

# *22nd Annual Report*

**BHARAT  
BHUSHAN**

**BHARAT  
BHUSHAN  
FINANCE  
COMMODITY  
BROKERS  
LIMITED** &

**2013-2014**

# **BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED**

(Formerly known as Bharat Bhushan Share & Commodity Brokers Ltd.)

**BHARAT  
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<b>BOARD OF DIRECTORS</b>	:	SANT KUMARI AGRAWAL ARUN KUMAR GARG NISHA AHUJA VIJAY BHUSHAN JOGESH C. AHUJA KULDEEP GUPTA RAVINDRA SINGH VARUN SAIHGAL
<b>AUDITORS</b>	:	M/S. P. BHOLUSARIA & CO. 26/11, SHAKTI NAGAR, DELHI - 110007
<b>REGD. OFFICE</b>	:	503, ROHIT HOUSE, 3, TOLOSTOY MARG, NEW DELHI - 110001 PHONE NO. 011-43566777 FAX : 011-23540997
<b>SHARE TRANSFER AGENTS</b>	:	ALANKIT ASSIGNMENTS LTD. 1E/13 ALANKIT HEIGHTS JHANDEWALAN EXTN., NEW DELHI - 110055 PHONE : 23541234 42541234
<b>BANKERS</b>	:	ICICI BANK LTD. 9A PHELPS BUILDING CONNAUGHT CIRCUS NEW DELHI - 110001

# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED

(Formerly known as Bharat Bhushan Share & Commodity Brokers Ltd.)

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## NOTICE OF 22<sup>nd</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 22<sup>nd</sup> Annual General Meeting of the Members of M/s Bharat Bhushan Finance & Commodity Brokers Limited will be held on Thursday the 25<sup>th</sup> day of September, 2014 at Shri Purushottam Hindi Bhawan Nyas Samiti (Regd.) 11 Vishnu Digamber Marg, Rouse Avenue, New Delhi – 110002, at 11.00 A.M. to transact the following business:-

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statement of the Company for the year ended on 31st March 2014 together with the reports of the Board of Directors and the Auditor thereon.
2. To declare dividend on equity shares for the year ended 31st March, 2014.
3. To appoint a Director in place of Mr. Arun Kumar Garg (holding DIN No. 00178582), liable to retire by rotation and, being eligible, offers himself for re-appointment.
4. To appoint M/s P. Bholusaria & Co., Chartered Accountants as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration and if thought fit to pass following resolution with or without modification(s) as an **Ordinary Resolution**:

**"RESOLVED THAT** M/s. P. Bholusaria & Co., Chartered Accountants, the present Statutory Auditors of the Company be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company and at such remuneration as may be determined by the Board of Directors of the Company / Committee of the Board".

### SPECIAL BUSINESS

#### Item No 5

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

**"RESOLVED THAT** pursuant to the provision of Section 203 read with Section 196 of the Companies Act, 2013 and pursuant to Article No. 159 of the Articles of Association of the Company consent of the members be and are hereby accorded for the appointment of Mr. Satish Aggarwal as Manager of the Company for a period of five years and the said appointment of Mr. Satish Aggarwal will be effective from 25<sup>th</sup> September, 2014 to 24<sup>th</sup> September 2019 on such remuneration as set out in the explanatory statement annexed to this notice and on such other terms and conditions as are expressed and contained in the agreement entered into for this purpose between the Company and Mr. Satish Aggarwal.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to vary and/or revise the remuneration of the Mr. Satish Aggarwal within the permissible limits under the provision of Section 197 of Companies Act, 2013 or to do any statutory modification thereof from time to time and to do all such things, deeds and acts as may be necessary or expedient for giving effect to said appointment".

#### Item 6

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

**"RESOLVED THAT** pursuant to the provisions of Section 149,150,152 and other applicable provisions of Companies Act, 2013 and the Rules made thereunder read with Schedule IV of the Companies, Act 2013 Mr. Ravindra Singh (DIN 00429417) Director of the Company be and is hereby appointed as Independent Director on the Board of the Company to hold office for five consecutive years and the said appointment of Mr. Ravindra Singh will be effective from 25<sup>th</sup> September, 2014 to 24<sup>th</sup> September 2019".

#### Item 7

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

**"RESOLVED THAT** pursuant to the provisions of Section 149,150,152 and other applicable provisions of Companies Act, 2013 and the Rules made thereunder read with Schedule IV of the Companies, Act 2013 Mr. Kuldeep Gupta (DIN 00915376) Director of the Company be and is hereby appointed as Independent Director on the Board of the Company to hold office for five consecutive years and the said appointment of Mr. Kuldeep Gupta will be effective from 25<sup>th</sup> September, 2014 to 24<sup>th</sup> September 2019".

#### Item 8

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

**"RESOLVED THAT** pursuant to the provisions of Section 149,150,152 and other applicable provisions of Companies Act, 2013 and the Rules made thereunder read with Schedule IV of the Companies, Act 2013 Mr. Varun Saihal (DIN 06512573) Director of the Company be and is hereby appointed as Independent Director on the Board of the Company to hold office for five consecutive years and the said appointment of Mr. Varun Saihal will be effective from 25<sup>th</sup> September years 2014 to 24<sup>th</sup> September 2019".

**By Order of the Board  
For Bharat Bhushan Finance & Commodity Brokers Ltd.**

**Nisha Ahuja  
Director  
(DIN 00001875)**

**Date : 16/07/2014  
Place : New Delhi**

### NOTES:

1. MEMBERS ENTITLED TO ATTEND AND VOTE AT THE MEETING OF THE COMPANY SHALL BE ENTITLED TO APPOINT ONE OR MORE PROXIE(S) TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

