMAR PAL  
CFO**



**O.P. CHAINS LIMITED**  
CIN: L27205UP2001PLC026372  
Regd Off: 8/16 A, Seth Gali, Agra-282003 Uttar Pradesh

### **ATTENDANCE SLIP**

**18<sup>th</sup> Annual General Meeting on 23<sup>rd</sup> September, 2019**

Name of the Member attending meeting	
Reg. Folio/DP & Client No.	
No. of Shares Held	

I certify that I am a registered Shareholder/Proxy for the registered shareholder of the Company. I hereby record my presence at the 18<sup>th</sup> Annual General Meeting of the Company at Temptation, B-87, Central Bank Road, Kamla Nagar Agra, Uttar Pradesh 282004 at 11.00 AM on Monday, 23<sup>rd</sup> September, 2019.

Members' Name \_\_\_\_\_

Proxy's Name \_\_\_\_\_

Members'/Proxy Signatures \_\_\_\_\_

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**Note:**

- 1) Please fill this attendance slip and hand it over at the entrance of the premises.
- 2) The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.
- 3) A Proxy need not be a member of the Company.
- 4) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.



**O.P. CHAINS LIMITED**

CIN: L27205UP2001PLC026372

Regd Off: 8/16 A, Seth Gali, Agra-282003 Uttar Pradesh

**Form No. 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]

Name of the Member(s)	
Registered Address	
E-mail Id	
Folio No /Client ID	
DP ID	

I/We, being the member(s) holding \_\_\_\_\_ shares of the above named Company, hereby appoint:

Name :	E-mail Id:
Address:	
Signature , or failing him	

Name :	E-mail Id:
Address:	
Signature , or failing him	

Name :	E-mail Id:
Address:	
Signature , or failing him	

as my/ our proxy to attend and vote for me/us and on my/our behalf at the 18<sup>th</sup> Annual General Meeting of the Company at Temptation, B-87, Central Bank Road, Kamla Nagar Agra, Uttar Pradesh 282004 at 11.00 AM on Monday, the 23rd September, 2019 and at any adjournment thereof in respect of such resolutions as are indicated below:



Resolution No.	Particulars	Vote	
Ordinary Business		For	Against
1.	To Receive, consider and adopt the Audited Balance Sheet as at 31 <sup>st</sup> March, 2019 and the Profit & Loss Account for the year ended on that date together with Reports of the Directors and Auditors thereon.		
2.	To appoint Director Mr. Satish Kumar Goyal (holding DIN: 00095295), who retires by rotation and being eligible offers herself for re-appointment.		
3.	To appoint <b>M/s A.J.ASSOCIATES.</b> , Chartered Accountants as Statutory Auditors and fix their remuneration.		
Special Business			
1.	To Regularise Additional Independent Director, Mr. Rajesh Kumar Gupta as Independent Director of the company.		
2.	To Regularise Additional Independent Director, Mrs. Astha Sharma as Independent Director of the company.		
3.	To Regularise Additional Independent Director, Mr. Amol Doneria as Independent Director of the company.		
4.	To re-appoint Mr. Satish Kumar Goyal as Whole-time Director of the company.		
5.	To re-appoint Mr. Ashok Kumar Goyal as Whole-time Director of the company.		

Signed this \_\_\_\_ day of \_\_\_\_ 2019

Signature of Shareholder \_\_\_\_\_

Signature of \_\_\_\_\_ Proxy holder(s) \_\_\_\_\_  
 Signature of the shareholder across Revenue Stamp

Affix  
Revenue  
Stamp of Rs.  
1/-

Note:

- 1) 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 Meeting.
- 2) The proxy need not be a member of the company.

**ANNEXURE TO THE NOTICE****ROUTE MAP FOR VENUE OF 18<sup>TH</sup> ANNUAL GENERAL MEETING**

**AT “Temptation, B-87, Central Bank Road, Kamla Nagar Agra, Uttar Pradesh 282004”**





## NOTES