

# **BF UTILITIES LIMITED**



**KALYANI**

## CONTENTS

1. Board of Directors etc.	1
2. Notice	2
3. Report on Corporate Governance	11
4. Directors' Report	28
5. Standalone Financials	63
6. Consolidated Financials	107

Annual Report for the year ended on 31<sup>st</sup> March, 2019

#### BOARD OF DIRECTORS

Mr. B. N. Kalyani	Chairman
Mr. A. B. Kalyani	Non-Executive Director
Mr. B. B. Hattarki	Non-Executive Independent Director
Ms. A. A. Sathe	Non-Executive Independent Director
Mr. S. K. Adivarekar (from 30 <sup>th</sup> May, 2018)	Non-Executive Independent Director
Mr. B. S. Mitkari (from 1 <sup>st</sup> April, 2019)	Whole-time Director

#### CHIEF EXECUTIVE OFFICER / COMPANY SECRETARY

Mr. B. S. Mitkari

#### CHIEF FINANCIAL OFFICER

Mr. S. S. Joshi

#### STATUTORY AUDITORS

M/s. Joshi Apte & Co., Chartered Accountants

#### SECRETARIAL AUDITORS

SVD & Associates Company Secretaries

#### BANKERS

HDFC Bank Limited

#### REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Private Limited  
'Akshay' Complex, Block No. 202, 2nd Floor,  
Near Ganesh Temple, Off Dhole Patil Road, Pune - 411 001  
Tel.: +91 (20) 2616 1629 / 2616 0084 Fax: +91 (20) 2616 3503;  
Email: [pune@linkintime.co.in](mailto:pune@linkintime.co.in)

#### REGISTERED OFFICE

BF Utilities Limited  
Mundhwa, Pune Cantonment,  
Pune 411 036, Maharashtra, India.

#### ADMINISTRATIVE OFFICE

Cyber City, Tower 15, Level 6, Office 602,  
Magarpatta City, Hadapsar, Pune - 411 013  
Phone: +91-20-6629 2550 / 26  
E-mail : [secretarial@bfutilities.com](mailto:secretarial@bfutilities.com)  
Website : [www.bfutilities.com](http://www.bfutilities.com)  
CIN : L40108PN2000PLC015323

#### INFORMATION FOR SHAREHOLDERS

**Annual General Meeting**  
Day & Date : Saturday, 30<sup>th</sup> November, 2019  
Time : 11.00 a.m.  
Venue : Kalyani Steels Ltd. Mundhwa, Pune - 411 036  
Date of Book Closure : 30<sup>th</sup> November, 2019



## BF UTILITIES LIMITED

Registered Office : Mundhwa, Pune Cantonment, Pune 411 036.

CIN : L40108PN2000PLC015323

### NOTICE

NOTICE is hereby given that the Nineteenth Annual General Meeting of the Members of BF Utilities Limited will be held at Kalyani Steels Ltd at Mundhwa, Pune 411 036 on Saturday, the 30<sup>th</sup> day of November, 2019 at 11.00 a.m. (IST), to transact the following business

#### ORDINARY BUSINESS :

##### ITEM NO.1:

To receive, consider and adopt

- a) the Audited Financial Statements of the Company for the financial year ended 31st March, 2019 and the Reports of the Board of Directors and Auditors thereon.
- b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2019 and the Report of the Auditors thereon.

##### ITEM NO.2:

To appoint a Director in place of Mr. A. B. Kalyani (DIN : 0089430), who retires by rotation and being eligible offers himself for re-appointment.

