



Date: 22.07.2021

Date:

Director's message to Stakeholders;

Dear Stakeholders,

During this unfortunate event that has happened in the working responsibility to keep our stakeholders well informed about material details.

I am very saddened regarding the said event with all the

Orissa Bengal Carrier Ltd. was incorporated in the year 1994 by our beloved past Chairman late Shri Ratan Kumar Agrawal. From the last 25 years the Company has made the continuous growth and has increased its profits year on year and have achieved many milestones in its working in the transport industry for more than 25 years and have expanded the business from one branch to more than 50 branches as on date with the perpetual love and support by our stakeholders.

Orissa Bengal Carrier Ltd. Chairman late Shri Ratan Kumar Agrawal made the continuous growth and have achieved many milestones in years and have expanded the business from one branch to more than 50 branches as on date with the perpetual love and support by our stakeholders.

The most important element of a Company's business, smooth functioning and success is the trust. We at Orissa Bengal Carrier Ltd. have come so far on the base of trust between the management and the employees. The Company has always taken care of its workers/employees and business organization and we can proudly say that many employees are associated with the Company for more than 25 years.

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Every person acts fruitful on the level of trust which is conferred upon the person by the management.

It is a bitter truth that not every person acts fruitful on the level of trust which is conferred upon the person by the management.

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The Company's head office and the Corporate office is located in Raipur city in Chhattisgarh state and the Company is having one its branch situated at Jharsugda city in Orissa state. Mr. Chena Ram Saini, Mr. Manoj Jha and Mr. Manoj Kumar Tiwari were employed by the Company in the said Jharsugda branch. They were associated with the Company with more than 6 years.

In the starting of the April, 2021, it was informed to us by the employees of the Jharsugda branch that some material documents related to business operations from the said branch were found missing and further three employees namely Mr. Chena Ram Saini, Mr. Manoj Jha and Mr. Manoj Kumar Tiwari were also absent from the office.

On the receipt of the said information I personally along with the Company CFO Akshay Agrawal visited the Jharsugda branch forthwith to investigate the matter. In the due course we found that there were some financial irregularities committed by the said 3 employees in the fraudulent manner. After prima facie investigation we lodged an FIR against the said three employees at the Jharsugda police station on 27th April, 2021.

The Board felt necessary to deeply investigate the matter on urgent basis and so person from senior management from Head office was required to be engaged in investigation so the Board duly authorised CFO Akshay Agrawal & G. Kumar Company, Internal Auditor for the same.

In the due time Mr. Chena Ram Saini was arrested by the Jharsugda police and it was also informed to us that his personal movable/immovable properties were also seized by the police.

After the initial investigation by CFO along with Company's Internal Auditor it was concluded by them that there were heavy irregularities committed by the said 3 employees who were holding a position of trust and they took unethical advantage of the situation and made benefits to self in an unjustified manner.

The Company's CFO submitted a detailed report along with the material documents and evidences to the Audit committee for their further investigation. The Audit committee thoroughly investigated the matter and concluded that there was a fraud committed in the Company which amounts to Rs.5,79,91,328/- approximately up to March, 2021. The Audit committee was also in a opinion that the committee will require more time to examine the financial statements for the half year and year ended 31st March, 2021 on account of fraud and therefore authorised its members to examine the matter.

After the Audit Committee presented the above mentioned amount of fraud, the Board considered the same being in nature of material event and covered under Regulation 30 (5) of SEBI (LODR) Regulations, 2015. The Board duly informed the Stock exchange in due time.

Further upon the recommendation of the Audit Committee to defer the approval of financial statements, the Board postponed its meeting which was called on 29th June, 2021 on a later date for the purpose of approval of the financial statements.

The Audit Committee in its meeting held on 08th July 2021 concluded the investigation and confirmed the actual amount of fraud amounting to Rs Rs.5,41,43,316/- upto 31st March, 2021 which was in uniformity with the Internal Auditor report and Report of the Member of Audit committee. The Audit committee duly examined the financial statements and recommended the Board for their perusal.

The Board approved the financial statements for the half year ended and year ended 31st March, 2021 along with the Auditor's report there on in the duly held Board meeting dated 19th July 2021 and uploaded the same with the Stock exchange.

Future course of action:

- ✓ We are implementing a strong check on internal audit procedures, receiving and collection of data, processing of data and making entries.
- ✓ The Company has adopted the policy of One Company One Software and to comply that New software namely "lozics" has been instantly purchased by the Company for more security of the Company's financial transactions. Some of the Key features of the software is that Except the authorized person, no one can alter any entry/ amount once it is inserted in the software. Further the process of verifying and scrutiny be will be hassle free. Employees are being regularly trained on the functioning of the new software. Further this software is already being used by more than 100 Companies having similar logistics business.

The Company is also planning to appoint the system auditors to frequently check the accuracy of the software and to look that proper work is done by the employees as per authorization given to them and report the same to the management.

✓ All the financial transactions of the Company have been centralized at Head Office. The process of verifying and scrutiny the data will also be centralized. Further all the payments will be done by the Head office only after duly verification by the authorised officer.

✓ We wish to inform that Jharsuguda Police, has already attached some properties of the Chena Ram Saini and it has been calculated from the genuine sources that the value of the properties so attached is equivalent or more to the amount of fraud and the Board is in opinion that the total amounts of fraud can be recovered from the seized properties.

We assure to all our stakeholders that the occurrence of this event is unfortunate in the working of the Company but strict actions, detailed observation and deep review are being taken up of the affairs of all the entire branches and we will make sure that such event will not occur in future.

We do hope that the trust, love and support of all the stakeholders will continue.

With thanks and regards,


Ravi Agrawal
Wholetime Director
DIN: 01392652



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