2. Members /proxies should bring the enclosed attendance slip duly filled in and signed for attending the meeting.
3. The register of Members and Share Transfer Books of the company will remain closed from 18<sup>th</sup> September, 2014 to 24<sup>th</sup> September, 2014 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
4. The payment of dividend, as recommended by the Board of Directors, subject to approval of the shareholders at the forthcoming Annual General Meeting, will be made after 25<sup>th</sup> September, 2014 in respect of shares held in physical form to those members whose names appear in the Register of members of the company after giving effect to all valid share transfers lodged with the company as at the end of business hours on 17<sup>th</sup> September, 2014 and in respect of shares held in the electronic form to those "Deemed Members" whose names appear in the statement of Beneficial Ownership furnished by the National Securities Depository Ltd (NSDL) and the Central Depository Services (India) Ltd. (CDSL).
5. Members are requested to:
  - (a) Intimate to the company's Registrar & Share Transfer Agent, changes, if any, in their respective addresses along with pin code number.
  - (b) Quote folio no. / demat account no. in all their correspondence with the Company/ R&T Agent.
6. The time limit for transfer of un-paid/ un-claimed dividend declared for the financial year 2006-2007 will be expiring in December 2014 and therefore the amount of unclaimed dividend will be transferred to the "Investor Education and Protection Fund". Those who have not yet encashed their dividend warrant for the year 2006-2007 or thereafter are requested to write to the Company or Company's registrar and share transfer Agents.
7. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copies of Annual Report to the Meeting.
8. As per the provisions of the Companies Act 2013, facilities for making nomination is now available to the shareholders of the company in respect of shares held by them. Nomination forms are available for this purpose with the Company & Share Transfer Agents.
9. The Shares of your company is listed on the Bombay Stock Exchange and Delhi Stock Exchange. The Company has not paid the listing fees to Delhi Stock Exchange as Delhi Stock Exchange has resolved on 23<sup>rd</sup> May 2014 to voluntarily exit from their operations as a Stock Exchange. The annual listing fees upto March 2015, already stand paid to Bombay Stock Exchange.
10. Statement pursuant to Section 102 of the Companies Act, 2013 related to special business to be transacted at the meeting is annexed hereto for the kind perusal of members.
11. Members are requested to affix their signatures at the space provided for on the attendance sheet annexed to the proxy form and hand over the slip at the entrance to the place of the meeting.
12. There will be no gift distribution at the Annual General Meeting.
13. **Voting through electronic means**
  - (A) In compliance with provisions of section 108 of Companies Act, 2013 and Rule 20 of the Companies (Management and administration) Rules, 2014, the Company is pleased to provide members facility to cast their votes electronically, through e-voting services provided by National Securities Depositories Limited (NSDL), on all resolutions set forth in this Notice.The instructions for members for voting electronically are as follows:-
  - (I) Applicable in case where NOTICE is received by e-mail from NSDL:
    - (i) Open the PDF file 'Bharat Bhushan Finance & Commodity Brokers Limited e-voting pdf' attached to the e-mail, using your Client ID/ Folio No. as password. The PDF file contains your User ID and password for e-voting. Please note that the password provided in PDF is an 'Initial Password'.
    - (ii) Launch an internet browser and open <https://www.evoting.nsdl.com>
    - (iii) Click on Shareholder- Login.
    - (iv) Insert 'User ID' and 'Initial Password' as noted in step (i) above and click Login.
    - (v) Password change menu will appear. Change the password with a new password of your choice. Please keep a note of the new password. It is strongly recommended not to share your password with any person and take utmost care to keep it confidential.
    - (vi) Home page of e-voting will open. Click on e-voting Active Voting Cycles.
    - (vii) Select 'EVEV' of 'Bharat Bhushan Finance & Commodity Brokers Limited'.
    - (viii) Now you are ready for e-voting as cast Vote page opens
    - (ix) Cast your vote by selecting appropriate option and click on submit. Click on confirm when promoted.
    - (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 individual, HUF, NRI, etc) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter, along with attested specimen signatures of the duly authorized signatories who are authorized to vote, to the Scrutinizer by an e-mail at [kavitasewani1@gmail.com](mailto:kavitasewani1@gmail.com). With a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

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- B) In case of shareholders receiving physical copy of the Notice of Annual General Meeting and Attendance Slip
- (i) Initial Password is provided, as follows, at the bottom of the Attendance Slip.
- | EVEN<br>(E-Voting Event Number) | USER ID | PASSWORD |
|---------------------------------|---------|----------|
| —                               | —       | —        |
- (ii) Please follow all steps from Sr. No. (ii) to Sr. No. (xii) above, to cast vote.
- (B) If you are already registered with NSDL for e-voting then you can use your existing User ID and password for casting vote.
- (C) In terms of the provisions of Section 107 of the Companies Act, 2013, since the resolutions as set out in this Notice are being conducted through e-voting or physical ballot, the said resolutions will not be decided on a show of hands at the AGM. The voting right of all shareholders shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date i.e. 20<sup>th</sup> August 2014
- (D) Date and time of commencement of voting through electronic means: **18<sup>th</sup> September 2014.**
- (E) Date and time of end of voting through electronic means beyond which voting will not be allowed **20<sup>th</sup> September 2014.**
- (F) Details of Scrutinizer : Mrs. Kavita Pamnani Practicing Company Secretary (Membership No. FCS 6288), E-mail: kavitasewani1@gmail.com.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQ") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@nsdlindia.com](mailto:helpdesk.evoting@nsdlindia.com)

In terms of Clause 35B of the Listing Agreement, in order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, a ballot Form is attached. Members desiring to exercise vote by Ballot are requested to carefully read the instructions printed in the form, to complete the ballot Form with assent (for) or dissent (against) and send to Mrs. Kavita Pamnani, Scrutinizer, address at D-24, Old Double Storey, Lajpat Nagar-IV, New Delhi-110024. The ballot form should be received on or before 20 September 2014 By 5.30 P.M. Any Ballot Form received after the said date shall be treated as if the reply from the members has not been received.

By Order of the Board  
For Bharat Bhushan Finance & Commodity Brokers Ltd.

Date : 16/07/2014  
Place : New Delhi

Nisha Ahuja  
Director  
(DIN 00001875)

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### ITEM NO. 5

The Board of Directors in its meeting held on 16/07/2014 have recommended the appointment of Mr. Satish Aggarwal as Manager of the Company in terms of Section 203 read with Section 196 and Section 197 of the Companies Act, 2013 on the terms and conditions as agreed between the Company and Mr. Satish Aggarwal for this purpose and subject to such approvals as may be required. Mr. Satish Aggarwal is a commerce graduate and has associated with the Company since twenty years and has a vast experience in the field of Accounting and Finance.

The appointment of Mr. Satish Aggarwal is being made in accordance with the provisions of Companies Act, 2013 and the remuneration payable is within the ceiling as laid down in Section 197 of the Companies Act, 2013. The Remuneration Committee had for the time being recommended the remuneration package which is currently drawn by him which exceeds the statutory limit of 5% of the net profit of the Company as reproduced below:

- A. **Salary**  
Basic salary of Rs.18000/- (Rupees Eighteen Thousand) per month
- B. **Perquisites**  
In addition to the aforesaid salary, the manager will be entitled the following Perquisites:
- HRA Rs. 6455 /-(Rupees Six Thousand Four Hundred and Fifty Five) per month.
  - Other Allowances 3245 /-(Rupees Three Thousand Two Hundred and Forty Five) per month.
  - Gratuity Payable, entitlement & encashment of leave as per the rules of the Company.

The aforesaid appointment of Mr. Satish Aggarwal as Manager is made on the terms and conditions as set out in the agreement entered into between Mr. Satish Aggarwal and the Company and is further subject to the approval of the members. The members may also authorize to the Board to review the remuneration of Manager time to time within in the ceiling prescribed under Section 197 of Companies Act, 2013 as and when thought fit, without further approval from the members. The Board recommends the appointment of Mr. Satish Aggarwal as Manager of the Company as set out in item no. 5 of the notice.

Mr. Satish Aggarwal does not hold any shares in the Company and none of the director, Key Managerial Personnel of the Company except Mr. Satish Aggarwal is interested in the said appointment.

A copy of the agreement entered into between the Company and Mr. Satish Aggarwal is available for inspection by the members of the Company at Registered Office of the Company between 11:00 a.m. to 1:00 p.m. on all working days till the date of the Annual General Meeting except on Saturdays, Sundays and other holidays.

### Item No. 6 to 8

In accordance with the relevant provisions of Section 149 of the Companies Act, 2013 with respect to the appointment and tenure of the Independent Directors, the term of office of the Independent Directors should not be more than two terms of five years and shall not be liable to retire by rotation at every Annual General Meeting of the Company.

In order to comply with the provisions of Section 149 and other applicable Rules, Schedules and Provisions of the Companies Act, 2013, Mr. Kuldeep Gupta (DIN 00915376), Mr. Ravindra Singh (DIN 00429417) and Mr. Varun Saihgai (DIN 06512573), being eligible, offer themselves for appointment as Independent Directors on the Board of the Company, in line with the requirements of the Companies Act, 2013, and therefore it is proposed to appoint Mr. Kuldeep Gupta, Ravindra Singh and Mr. Varun Saihgai, as Independent Directors on the Board of the Company for a term of five consecutive years, and the appointment of said Directors will be effective from 25<sup>th</sup> September, 2014.

