

**C L S LIMITED**  
**L50403WB1863PLC000114**  
**20, SALKIA SCHOOL ROAD SALKIA HOWRAH WB 711106**

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**DIRECTORS' REPORT**

**Dear Members,**

The Directors of your Company have pleasure in presenting their Annual Report on the affairs of the Company together with the Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2023.

**FINANCIAL SUMMARY:**

The Financial Results for the year are as under:-

| <b><u>PARTICULARS</u></b>                                     | <b><u>Year ended</u><br/><u>31<sup>st</sup> March 2023</u></b> | <b><u>Year ended</u><br/><u>31<sup>st</sup> March 2022</u></b> |
|---------------------------------------------------------------|----------------------------------------------------------------|----------------------------------------------------------------|
| Income                                                        | 955,359,600.13                                                 | 882,284,090.03                                                 |
| <b>Profit Before Tax (PBT)</b>                                | 23,923,568.90                                                  | 8,974,766.00                                                   |
| Less: Current Tax                                             | 4,368,289.00                                                   | 2,583,701.00                                                   |
| Deferred Tax                                                  | (233,672.00)                                                   | (490,272.00)                                                   |
| Income Tax earlier years                                      | 0                                                              | 0                                                              |
| <b>Profit After Tax (PAT)</b>                                 | 19,788,951.90                                                  | 6,881,338.00                                                   |
| <b>Balance carried to the Balance Sheet</b>                   | 19,788,951.90                                                  | 6,881,338.00                                                   |
| <b>Earning per equity share:</b><br><b>(1) Basic/ Diluted</b> | 316.62                                                         | 110.10                                                         |

**STATE OF AFFAIRS/ HIGHLIGHTS**

1. The Company is engaged in the business of trading of petroleum products and natural gas, LPG cylinder.
2. There has been no change in the business of the Company during the Financial Year ended 31<sup>st</sup> March, 2023.

**WEB LINK OF ANNUAL RETURN, IF ANY**

The Company is having a website i.e. [www.clsltd.co.in](http://www.clsltd.co.in), Annual Return of the Company has been published on such website.

**DIVIDEND**

Your Directors do not propose any dividend for the current financial year due to conservation of profit and continued investment in the business.

## **MATERIAL CHANGES AND COMMITMENTS**

There have been no material changes and commitments, which affect the financial position of the company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

## **COMPLIANCE WITH SECRETARIAL STANDARD**

The Company has Complied with the applicable Secretarial Standards (as amended from time to time) on meetings of the Board of Directors issued by The Institute of Company Secretaries of India and approved by Central Government under section 118(10) of the Companies Act, 2013.

## **TRANSFER TO RESERVE**

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

## **WORKING OF THE COMPANY: OPERATIONS**

The performance of the Company improved slightly in comparison to that of previous years and the company is trying to make the best utilization of available resources and expects more improved performance in the coming year.

## **CHANGE IN DIRECTORSHIP:-**

There has been no change in the constitution of the Board during the Financial Year under review, i.e. the structure of the Board remains the same.

## **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS**

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

## **CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

All related party transactions that were entered into during the financial year ended March 31, 2023, were on an arm's length basis and were in the ordinary course of business. Therefore, the provisions of Section 188 of the Companies Act, 2013 were not attracted. There are no materially significant related party transactions during the financial year under review made by the Company with Promoters, Directors, or other designated persons which may have a potential conflict with the interest of the Company at large. Thus, disclosure in Form AOC-2 is not required.

## **CORPORATE GOVERNANCE**

The Company has adopted best corporate practices and is committed to conducting its business in accordance with the applicable laws, rules and regulations. The Company's corporate governance practices are driven by effective and strong Board oversight, timely disclosures, transparent accounting policies, high level of integrity in decision making.

The Company is not required to comply with the various requirements of Corporate Governance under the provisions of the SEBI Regulations and various rules/regulations made thereunder, therefore obtaining a report on Corporate Governance is not applicable to the Company, as the paid-up capital of the Company is below Rs. 10 crores.

### **PUBLIC DEPOSIT**

The Company has not accepted any public deposit during the year under review.

### **AUDIT COMMITTEE**

The Audit Committee is in existence during the year in compliance with the Companies Act, 2013 and SEBI Regulations.

### **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration committee is in existence during the year in compliance with the Companies Act, 2012 and SEBI Regulations

### **RISK MANAGEMENT POLICY**

Risk Management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximize the realization of opportunities. The Company has laid down a comprehensive Risk Assessment and Minimization Procedure which is reviewed by the Board from time to time. These procedures are reviewed to ensure that executive management controls risk through means of a properly defined framework. The major risks have been identified by the Company and its mitigation process/measures have been formulated in the areas such as business, project execution, dg event, financial, human, environment and statutory compliance.

### **SECRETARIAL AUDITOR**

The Board has appointed Mr. Arvind Bajpai, Practicing Company Secretary to conduct Secretarial Audit for the FY 2022-23. The Secretarial Audit Report for the financial year ended March 31, 2023 is annexed to this Report.

### **COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION INCLUDING POLICY-SECTION 178(1) AND 178(3)**

The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodical basis. The remuneration policy is in consonance with the existing Industry practice.

The nomination & remuneration committee is responsible for formulating framework and policy for remuneration, terms of employment and criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Executives.

The Committee also reviews the ongoing appropriateness and relevance of the remuneration policy and ensures that all provisions regarding disclosure of remuneration are fulfilled.