#### SPECIAL BUSINESS :

##### ITEM NO. 3 : APPOINTMENT OF MR. B. S. MITKARI AS DIRECTOR NOT LIABLE TO RETIRE BY ROTATION

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

"RESOLVED THAT Mr. B. S. Mitkari (DIN:03632549) be and is hereby appointment as Director for a period upto March 31, 2022, not liable to retire by rotation"

##### ITEM NO. 4 : APPOINTMENT OF MR. B S. MITKARI (DIN :03632549) AS A WHOLE TIME DIRECTOR

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, proviso to Item (A) of Section II of Part II of Schedule V and all applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], consent of the Company be and is hereby accorded to the appointment of Mr. B. S. Mitkari [DIN: 03632549] as a Whole-Time Director and CEO of the Company ("Whole-Time Director") for a period of 3 (Three) years with effect from April 1, 2019 upto March 31, 2022, on the following terms and conditions including remuneration:

#### I. SALARY:

A salary, (consisting of Basic Salary and all other allowances other than House Rent Allowance) of 4,49,400/- (Rupees Four Lakh Forty nine Thousand Four hundred Only) Per Month in the grade of 4,00,000/- (Rupees Four Lakh Only) to 9,00,000/- (Rupees Nine Lakh Only), with the authority to the Board to determine the salary and grant such increases in salary and/or allowances by whatever name called from time-to-time within the aforesaid limit.

#### II. PERFORMANCE INCENTIVE:

Performance Incentive, upto an amount of Rs.60,00,000/- (Rupees Sixty Lakh Only) per annum, as may be decided by the Board, subject to the applicable provisions, if any, of Schedule V of the Companies Act, 2013.

### III. PERQUISITES:

Perquisites are classified into three categories 'A', 'B' and 'C' as follows:

#### CATEGORY 'A'

This will comprise house rent allowance, leave travel concession, medical reimbursement, fees of clubs and personal accident insurance. These may be provided as under:

a) House Rent Allowance:

The Whole time Director shall be entitled to house rent allowance of 50% of the Basic Salary.

b) Medical Reimbursement:

As per the rules of the Company.

c) Leave Travel Concession:

For the Whole time Director and his family equivalent to one month's Basic Salary.

d) Club Fees:

Fees of clubs as per the rules of the Company.

e) Personal Accident Insurance:

As per the rules of the Company.

#### Explanation:

For the purpose of category 'A', 'Family' means the spouse, the dependent children and dependent parents of the Whole time Director.

#### CATEGORY 'B'

a) Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

b) Gratuity to be paid as per the Rules of the Company.

c) Encashment of leave at the end of the tenure or otherwise.

d) Retirement and other benefits as per the Rules of the Company.

#### CATEGORY 'C'

Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Whole time Director.

Notwithstanding anything mentioned herein, where in any Financial Year during the currency of tenure of the Whole-time Director, the Company has no profits or its profits are inadequate, the Company will pay him remuneration by way of salary, Performance Incentive and perquisites specified above, which is as per the proviso to Item (A) of Section II of Part II of Schedule V of the Companies Act, 2013 and the rules made thereunder.

**RESOLVED FURTHER THAT** the Company Secretary be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

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**ITEM NO. 5 : APPROVAL OF RELATED PARTY TRANSACTION WITH BHARAT FORGE LIMITED.**

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

"RESOLVED THAT pursuant to the applicable provisions of Section 188 and any other provisions of the Companies Act, 2013 and Rules framed thereunder and in terms of the Securities and Exchange Board of India ( Listing Obligations and Disclosure Requirements) Regulations, 2015 "Regulations" (including statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other statutory approvals as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors to enter into transaction/s of purchase/sale of goods / services, lease, transfer, assign or otherwise etc., whether material or otherwise, for the period of five (5) financial years with effect from April 1, 2020, of the Company with Bharat Forge Limited - Related Party, upto an estimated annual value of Rs.500 millions, to be discharged in a manner and on such terms and conditions as may be mutually agreed upon between the Board of Directors of the Company and Bharat Forge Limited."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to negotiate and finalise other terms and conditions and to do all such acts, deeds and things including delegation of powers as may be necessary, proper or expedient to give effect to this Resolution."

By Order of the Board of Directors  
For BF Utilities Limited

Pune 411 036  
25<sup>th</sup> September, 2019

B. S. Mitkari  
Company Secretary  
Membership No.FCS/3237

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**NOTES :**

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on a Poll instead of himself and the proxy 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 carrying voting rights. In case, a Proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such Proxy shall not act as a Proxy for any other person or member.