Mr. Kuldeep Gupta (DIN 00915376), Mr. Ravindra Singh (DIN 00429417) and Mr. Varun Saihgai (DIN 06512573), does not hold any share in the Company. A brief profile of proposed Independent Directors, including nature of their expertise, given as follows and also becomes the part of the Corporate Governance report attach herewith:

#### Mr. Ravindra Singh

Mr. Ravindra Singh (DIN 00429417) has a master's degree in Economics from Delhi School of Economics having more than 16 years of consultancy experience. He has helped and effected more than 20 Joint Ventures collaboration in India in various areas ranging from Textiles, Engineering products, pharmaceuticals etc.

#### Mr. Varun Saihgai

Mr. Varun Saihgai (DIN 06512573) has a Master Degree in Business Administration having more than 16 years experience in corporate affairs. Presently he is working as an Advisor, Board of Management VIT University, Vellore, Tamilnadu.

#### Mr. Kuldeep Gupta

Mr. Kuldeep Gupta (DIN 00915376) is a commerce graduate from Delhi University and also cleared intermediate level of Chartered Accountants from The Institute of Chartered Accountants of India. He has the extensive experience of more than 20 years in the field of investments and stock market. He is also holding the directorship in M/s Triumph Engineering limited, Triumph limited, GNG stocks Holdings Private Limited (Managing Director).

In respect of the said appointments notice has been received from the members proposing the candidature of Mr. Kuldeep Gupta (DIN 00915376), Mr. Ravindra Singh (DIN 00429417) and Mr. Varun Saihgai (DIN 06512573), for the office of Independent Directors of the Company and in the opinion of the Board of Directors Mr. Kuldeep Gupta, Mr. Ravindra Singh and Mr. Varun Saihgai fulfill the criteria to act as the Independent Directors of the Company. The requisite declaration as set out in sub-section (7) of Section 149 of the Companies Act, 2013 has already been received from the above mentioned Directors along with the intimation in DIR-8 to the effect that they are not disqualified under section 164(2) of the Companies Act, 2013 to act as Independent Directors of the Company.

The appointment of the Independent Directors as mentioned above were recommended to the Board by the Nomination and Remuneration Committee of the Board of Directors as constituted under section 178 of the Companies Act, 2013 for further recommendation to the members to approve the said appointments of the Independent Directors.

None of the Directors or Key Managerial Personnel of the Company except Mr. Kuldeep Gupta (DIN 00915376), Mr. Ravindra Singh (DIN 00429417) and Mr. Varun Saihgai (DIN 06512573), are interested in the said appointments. The board recommends the ordinary resolution as set out at item no. 6 to 8 for approval of the Members.

By Order of the Board  
For Bharat Bhushan Finance & Commodity Brokers Ltd.

Date :  
Place : New Delhi

Nisha Ahuja  
Director  
(DIN 00001875)

## MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

### 1. Industry Trends and Business Analysis

Indian equity markets began the new financial year 2013-2014 a little bit on the positive side with frontline shares moving up leading to re-conquering 5,700 (Nifty) and 18,650 (Sensex) levels as traders decided to spend money on beaten down essentially strong stocks. In the first half of the year, the market remained range bound due to high current, fiscal deficits and quantitative easing concern from the US. The second half led to optimism in the market as Raghuram Rajan announced a slew of measures after taking over as the Reserve Bank of India's Governor and state assembly elections suggested that BJP would form a Government at the centre in 2014.

The concerns led to dollar outflows from the debt market throughout the year. This resulted in weakening of the Indian rupee against the US dollar, which fell to an all time low of 68.85 per dollar on August 28, 2013.

Despite market expectations, the RBI left the repo rate unchanged at 7.75 per cent, while retaining cash reserve ratio (CRR) at 4 per cent on December 18, 2013. However, the central bank has cautioned that it might hike rates if data suggests that high inflation persists.

During the month of April, the major benchmark index that is Sensex and Nifty were up by 3.6% and 4.4%, respectively. In addition to this, the BSE Midcap Index and BSE Small Cap Index also ended on a positive note to the tune of 3.29% and 3.73%, respectively. The Government of India, Ministry of Commerce and Industry announced Annual Supplement 2013-2014 to the Foreign Trade Policy 2009-2014 to boost exports and revive SEZs. The World Bank said it would lend between \$3 billion to \$5 billion annually to India under a new four-year plan that focuses development projects on the country's poorest states.

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Indices edged higher after the Lok Sabha passed the Finance Bill for the 2013-14 fiscal year. Finance Minister P. Chidambaram cut the withholding tax on interest payments to foreigners on government and corporate debt to 5% from up to 20% for a two-year period from 1 June 2013 to 31 May 2015. The Cabinet Committee on Investment (CCI) on 22 April 2013 gave its approval for a total of 13 projects involving investment of about Rs 33000 crore in the transmission, hydropower and thermal power sector.

The Benchmark indices ended positively for the month of May 2013. While BSE Sensex rose by 1.31%, Nifty gained 0.94%. The Reserve Bank of India cut interest rates by 25 basis points this month and India saw its WPI inflation figure ease below 5 percent. However, GDP data on May 31 came below expectations, dampening hopes of further rate cuts.

The month of June was very choppy for the Indian equity market. The major benchmark indices saw a downward trend with the Sensex falling by 1.84% while the Nifty was down by 2.40%. Domestic and global woes affected investor sentiment during the month. The Current Account Deficit (CAD) and the depreciating currency had a severe impact on the market. To add to this, the US Federal Reserve chairman's announcement that they would be withdrawing the Quantitative Easing (QE) by mid-2014 also contributed to the negative sentiment.

In the Mid-Quarter Monetary Policy Review announced on June 17, the RBI kept the policy rates unchanged at 7.25 % and CRR remained at 4%. The Rupee depreciated against the Dollar, with the close price of USDINR for June 2013 moving from Rs. 59.745 to Rs. 61.055 during the period, experiencing a high of Rs. 61.055 and a low of Rs. 59.04.

The Benchmark indices ended negatively for the month of July 2013. BSE Sensex fell by 0.3%. Nifty fell 1.7% for the month, marking its second consecutive monthly fall, after the Reserve Bank of India's measures to raise short-term interest rates to defend the rupee raised worries about the economic costs. In the First Quarter Review of Monetary Policy held on July 30, RBI left the major policy rates unchanged. However it was made very clear in the policy document that "Monetary policy going forward will be shaped by considerations of supporting growth, anchoring inflation expectations and maintaining external sector stability".

In the month of July 2013, the 10-year G-sec was in an upward trend as it rose from 7.73% on the first day of July to 8.72% on July 31, 2013. The rise was more sharp after the RBI announced measures to contain currency volatility. The Marginal Standing Facility (MSF) rate was recalibrated with immediate effect to be 300 basis points above the policy repo rate under the Liquidity Adjustment Facility (LAF). Consequently, the MSF rate became 10.25%. Accordingly, the Bank Rate also was adjusted 10.25% with immediate effect.

The Benchmark indices ended negatively for the month of August 2013. BSE Sensex fell by 3.8%. Nifty fell 4.7% for the month, weighed by a host of factors, including weakness in the currency, possible tapering of US Fed's bond-buying program and threats of ratings downgrade. In August, India's financial markets remained under severe stress as the rupee lost around 9%, deepening fears about the country's fiscal condition. The currency nosedived to its historic low of 68.85 to a dollar in intra-day trading on 28 August. The rupee completed its worst month since 1992 and was the worst performing currency in emerging markets.