The Committee, along with the Board, reviews on an annual basis, appropriate skills, characteristics and experience required of the Executives for the better management of the Company.

In evaluating the suitability of individual Board members, the Committee takes into account many factors, including general understanding of the Company's business dynamics, global business and social perspective, educational and professional background and personal achievements.

The Company has a credible and transparent framework in determining and accounting for the remuneration of the Managing Director / Whole Time Directors (MD/WTDs), Key Managerial Personnel(s) (KMPs) and Senior Management Personnel(s) (SMPs). Their remuneration are governed by the external competitive environment, track record, potential, individual performance and performance of the company as well as industry standards.

#### **DETAILS IN RESPECT OF FRAUD:**

The Auditor's Report doesn't contain any information in relation to fraud.

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

Pursuant to the requirement under the Companies Act 2013, with respect to Directors' Responsibility Statement on the basis of the information made available to the Directors, it is hereby confirmed:

- i) That in the preparation of the accounts for the financial year ended March 31, 2023, the applicable accounting standards have been followed and that there are no material departures.
- ii) That the selected accounting policies were applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial period and of the profit or loss of the Company for the period under review;
- iii) Proper and sufficient care have been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The annual accounts have been prepared on a going concern basis;
- v) The internal financial controls have been laid down and such internal financial controls are adequate and are operating effectively; and
- vi) The company has adequate internal systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### **STATUTORY AUDITORS**

The Board had appointed the auditors, M/s Ajit Kumar & Co., Chartered Accountants, Kolkata, who continue to be the auditors of the company.

### **INTERNAL AUDIT**

Raman Poddar, employee of the Company, has conducted internal audit of the Company during the financial year ended 31.03.2023, as per the provisions of the Companies Act, 2013.

### **AUDITORS' REPORT**

The Statutory Auditors of the Company have submitted Auditors' Report on the accounts of the Company for the accounting year ended March 31, 2023. The notes on financial statements referred to in the auditor's report are self-explanatory and do not call for any further comments. The auditor's report does not contain any qualification, reservation or adverse remark.

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

As on March 31, 2023, Company doesn't have any Subsidiary & Joint Venture and Associate Companies at the end of the year.

### **DISCLOSURES UNDER THE COMPANIES ACT, 2013**

#### **i) EXTRACT OF ANNUAL RETURN U/S 92(3)**

The details forming part of the extract of the Annual return in Form MGT-9 is enclosed in Annexure C.

#### **ii) NUMBER OF BOARD MEETINGS**

The Board of Directors met 6 times in the financial year ended 31st March, 2023. The details of the Board meeting and the attendance of the Directors are given.

### **DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016:**

Neither any application was made nor any proceeding pending under the Insolvency and bankruptcy Code, 2016 (31 of 2016) during the financial year.

### **DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF**

As Company has not done any one time settlement during the year under review hence no disclosure is required.

### **CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

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

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

## **PARTICULARS OF EMPLOYEES**

There was no employee during the year who was in receipt of remuneration exceeding the prescribed limit as mentioned in section 134 (3) (q) read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION**

Conservation of energy is of utmost significance to the Company. Operations of the Company are not energy intensive. However, every effort is made to ensure optimum use of energy by using energy- efficient computers, processes and other office equipment. Constant efforts are made through regular/ preventive maintenance and upkeep of existing electrical equipment to minimize breakdowns and loss of energy.

The Company is continuously making efforts for induction of innovative technologies and techniques required for the business activities.

## **FOREIGN EXCHANGE EARNINGS AND OUTGO**

During the period, the Company has not made any export, hence the export earning is Nil.

## **WHISTLE BLOWER POLICY/VIGIL MECHANISM**

The Company has formed a Whistle Blower Policy/ Vigil Mechanism Policy as required under Section 177 of the Companies Act, 2013 and Regulation 22 of the SEBI (LODR) Regulations, 2015.

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

Our Company has always believed in providing a safe and harassment free workplace for every individual working in the Company premises. Company always endeavors to create and provide an environment that is free from any discrimination and harassment.

The policy on prevention of sexual harassment at workplace aims at prevention of harassment of employees {whether permanent, temporary, ad-hoc, consultants, interns or contract workers irrespective of gender} and lays down the guidelines for identification, reporting and prevention of undesired behavior. The Company has duly constituted internal complaints committee as per the said Act.

During the financial year ended March 31, 2023, there will nil complaints recorded pertaining to sexual harassment.

## **NUMBER OF MEETINGS OF THE BOARD**

- (a) Details of the Meeting of **Board of Directors** and meetings attended by the directors held between April'2022 to March'2023 are as under:

Six Board Meetings were held during the year on 18.04.2022, 22.07.2022, 05.09.2022, 27.10.2022, 31.01.2023, 20.03.2023.

All the Directors of the Company attended all the Board Meetings of the Company.

### **ACKNOWLEDGEMENT**

Your Directors take this opportunity to thank the Banks & Financial Institutions, Central and State Government authorities, Regulatory authorities, Stock Exchanges and the stakeholders for their continued co-operation and support to the Company. Your Directors also wish to record their appreciation for the continued co-operation and support received from the employees of the Company.

Place: Howrah

Date: 02/09/2023

(Anand Narayan Singh)  
Managing Director  
DIN: 00838218

(Indu Singh)  
Director  
DIN: 00838252