The Instrument appointing proxy should, however, be deposited at the Registered Office of the Company duly completed and signed not less than forty-eight (48) hours before the commencement of the meeting.

2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to Special Business under Item Nos.3, 4 and 5 of the Notice to be transacted at the Annual General Meeting is annexed hereto.
3. Corporate members are requested to send Board Resolution duly certified, authorising their representative to attend and vote on their behalf at the Annual General Meeting.
4. Members who hold shares in dematerialised form are requested to write their DP ID AND CLIENT ID numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the meeting to facilitate easy identification of membership at the meeting.
5. Members holding shares in dematerialised form are requested to intimate any change in their address, bank details, ECS details etc. to their respective Depository Participants and those holding shares in physical form are to intimate the said changes to the Registrar and Transfer Agent of the Company, at their address given below.
6. The Share Transfer Books and the Register of Members of the Company will remain closed on Saturday, 30<sup>th</sup> November, 2019, as an Annual Closure for Annual General Meeting.
7. Equity Shares of the Company are under compulsory demat trading by all investors. Those shareholders, who have not dematerialised their shareholding, are advised to dematerialise the same to avoid any inconvenience in future. Please note that transfer of shares in certificate form is discontinued w.e.f. 1<sup>st</sup> April, 2019.
8. Brief Profile of Directors proposed to be appointed / re-appointed, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between

Directors inter-se as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, herein after called "Regulations, 2015", are provided in the Report on Corporate Governance forming part of the Annual Report as well as elsewhere in the Notice.

9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in dematerialised form are therefore requested to submit their PAN to the Depository Participants with whom they are maintaining the demat account. Members holding shares in physical form can submit their PAN details to the Registrar and Transfer Agent of the Company, at their address given below.
10. The Ministry of Corporate Affairs (MCA), Government of India, had taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and had issued circulars stating that service of notice / documents including Annual Report can be done by e-mail to its members.

To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of dematerialised holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested submit the same to the Registrar and Transfer Agent of the Company i.e. Link Intime India Private Limited, Block No. 202, 2<sup>nd</sup> Floor, Akshay Complex, Off Dhole Patil Road, Pune - 411 001, (Maharashtra), Telephone No. 020 2616 1629 / 2616 0084.

The Notice of the Annual General Meeting along with the Annual Report 2018-19 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company / Depositories, unless any member has requested for the physical copy of the same.

11. In case members wish to ask for any information about accounts and operations of the Company, they are requested to send their queries in writing at least 7 days in advance of the date of the meeting so that the information can be made available at the time of the meeting.
12. All documents referred to in the Notice or in the accompanying Statement are available for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, Sundays and public holidays, between 10.00 a.m. to 12.00 noon, prior to the date of the Annual General Meeting and also available for inspection at the meeting.
13. Pursuant to Section 72 of the Act read with the Companies (Share Capital and Debentures) Rules, 2014, members are entitled to make a nomination in respect of shares held by them in physical form. Shareholders desirous of making a nomination are requested to send their requests in Form No. SH - 13 in duplicate (which will be made available on request) to the Registrar and Share Transfer Agent of the Company.
14. Voting through electronic means
  - I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and 'Regulations 2015', the Company is pleased to provide members facility to exercise their right to vote on Resolutions proposed to be considered at the Nineteenth Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
  - II. The facility for voting through Polling Paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through Polling Paper.
  - III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
  - IV. The remote e-voting period commences on Wednesday, 27<sup>th</sup> November, 2019 (9:00 am) and ends on Friday, 29<sup>th</sup> November, 2019 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Saturday, 23<sup>rd</sup> November, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a Resolution is cast by the member, the member shall not be allowed to change it subsequently.

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

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participants(s)]:

- (i) Open email and open PDF file viz; "BF\_utilities\_e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder - Login
- (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- (vii) Select "EVEN" of "BF Utilities Limited".
- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the Resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [deukarcs@gmail.com](mailto:deukarcs@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :

- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the Nineteenth AGM :

**EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN**

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.

VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

*NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).*

*In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).*

*In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).*



VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Saturday, 23<sup>rd</sup> November, 2019.