The government then appointed Raghuram Rajan as the next governor of the RBI, raising hopes that the former IMF chief economist, who in 2005 famously predicted the financial crisis that hit the developed world three years later, will bring a fresh and perhaps more innovative approach to pull the economy out of the crisis of slowing growth and a weakening currency.

In the month of September, the domestic indices i.e. S&P BSE SENSEX and CNX Nifty recovered by posting a monthly return of around 4.08% and 4.82% respectively. The Reserve Bank of India announced the following monetary policy measures to reduce the marginal standing facility (MSF) rate by 75 basis points from 10.25 per cent to 9.5 per cent with immediate effect, reduce the minimum daily maintenance of the cash reserve ratio (CRR) from 99 per cent of the requirement to 95 per cent effective from the fortnight beginning September 21, 2013, while keeping the CRR unchanged at 4.0 per cent; and increase the policy repo rate under the liquidity adjustment facility (LAF) by 25 basis points from 7.25 per cent.

In the month of October 2013, the domestic indices i.e. S&P BSE SENSEX and CNX Nifty had a good innings as they delivered a return of 9.21% and 9.83% respectively. The positive sentiments in the market was on account of the better than expected second quarter results, the FED's decision to delay tapering of bond purchases and the stabilization in currency. The Reserve Bank of India announced the following monetary policy measures in its second quarter review of monetary policy statement. Reduced the marginal standing facility (MSF) rate by 75 basis points (bps) to 8.75%; Increased the liquidity provided through term repos of 7-day and 14-day tenor from 0.25% of NDTL of the banking system to 0.5%; and The reverse repo rate under the LAF was adjusted to 6.75% and the Bank Rate reduced to 8.75%.

The month of November saw major indices namely S&P BSE Sensex and Nifty giving up gains of the previous month as they clocked negative returns to the tune of 1.76% and 1.95% respectively. The Rupee depreciated against the Dollar, with the close price of USDINR for November 2013 moving from Rs. 61.81 to Rs. 62.90 during the period, experiencing a high of Rs. 64.05 and a low of Rs. 62.03. The markets closed the month of December on a positive note with major indices S&P BSE Sensex and Nifty delivering positive returns to the tune of 1.82% and 2.07% respectively. During December, the Indian markets were filled with positive sentiments caused by the outcome of the State Elections, RBI maintaining a Status Quo on the monetary policy front along with the stability seen in the currency. Indian stocks surged after the Reserve Bank of India (RBI) surprised markets by

keeping its main lending rate viz. the repo rate unchanged at 7.75% after mid-quarter monetary policy review. Investor sentiment was also boosted by stock market regulator Securities and Exchange Board of India's (SEBI) decision to rationalize the rules on trading of thinly traded stocks.

In the month of January the major indices: S&P BSE Sensex and Nifty delivered -3.18% and -3.65% respectively ending on a negative note. The Reserve Bank of India announced on 28th January, 2014 the following monetary policy measures in its third quarter review of monetary policy statement: Increased the policy repo rate under the liquidity adjustment facility (LAF) by 25 basis points from 7.75% to 8.0%; Retained the Cash Reserve Ratio (CRR) of scheduled banks unchanged at 4.0% of Net Demand and Time Liability (NDTL); Consequently, the reverse repo rate under the LAF was adjusted at 7.0% and The Marginal Standing Facility (MSF) rate and the Bank Rate at 9.0%.

The markets closed the month of February on a positive note with major indices S&P BSE Sensex and Nifty delivering positive returns to the tune of 2.96% and 3.08% respectively. The Government presented the Interim Budget which had no great news for the investors. The favourable global scenario along with the macro-economic parameters at the domestic level in terms of Inflation and Fiscal Deficit numbers led to the positive sentiments in the market.

Indian Equity Market moved up sharply during the month of March. Sensex and Nifty posted gains of 6.0% and 6.8% resp. in March. Foreign Institutional Investors (FIIs) were net buyers in March. FIIs bought equity to the tune of Rs223.5bn in March and for the financial year FY14, total net purchase of Indian equities stood at Rs825.9bn. Domestic Mutual Funds were net sellers during the month and sold net Rs38.9bn worth of Indian equities and for the FY14, they remained net sellers of Indian equities worth Rs212.2bn.

The optimism surrounding the upcoming elections along with the positive macro-economic indicators were responsible for the Indices to move upwards. On the other hand, the uncertainties in the global economy like Russia-Ukraine tension, announcements made by the FED on tapering and Chinese slowdown were some of the dampeners on the street.

The Nifty hit all-time high of 6730.05 and the Sensex touched a life time high of 22467.21 on 31<sup>st</sup> March, 2014

## Commodity Market Overview :

The turnover of the commodity exchanges fell by 40.51 per cent to Rs 101.41 lakh crore in 2013-14 from Rs 170.46 lakh crore in FY'13, according to the data from various exchange websites. The commexes turnover slipped by 40.51 per cent at Rs 101.41 crore due to imposition of commodity transaction tax, sluggish participation in futures trade and poor markets sentiment due to NSEL scam during FY'14.

The major fall in bullion futures was because of high price volatility that prompted investors to stay away from the markets, experts said. The turnover of metals other than bullion stood at Rs 17.60 lakh crore in FY14.

MCX remained leading bullion futures player with 99.46 per cent market share with a turnover of Rs 42.85 lakh crore. The exchange also remained leader in metal trade with 98.66 per cent market share having a turnover of Rs 17.37 lakh crore in FY'14, as per the data

## 2. Operating Results

The profitability of the Company in the current financial year is similar to the profitability of the Company in the previous financial year.

Particulars	(Rs. In Lacs)	
	Current year ended 31 <sup>st</sup> March, 2014	Previous year ended 31 <sup>st</sup> March, 2013
Total Income	82.40	87.80
Administrative and other Expenditure	31.23	35.70
Profit after depreciation & tax	41.43	41.59
Current Assets	68.86	233.18
Current Liabilities & Provisions	62.89	83.35
Net Current Assets	5.97	149.83
Share Capital	338.04	338.04
Reserve & Surplus	426.69	405.03

## 3. Future Prospects and Outlook

Given the robust growth prospects in India, the company anticipates long term and stable growth with the goal of achieving sustainable superior returns while managing risks prudently. The company as a NBFC engaged predominantly in the business of investment in securities and its future prospects are closely linked with the buoyancy of the stock market which apart from the political factors is a function of corporate performance and overall economic growth.

The company has significant quoted investments, which are exposed to fluctuations in stock prices. These investments represent a material portion of the company's business and are vulnerable to fluctuations in the stock markets. Any decline in the prices of the company's quoted investments may affect its financial positions and the results of its operations. Nevertheless your company has a well diversified portfolio of stocks to mitigate any stock market fluctuations and the management continuously monitors market exposure and manages an active portfolio. In the coming years we will strengthen and expand our portfolios to further penetrate into the Indian stock market.

## 4. Risks and concerns

Risk is an integral part of the business and we aim at delivering superior value by achieving an appropriate balance between risks and returns. Major risk of the company emanates from fluctuations in the country's macroeconomics indicators,



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international demand and prices and the impact of government regulation changes on industry and environment. The Macro economic factors are inclusive of demand, prices and interest rate volatility that give rise to market risk and liquidity risk. The Indian Stock Markets continue to be in a recovery phase but continue to exhibit bouts of volatility. Further Indian economy continues to suffer from large fiscal deficit.

Your company will engage in constant environment scanning, monitoring all the events, processes and developments on a regular basis. To ensure timely measures for risk containment we have developed a risk culture that encourages employees to identify the risks, associated opportunities and respond to them with appropriate actions. Thus, the company is well equipped to manage these risks by formulating effective asset allocation strategies and by following prudent business and risk management practices.

## 5. Internal control systems and their adequacy

The company has proper and adequate system of internal controls commensurate with its size to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, recorded and reported correctly. The internal control system is designed to ensure that all financial and other records are reliable for preparing financial statements and other data and for maintaining accountability of assets. Besides the audit committee of the board of directors of the company periodically reviews the functionality and the adequacy of the internal control system.

## 6. Human Resources

The company continues to provide a platform for individual opportunities and for growth in knowledge and skills of its people. The relationship with all the employees continues to be cordial. The management acknowledges the contribution of its employees and the spirit of commitment demonstrated by them in realizing the company's vision. The company is emphasizing on new initiatives which will further enhance the company's ability to attract and retain high caliber employees for faster growth of the company's business.

## DIRECTORS REPORT

Your Directors have pleasure in presenting the Twenty Second Annual Report on the business and operations of your Company together with the Audited Accounts for the financial year ended March 31, 2014.

## FINANCIAL HIGHLIGHTS

Particulars	(Rs. In lacs)	
	Financial year ended March 31, 2014	Financial Year ended March 31, 2013
Total Income	82.40	87.80
Profit before depreciation & Tax	51.17	52.10
Depreciation	1.12	1.28
Profit Before Tax	50.05	50.82
Provision for Taxation	8.62	9.23
Profit After Tax	41.43	41.59
Balance Profit B/F from earlier year	267.40	253.90
Profit available for appropriation	308.83	295.49
APPROPRIATION:		
Transfer to Reserve Fund	8.28	8.32
Proposed Dividend	16.90	16.90
Provision for Dividend Tax	2.87	2.87
Profit C/F to Balance Sheet	280.77	267.40

## DIVIDEND

The Directors of your Company recommend a dividend amounting to 50 Paise (fifty paise) per share which is (5%) of the face value of per equity share of the Company for the financial year ended on 31<sup>st</sup> March, 2014 and after the declaration of dividend by the shareholders at the forthcoming Annual General Meeting, it would involve outflow of Rs. 1977000/- (including dividend tax). Dividend tax will be subject to the applicable taxation rates.

## FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The performance of your company in the financial year under review remains similar with the performance of the previous financial year. The profit after tax in the current financial year is Rs. 41.42 Lacs as compared to previous year's profit after tax amounting Rs. 41.59 Lacs. Despite difficult market conditions during the financial year under review the Company managed to maintain its net profitability as compared to the previous year's performance.

In the past year, India has witnessed stability returning to the financial markets due to which the year 2014-2015 began on an optimistic note and helped the Indian Financial Market in recovering back. In the first half of the year 2013-14, the market remained range bound due to high current fiscal deficits and quantitative easing concern from the US. The second half led to optimism in the market as Raghuram Rajan announced a slew of measures after taking over as the Reserve Bank of India's Governor and state assembly elections suggested BJP would form a stable Government at the centre in 2014.

Management Discussion and Analysis on financial condition and results of operation of the Company for the year under review, as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges, is given as a separate statement in the Annual Report.

## COMMODITY MARKET

The Company earned a brokerage on commodity exchange of Rs. 3.23 Lacs in the

financial year under review as compared to 16.64 Lacs in the previous financial year. The trade volumes on bourses have been hit after the imposition of commodity transaction tax. Besides, investors are trading cautiously after the Rs 5,500 crore payment crisis came to light at the National Spot Exchange Ltd (NSEL) few months ago.

Your directors will continue to look for improvements in the business outlook for short and medium term and accordingly adjust its growth targets in the different segments of its business. With more experience in the line and prudent management of the commercial and financial risks, your directors aim at achieving higher returns from this activity in the years to come.

## CORPORATE GOVERNANCE

A detailed report on Corporate Governance and a Certificate from the Practicing Company Secretary regarding compliance with conditions of Corporate Governance as stipulated by Clause 49 of the Listing Agreement with the Stock Exchanges, have been furnished in the Annual Report and forms part of this report.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to Director's Responsibility Statement, your Directors certify as follows: -

- That in the preparation of the Annual Accounts for the financial year ended on 31<sup>st</sup> March, 2014, the applicable Accounting Standards have been followed.
- That the directors have selected such Accounting policies and applied them consistently and 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 as at 31<sup>st</sup> March, 2014 and of the profit & loss of the Company for the year under review.
- That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- That the directors have prepared the Annual Accounts for the year ended 31<sup>st</sup> March, 2014 on a going concern basis.

## DIRECTORS

In terms of Section 152(6) of the Companies Act, 2013 Mr. Arun Kumar Garg (holding DIN No. 00178582) director of the company is liable to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible offer himself for re-appointment. The Board of Directors recommends his re-appointment as Director.

A brief resume of Directors recommended for appointment/ re-appointment as Director at the ensuing Annual General Meeting, nature of expertise in specific functional areas, and names of Companies in which he holds the directorship and the membership/ chairmanship of Committees of the Board, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are given in section on Corporate Governance in this Annual Report.

Pursuant to the provisions of Section 149, 150, 152 and other applicable provisions of Companies Act, 2013, the board has also recommends the appointment of Mr. Ravindra Singh (DIN 00429417), Mr. Kuldeep Gupta (DIN 00915376) and Mr. Varun Saihlal (DIN 06512573) as Independent Directors of the Company whose term of office will be five consecutive year and the said appointment of Independent Directors will be effective from 25<sup>th</sup> September, 2014 to 24<sup>th</sup> September 2019<sup>th</sup>.

Board has also recommended the appointment of Mr. Satish Aggarwal as Manager of the Company for a period of five years and the said appointment of Mr. Satish Aggarwal as Manager will be effective from 25<sup>th</sup> September, 2014 to 24<sup>th</sup> September 2019<sup>th</sup>.

## CHANGE IN REGISTERED OFFICE OF THE COMPANY

The Company has shifted its Registered Office from 5-E, Rani Jhansi Road, Jhandewalan Extn., New Delhi – 110 055 to 503, Rohit House, 3, Tolstoy Marg, New Delhi – 110 001 with effect from 25<sup>th</sup> June, 2014.

## AUDITORS

M/S P.BHOLUSARIA & CO., Chartered Accountants, Statutory Auditors of the Company having registration number 000468N retires at the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received a certificate from the Statutory Auditors to the effect that their re-appointment, if made, would be within the limits prescribed under the Companies Act, 2013.

## PARTICULARS OF EMPLOYEES

Provisions of Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended from time to time is not applicable to the Company, since no employee of the Company was in receipt of the remuneration in excess of the limits as specified in the said rules.

## SUBSIDIARY COMPANIES

The company does not have any Subsidiary Company.

## LISTING OF SHARES

The Equity shares of the Company are listed on the Bombay Stock Exchange (BSE Limited) and Delhi Stock Exchange and the Company have applied to Delhi Stock Exchange in the current financial year for Voluntarily delisting the shares of the Company.

## DELISTING OF COMPANY'S EQUITY SHARES FROM THE DELHI STOCK EXCHANGE

The Company is in principle approval from Delhi Stock Exchange for delisting of the Equity Shares of the Company from the Delhi Stock Exchange.