X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23<sup>rd</sup> November, 2019, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [pune@linkintime.co.in](mailto:pune@linkintime.co.in).

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the AGM through ballot paper.

XIII. Mr. S. V. Deulkar (Membership No. FCS 1321 & CP 965) or failing him Mr. Sridhar G. Mudaliar (Membership No. FCS 6156 & CP No. 2664), Partners of M/s. SVD & Associates, Company Secretaries has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

XIV. The Chairman shall, at the Nineteenth AGM, at the end of discussion on the Resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.bfutilities.com](http://www.bfutilities.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the National Stock Exchange of India Limited and BSE Limited, Mumbai.

15. A member shall opt for only one mode of voting i.e. either through remote e-voting or by Ballot Paper. If the member casts vote through all the modes, the votes in the electronic system would be considered and Ballot Paper would be ignored.

By Order of the Board of Directors  
For BF Utilities Limited

Pune 411 036  
25<sup>th</sup> September, 2019

B. S. Mitkari  
Company Secretary  
Membership No.FCS/3237

Register and Transfer Agent  
LINK INTIME INDIA PRIVATE LIMITED  
Block No.202, 2<sup>nd</sup> Floor, Akshay Complex, Off Dhole Patil Road,  
Near Ganesh Mandir, Pune - 411 001  
Tel-020 2616 1629 / 26160084,  
E-mail: [pune@linkintime.co.in](mailto:pune@linkintime.co.in)

## ANNEXURE TO THE NOTICE

Explanatory Statement as required by  
Section 102 of the Companies Act, 2013

## ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND DETAILS PURSUANT TO REGULATION 26 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

The following Explanatory Statement sets out the material fact and relating to the Ordinary Business mentioned in Item No.2 and Special Business mentioned under Item Nos. 3, 4 & 5 in the accompanying Notice:

### ITEM NO. 2 OF THE NOTICE

In terms of Section 152 of the Companies Act, 2013, Mr. A. B. Kalyani (DIN : 0089430) Director retires by rotation at the Meeting and being eligible offers himself for reappointment.

Details of Directors to be re-appointed / appointed, are given below :

Mr. Amit B. Kalyani, born of 26th July, 1975. After having his initial education in Pune, he graduated in Mechanical Engineering from Bucknell University, Pennsylvania, U.S.A. He initially worked with Kalyani Steels Limited, followed by other companies within the group. He then joined Bharat Forge Limited in 1999 as Vice President and Chief Technology Officer.

He was also instrumental in strategising and execution of the several acquisitions that the group had in Germany.

Mr. Amit B. Kalyani is currently Deputy Managing Director of Bharat Forge Limited. He also takes care of the overall group strategy and is responsible for the expansion of steel business and driving the infrastructure foray of the group.

Directorships / Committee memberships / Chairmanships of Mr. A. B. Kalyani in other companies are as under:

Name of the Company	Board position held	Name of the Committees	Chairman/ Member
Bharat Forge Limited	Deputy Managing Director	CSR Committee	Member
Kalyani Steels Limited	Director & Member	Nomination and Remuneration Committee	Member
BF Investment Limited	Chairman & Member	Nomination and Remuneration Committee	Member
Kalyani Investment Company Limited	Chairman & Member	Nomination and Remuneration Committee	Member
Hikal Limited	Director	-	-
BF-NTPC Energy Systems Limited	Director	-	-

Save and except, Mr. A. B. Kalyani and Mr. B. N. Kalyani (being related to each other) to the extent of their shareholding interest, if any, in the Company, none of other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, in the said Resolution.

The Board recommends the Ordinary Resolution set out at Item No. 2 of the Notice for approval by the shareholders.

Mr. Kalyani does not hold any shares in the Company.

Mr. Kalyani is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013. The Board is of the opinion that he fulfils the conditions specified in the Companies Act, 2013 and rules thereof and also possesses appropriate balance of skills, experience and knowledge so as to enable the Board to discharge its functions and duties effectively. The Board considers that his experience and expertise would be of immense benefit to the Company.