## VOTING THROUGH ELECTRONIC MEANS

In order to promote the green initiative and in compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement the Company is pleased to provide members facility to exercise their rights to vote at the 22<sup>nd</sup> Annual General Meeting of the Company by electronic means and the business may be transacted through e-voting services provided by National Securities Depository limited (NSDL).

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## PUBLIC DEPOSITS

The Company has continued its policy for not accepting any public deposits during the year under review.

## STATUTORY INFORMATION

As the Company's operations do not involve any manufacturing or processing activities, the particulars as per the Companies (Disclosure of particulars in the report of Board of Directors) rules 1988, regarding conservation of energy and technology absorption is not applicable to the Company.

The company was no foreign exchange out-go or inflow during the year under review.

## ACKNOWLEDGEMENTS

Your Directors would like to express their sincere appreciation for the co-operation patronage, assistance and guidance by their business associates, bankers and clients and other business constituents for their continued support throughout the year. Your Directors also sincerely acknowledge the significant contributions made by the employees through their dedicated services to the Company.

The Board would like to take this opportunity to express its gratitude to you all, partners in our enterprise, for your confidence, encouragement and unstinting support.

**For & on Behalf of the Board of Directors**

**VIJAY BHUSHAN**

**DIRECTOR**

(DIN NO. 00002421)

**NISHA AHUJA**

**DIRECTOR**

(DIN NO. 00001875)

**Place : New Delhi**

**Date : 16.07.2014**

## REPORT ON CORPORATE GOVERNANCE

### COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is about commitment towards sustaining values and ethical business conduct. It is a set of process, customs, policies and laws by which corporations are directed and controlled in the larger interests of all stakeholders.

Good corporate governance is not merely about transparency and accountability. Underlying the concept is integrity which means doing the right things to discharge the entrusted responsibility in an efficient, effective and judicious manner.

It is the constant endeavor of the company to substantially follow the key principles of established governance of protecting shareholder wealth, enhancing it through proper utilization of resources, maintaining the wealth created and safeguarding the interests of all stakeholders. Maintenance of the internal controls for effective management is of paramount significance to the Board for safeguarding the interest of all its stakeholders.

The company continues to be committed to high standards of corporate governance. In all its operations and processes, the company adheres to stringent governance norms so that its stakeholders can expect superior and sustained financial performance.

Through its corporate governance measures, the company aims to maintain transparency in its financial reporting and keep all its stakeholders informed about its policies, performance and development the company will continue to sustain stakeholder confidence by adopting and continuing good practices, which is at the heart of effective corporate governance.

Your company's Board of Directors has empowered key management official to implement policies and guidelines to the key elements of corporate governance – transparency, disclosure, supervision and internal controls, risk management, internal and external communication, high standards of safety, accounting fidelity and service quality. It also has in place comprehensive business review process. The Company is fully committed to follow the procedures and practices in conformity with clause 49 of the Listing Agreement of the Stock Exchanges, as applicable. Your Directors present the Company's Report on Corporate Governance as under.

### BOARD OF DIRECTORS

The Board of Directors comprises of 8 Directors, out of which 4 Directors are Non-Executive Promoter Directors, 1 Director is Non-Executive Director and 3 Directors are Independent Non-Executive Directors.

As per the declarations received by the Company, none of the Directors are disqualified under Section 164(2) of the Companies Act, 2013 read with The Companies (Appointment and Qualification of Directors) Rules, 2014

The Board of Directors is responsible for the management of the business and meets at least once in a quarter for discharging its role and functions and to consider quarterly performance of the Company and financial results. During the year under review, 4 Board Meetings were held on May 21, 2013, July 26, 2013, October 25, 2013 and January 23, 2014. The gap between any two consecutive meetings did not exceed four months. To enable the board to discharge its responsibilities effectively and take informed decisions, the necessary information is made available to the Board of Directors through agenda. The Board members in consultation with the Chairman may bring up other matters for consideration at the Board meetings. Requisite information under the statute and as per all the applicable guidelines on Corporate Governance and other material and significant information are placed before the Board of Directors to enable it to discharge its responsibility of strategic supervision of the Company.

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and at the last Annual General Meeting, as also the number

of Directorships and Committee position as held by them in other Public Limited Companies are given below:

Name of Director	Category of Directorship	Attendance Board Meeting	Last AGM	*No. of other Directorship	**No of the other Board Committee As Chairman As Member	
Mr. Vijay Bhushan	Promoter/ Non- Executive	4	Yes	4	3	1
Mrs. Nisha Ahuja	Promoter / Non- Executive	4	Yes	1	-	-
Mr. Jogesh C. Ahuja	Promoter/Non- Executive	4	No	1	-	-
Mrs. Sant Kumari Aggarwal	Promoter/ Non- Executive	3	No	-	-	-
Mr. Ravindra Singh	Independent	4	No	1	-	-
Mr. Kuldeep Gupta	Independent	3	Yes	2	-	-
Mr. Arun Kumar Garg	Non-Executive	4	No	1	-	-
Mr. Varun Saihgal	Independent	3	No	-	-	-

\*Directorships in Private Limited Companies, Associations, Memberships of Managing Committees of various Chambers/ bodies as well as Alternate Directorships are excluded.

\*\*In accordance with clause 49 of Listing Agreement, Membership/Chairmanship of only the Audit Committees and Shareholders/Investor's Grievances Committees of all Public Limited Companies have been considered.

### Information about Directors and Key managerial Personnel

Resume of Mr. Satish Aggarwal being appointing as Manager of the Company at the ensuing Annual General Meeting

Mr. Satish Aggarwal is a Commerce graduate and has associated with Company since 20 years and has a vast experience in the field of Accounting and Finance and currently working as Manager Finance of the Company.

### Brief resume of Director being re-appointing at the ensuing Annual General Meeting

#### (i) Mr. Arun Kumar Garg

Mr. Arun Kumar Garg is a commerce graduate from Delhi University and has also a degree of Chartered Accountant from The Institute of Chartered Accountants of India. He has the extensive experience of more than 30 years in the field of finance and accounting.

Brief resume of Directors being appointing at the ensuing Annual General Meeting as Independent Director for a term of consecutive years of five years, and nature of their expertise in specific functional areas is furnished hereunder:

#### (i) Mr. Varun Saihgal

Mr. Varun Saihgal has a Master Degree in Business Administration having more than 16 years experience in corporate affairs. Presently he is working as an Advisor, Board of Management VIT University, Vellore, Tamilnadu.

#### (ii) Mr. Ravindra Singh

Mr. Ravindra Singh has a master's degree in Economics from Delhi School of Economics having more than 16 years of consultancy experience. He has helped and effected more than 20 Joint Venture Collaboration in India in various areas ranging from Textiles, Engineering Products, Pharmaceuticals etc.

#### (ii) Mr. Kuldeep Gupta

Mr. Kuldeep Gupta is a commerce graduate from Delhi University and has also cleared intermediate level of Chartered Accountants from The Institute of Chartered Accountants of India. He has the extensive experience of more than 20 years in the field of investments and stock market. He is also holding the directorship in M/s Triumph Engineering Limited, Triumph Trading Limited, GNG Stock Holdings Private Limited (Managing Director)

### CODE OF CONDUCT

The Board of Directors of the Company has laid down a Code of Conduct for all Board Members and Senior Management Personnels. The said Code of Conduct has also been posted on the website [www.bbinvestments.in](http://www.bbinvestments.in).

All the Board Members and Senior Management Personnel have affirmed compliance with this Code for the year ended 31<sup>st</sup> March 2014.

### BOARD COMMITTEES

#### A. AUDIT COMMITTEE

During the Financial Year under review, the Audit Committee of the Board comprised of Four Non-Executive Directors majority being independent viz. Mr. Vijay Bhushan, Mr. Ravindra Singh, Mr. Varun Saihgal and Mr. Kuldeep Gupta Independent Director, and Mr. Kuldeep Gupta chaired the Audit Committee meetings. All the members of the Committee are eminent professionals and draw upon their experience and expertise across a wide spectrum of functional areas such as finance and corporate strategy. The primary objective of the Audit Committee is to monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosures and the integrity and the quality of the financial reporting.

The Composition of the Audit Committee meets the requirements of section 177 of the Companies Act, 2013, and Clause 49 of the Listing Agreement. The Company Secretary acts as a Secretary of the Audit Committee Meeting.

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## MEETINGS

During the year under review, the Committee met four times held on May 21, 2013, July 26, 2013, October 25, 2013 and January 23, 2014. The attendance of the members of the meeting was as follows:

Name of the member	Status	No. of meetings attended
Mr. Vijay Bhushan	Non - Executive	4
Mr. Varun Saihgal	Independent	3
Mr. Ravindra Singh	Independent	4
Mr. Kuldeep Gupta	Independent	3

The terms of reference of the Audit Committee are in accordance with the requirements of the Clause 49(II) of the Listing Agreement and as specified by the Board of Directors of the Company.

## B. REMUNERATION OF DIRECTORS/REMUNERATION COMMITTEE

As the Company is not having any Executive Director no remuneration is being paid to the Directors except sitting fees, therefore, no remuneration committee has been constituted by the Company but for the time being to comply with the requirements of the Companies Act, 2013 the Board decides to constitute the same in the current financial year.

## C. SHAREHOLDERS/ INVESTOR GRIEVANCE COMMITTEE

During the Financial Year under review, the Board has constituted Shareholders'/ Investors' Grievance Committee comprising of Mrs. Nisha Ahuja, Mr. Varun Saihgal, (Independent Director) and Mr. Jogesh C. Ahuja. The Committee is chaired by Mrs. Nisha Ahuja, Non-Executive Director.

The Company has been taking all steps to ensure that Shareholder's /Investor's Grievances activities are given due priority and matters/issues are resolved at the earliest. The Committee reviews complaints received and appropriate action is taken promptly. The Committee also oversees the performance of the Registrars and Transfer Agents and recommends measures to improve the level of investor services. To resolve & redress the investors' complaints an exclusive e-mail ID was created namely, [investorgrievance@bharatbhushan.com](mailto:investorgrievance@bharatbhushan.com) on which the investors will be able to register their complaints and also take necessary follow-up actions thereon. The said email ID has also been posted on the website. The Company Secretary acts as a Compliance Officer of the Company.

Pursuant to Circular no. CIR/OIAE/2/2011, dated on June 3, 2011 issued by Securities & Exchange Board of India (SEBI), SEBI has commenced processing of investor complaints in a centralized web based complaints redress system 'SCORES', according to which complaints pertaining to listed companies will be electronically sent through SCORES at <http://scores.gov.in/Admin> and such Companies are required to view the complaints pending against them and submit ATRs alongwith supporting documents electronically in SCORES. As mandated by the aforesaid SEBI circular the Company has obtained USER ID and password for logging into SCORES.

During the year the Company received 25 requests/ complaints from shareholders. All the complaints were attended immediately and resolved to the satisfaction of the shareholders. There was no complaint outstanding as on 31<sup>st</sup> March, 2014.

The committee met at regular intervals to check whether investor correspondences/ grievances are solved within the time frame. Four meetings of Shareholders/Investors Grievance Committee were held during the financial year ended May 21, 2013, July 26, 2013, and October 25, 2013 and January 23, 2014. The attendance of each member of the Committee is given below:

Name of the member	Status	No. of meetings attended
Mrs. Nisha Ahuja	Non- Executive	4
Mr. Jogesh Ahuja	Non- Executive	4
Mr. Varun Saihgal	Independent	2

## GENERAL BODY MEETINGS:

The last three Annual General Meetings of the Company were held as under:

Financial Year	Location	Date	Time
2010-2011	Shah Auditorium, Rajniwas Marg, Delhi - 110 054	23.09.2011	11.30 A.M.
2011-2012	Shri Purushottam Hindi Bhawan Nyas Simiti, New Delhi - 110002	28.09.2012	11.00 A.M.
2012-2013	Shri Purushottam Hindi Bhawan Nyas Simiti, New Delhi - 110002	23.09.2013	11.00 A.M.

## DISCLOSURES

a) Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the company at large.

None of the transactions with any of the related parties were in conflicts with interest of the Company during the financial year under review.

b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years.

The Company has complied with all the requirements of the Listing Agreement with the Stock Exchanges as well as regulations and guidelines of SEBI. No penalties have been levied or Strictures have been passed by SEBI, Stock Exchanges or any other statutory Authority on matters relating to capital markets, in the last three years.

## MEANS OF COMMUNICATION

### a) QUARTERLY RESULTS

Pursuant to the Clause 41 of the Listing Agreement of the Company with the Stock Exchanges, the Company regularly intimated Quarterly Unaudited as well as Audited financial results to Stock Exchanges immediately after they are taken on record by the Board. Quarterly results were published in "The Pioneer" (English) and "Vir Arjun" (Hindi) at Delhi.

b) Management Discussion and Analysis forms part of the Report of the Directors.

## GENERAL SHAREHOLDERS INFORMATION

### 1) Annual General Meeting

Date	: 25 <sup>th</sup> September, 2014
Venue	: Shri Purushottam Hindi Bhawan Nyas Simiti ( Regd.) 11 Vishnu Digamber Marg, Rouse Avenue, New Delhi - 110002
Time	: 11.00 A.M.

### 2) Announcement of Quarterly Results during the year ended 31.03.2014

Quarter ended	Dates of Announcement
June, 2013	: 26 <sup>th</sup> July, 2013
September, 2013	: 25 <sup>th</sup> October, 2013
December, 2013	: 23 <sup>rd</sup> January, 2014
March, 2014	: 14 <sup>th</sup> May, 2014

### 3) Announcement of quarterly results for the year ended 31.03.2015

Quarter ended	Tentative dates of Announcement
June, 2014	: Last week of July 2014
September, 2014	: Last week of October 2014
December, 2014	: Last week of January, 2015
March, 2015	: Last week of April, 2015 or Last week of May, 2015

### 4) Book Closure

The dates of the Book Closure are from 18<sup>th</sup> September, 2014 to 24<sup>th</sup> September, 2014 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.

### 5) Dividend

Your Directors recommended payment of dividend 0.50 paisa per share subject to the declaration by Shareholders in the ensuing Annual General Meeting and will be paid on or after 25<sup>th</sup> September, 2014.

### 6) A. Equity Shares listed on : BSE LIMITED

DSE (Delhi Stock Exchange Ltd.)	
Listing Fees	: Duly paid to Bombay Stock Exchanges for the year 2014-15.
	The Company has not paid listing fees to DSE (Delhi Stock Exchange) as DSE has resolved on 23 <sup>rd</sup> May 2014 to voluntarily exit from their operations as a Stock Exchange

### Stock Code

A. Trade Symbol at Stock Exchanges	: Bombay Stock Exchange
	Stock Code: BHAR BHUSH
	Stock No. : 511501

B. Demat ISIN in NSDL and CDSL	: INE900A01013
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### 7) Stock Market data (in Rs. /per share) for the period: April 2013 to March 2014

Months	BSE	High(Rs)	Low(Rs)
April 2013		8.92	8.16
May 2013		8.15	8.03
June 2013		8.40	8.40
July 2013		-	-
August 2013		8.82	7.99
September 2013		7.87	7.03
October 2013		8.26	8.26
November 2013		8.80	7.86
December 2013		8.69	8.27
January 2014		9.34	8.20
February 2014		11.05	9.43
March 2014		11.05	9.00



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## 8) Share Price performance in comparison to broad based indices-BSE Sensex

Company's share price performance in comparison to BSE Sensex for the financial year 2013-14

Period	Company's share price	BSE Sensex
April 2013	97.86%	103.55%
May 2013	96.68%	104.91%
June 2013	99.64%	102.97%
July 2013	-	102.71%
August 2013	97.86%	98.85%
September 2013	93.36%	102.89%
October 2013	97.98%	112.36%
November 2013	103.20%	110.38%
December 2013	103.08%	112.40%
January 2014	106.64%	108.91%
February 2014	131.08%	112.13%
March 2014	112.69%	118.85%

## 9. Registrar and Share Transfer Agents:

For shares held in Physical Mode / Depository Mode

M/s Alankit Assignments Ltd.

1E/13 Alankit Heights

Jhandewalan Extn.,

New Delhi – 110 055.

Tel: 23541234/42541234, Email: rta@alankit.com

## 10. Share Transfer System

The Company's Registrars and Share Transfer Agents, **M/s Alankit Assignments Ltd. (Alankit)**, having its 1E/13, Alankit Heights, Jhandewalan Extn., New Delhi-110015 have adequate Infrastructure to process the share transfers. Share transfer is usually affected within a maximum period of 7 days from the date of receipt, if the documents submitted are in order. The Board of directors confirms all share transfers/transmission. In the demat segment as well Alankit is acting as Registrar for providing the connectivity with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

## 11. Dematerialisation of Shares

The shares of the Company are available under dematerialization form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL). The Company's shares are compulsorily traded in dematerialized form as per SEBI guidelines.

As on 31<sup>st</sup> March, 2014, 27,58,099 shares have been dematerialized representing 81.59% of the total shares. (27,53,999 shares were in dematerialized form representing 81.47% of the total shares as on 31<sup>st</sup> March, 2013)

## International Securities Identification Number- 900A01013 (with NSDL and CDSL)

### DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>st</sup> MARCH, 2014

Share holding of nominal value	Shareholders		Share/Debt Amount	
	Number	% To Total	Rs.	% to Total
(1)	(2)	(3)	(4)	(5)
Upto 5000	3406	87.222	7029480	20.795
5001 – 10000	301	7.708	2517140	7.446
10001 – 20000	104	2.663	1562660	4.623
20001 – 30000	36	0.922	901770	2.668
30001 – 40000	16	0.41	582640	1.724
40001 – 50000	9	0.23	420780	1.245
50001 – 100000	12	0.307	834190	2.468
100001 and above	21	0.538	1995340	59.032
<b>Total</b>	<b>3905</b>	<b>100.00</b>	<b>33804000</b>	<b>100.00</b>

## 11. SHAREHOLDING PATTERN AS ON MARCH 31, 2014

CATEGORY	NO.OF SHARES HOLDING	% AGE HOLDING
(A). Shareholding of Promoter and Promoter Group		
(1) Indian		
(a) Individuals/ Hindu Undivided Family	1801530	53.29
(b) Central Government/State Government(s)	—	—
(c) Bodies Corporate	—	—
(d) Financial Institutions/Banks	—	—
Any Other	—	—
Sub Total (A 1)	1801530	53.29

## (2) Foreign

(a) Individuals(Non- Resident Individuals/ Foreign Individuals)	—	—
(b) Bodies Corporate	—	—
(c) Institutions	—	—
(d) Any other	—	—
SUB –TOTAL (A2)	0	0
(B) Public Shareholding		
(1) Institutions		
(a) Mutual Funds and UTI	500	0.01
(b) Financial Institutions/Banks	—	—
(c) Central Government/State Government(s)	—	—
(d) Venture Capital Funds	—	—
(e) Insurance Companies	—	—
(f) Foreign Institutional Investors	—	—
(g) Foreign Venture Capital Investors	—	—
(h) Any Other	—	—
SUB –TOTAL (B) (1)	500	0.01
(2) Non- Institutions		
(a) Bodies Corporate	144711	4.28
(b) Individuals—		
(i) Individual shareholders holding nominal share capital upto Rs.1 lakh	1296381	38.35
(ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	95732	2.83
(c) Non Resident		
(i) Indian	29046	0.86
(ii) OCB	12500	0.37
SUB –TOTAL B((2a)+ (2b)+(2c))	1578370	46.69
Total Public Shareholding (B)	1578870	46.71
C. Shares held by Custodians and against which depository Receipts have been issued	—	—
<b>GRAND TOTAL</b>	<b>3380400</b>	<b>100</b>

## 12. Address for Correspondence

The Company has shifted its Registered Office from 5-E, Rani Jhansi Road, Jhandewalan Extn., New Delhi –110055 to 503, Rohit House, 3, Tolstoy Marg, New Delhi – 110 001. The shareholders may address their communication / suggestion /queries to:

Bharat Bhushan Finance & Commodity Brokers Ltd.

503, Rohit House, 3, Tolstoy Marg, New Delhi – 110 001

Phone: (011) 43566777, 23540997-8-9, Fax: (011) 23540996

Email : commodities@bharatbhushan.com

[investorgrievance@bharatbhushan.com](mailto:investorgrievance@bharatbhushan.com)

## 13. Transfer of unclaimed amount to the Investor Education and Protection Fund:

The Investors are advised to claim the encashed dividends for the year 2006-2007 onwards lying in the unpaid dividend accounts of the Company before the same gets credited to the Investor Education and Protection Fund.

During the year under review the Company has credited a sum Rs.1,44,808/- (Rupees One Lac Forty Four Thousand Eight Hundred Eight only) unclaimed dividend for the year (2005-2006) to the Investor Education and Protection Fund pursuant to section 125 of the Companies Act, 2013 and the Investor Education and Protection Fund (Awareness and Protection of Investor) Rules, 2014.

## DECLARATION UNDER CLAUSE 49 OF THE LISTING AGREEMENT

Since the company is having Manager Finance responsible for looking in to the financial operations of the Company, hence the declaration regarding CEO/CFO is given under Clause 49 of the Listing Agreement by Manager Finance which was placed before the Board of Directors of the Company in its meeting held on 14<sup>th</sup> May, 2014..

Place : Delhi

Date : 16.07.2014

Vijay Bhushan

Director

To the Board of Directors of Bharat Bhushan Finance & Commodity Brokers Ltd.

Dear Sirs,

Sub: CEO/CFO Certificate

**(Issued in accordance with provision of clause 49 of the listing Agreement)**

Dear Sirs,

a) We have reviewed the financial statements and the cash flow of Bharat Bhushan Finance & Commodity Brokers Ltd. ('the Company') for the year ended 31<sup>st</sup> March 2014 and to the best of our knowledge and belief:

- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- 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.