

# *23rd Annual Report*

**BHARAT  
BHUSHAN**

**BHARAT  
BHUSHAN  
FINANCE  
COMMODITY  
BROKERS  
LIMITED**

&

**2014-2015**

# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED

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

**BHARAT  
BHUSHAN**

<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, TOLSTOY MARG, NEW DELHI - 110001 PHONE NO. 011-49800900 FAX : 011-49800933
<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.)

**BHARAT  
BHUSHAN**

## NOTICE OF 23<sup>rd</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 23<sup>rd</sup> Annual General Meeting of the Members of M/s Bharat Bhushan Finance & Commodity Brokers Limited will be held on Monday the 28<sup>th</sup> day of September, 2015 at Shri Purshottam 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 fiscal year ended on 31st March 2015 including the Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit & Loss for the fiscal year ended on that date, and the Reports of the Auditors and Directors thereon.
2. To declare dividend on equity shares for the year ended 31st March, 2015.
3. To appoint a Director in place of Mr. Jogesh C. Ahuja holding DIN No. 00650258, liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mrs. Sant Kumari Agrawal holding DIN No. 00001877, liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers herself for re-appointment.
5. 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 to 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

6. To consider and, if thought fit, to pass, with or without modification, the following Resolution as a Special Resolution.  
“**RESOLVED THAT** pursuant to the provisions section 62 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules 2014 along with other applicable Companies Rules, if any, and SEBI (Issue of Capital & Disclosure Requirement) Regulation, 2009 and other applicable provisions of any other applicable regulation, if any, and the Articles of Association of the Company, approval of the shareholders of the company be and are hereby accorded for issuance of 16,90,200 equity shares of face value of Rs. 10/- each at par to the existing equity shareholders of the Company in proportion of their existing shareholding in the paid up capital of the Company in the ratio 1:2 i.e. one right share for every two equity shares fully paid up held by the equity shareholders on right basis and the offer aforesaid shall include a right exercisable by the persons to renounce the shares being offered, in favor of any other person(s) provided such renunciation is made during the offer period and the renouncee shall submit application form with the share application money during the offer period; the equity shares to be issued and allotted shall rank pari passu in all respects with the existing equity shares of the company; and the offer aforesaid, if not accepted and no right to renounce exercised within the offer period, the said offer will be deemed to have been declined.

**RESOLVED FURTHER THAT** the unsubscribed portion, if any, remain after considering the applications received for acceptance of offer or for renounce shall be disposed off in such manner, as the Board may deem fit and proper at its absolute discretion and as most beneficial to the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the company be and are hereby authorised to sign and issue the letter of offer to the shareholders of the Company and do all such acts, matter and deeds as may be deemed necessary or desirable to give effect to the above resolution and do all the statutory compliances, acts, deeds and things that are necessary or incidental to the accomplishment of the above said purpose.”

By Order of the Board

For Bharat Bhushan Finance & Commodity Brokers Ltd.

Date : 30th July, 2015

Place : New Delhi

Nisha Ahuja

Director

(DIN 00001875)

### NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING OF THE COMPANY SHALL BE ENTITLED TO APPOINT ONE OR MORE PROXIES 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 21<sup>st</sup> September, 2015 to 28<sup>th</sup> September, 2015 (both days inclusive).
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 28<sup>th</sup> September, 2015 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 20<sup>th</sup> September, 2015 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 Services (India) 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 dividend declared for the financial year 2007-2008 will be expiring in November, 2015 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 2007-2008 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 the Annual Report to the Meeting.
8. As per the provisions of the amended 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

# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED

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

**BHARAT  
BHUSHAN**

Exchange. The annual listing fees upto March 2016, already stand paid to Bombay Stock Exchange.

10. 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.

11. There will be no gift distribution at the Annual General Meeting.

## 12. 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:
- Open the PDF file '**Bharat Bhushan Finance and 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'.
  - Launch an internet browser and open <https://www.evoting.nsdl.com>
  - Click on Shareholder- Login.
  - Insert 'User ID' and 'Initial Password' as noted in step (i) above and click Login.
  - 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.
  - Home page of e-voting will open. Click on e-voting Active Voting Cycles.
  - Select 'EVEV' of 'Bharat Bhushan Finance and Commodity Brokers Limited'.
  - Now you are ready for e-voting as cast Vote page opens
  - Cast your vote by selecting appropriate option and click on submit. Click on confirm when prompted.
  - Upon confirmation, the message vote cast successfully will be displayed.
  - Once you have voted on the resolution you will not be allowed to modify your vote.
  - 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).

- B) In case of shareholders receiving physical copy of the Notice of AGM and Attendance Slip

- (i) Initial Password is provided, as follows, at the bottom of the Attendance Slip.

EVEN (E-Voting Event Number)	USER ID	PASSWORD
—	—	—

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

- (C) If you are already registered with NSDL for e-voting then you can use your existing User ID and password for casting vote.

- (D) 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. **21<sup>st</sup> September, 2015**

- (E) Date and time of commencement of voting through electronic means: 24<sup>th</sup> September 2015 from 9.00 A.M.

- (F) Date and time of end of voting through electronic means beyond which voting will not be allowed 27<sup>th</sup> September 2015 till 5.00 P.M.

- (G) Details of Scrutinizer: Mrs. Kavita Pamnani Practicing Company Secretary (Membership No. FCS 6288).

E-mail: [kavitasewani1@gmail.com](mailto: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 503, Rohit House, 3, Tolstoy Marg, New Delhi – 110 001. The ballot form should be received on or before 27<sup>th</sup> September, 2015 By 5:00 P.M. Any Ballot Form received after the said date shall be treated as if the reply from the members has not been received.

## EXPLANATORY STATEMENT PURSUANT TO PROVISION OF SECTION 62 OF THE COMPANIES ACT, 2013

### Item No. 6

In accordance with the relevant provisions of sec 62 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules 2014 along with other applicable Companies Rules, if any, and SEBI (Issue of Capital & Disclosure Requirement) Regulation, 2009 and other applicable provisions of any other applicable regulation, if any, and the Articles of Association of the Company, approval of the shareholders of the company be and are hereby accorded for issuance of 16,90,200 equity shares of face value of Rs. 10/- each at par to the existing equity shareholders of the Company in proportion of their existing shareholding in the paid up capital of the Company in the ratio 1:2 i.e. one right share for every two equity shares fully paid up held by the equity shareholders on right basis.

It further provides that the purpose of Right Issue to raise the additional resources for enhancing the scale of operations of the company. In pursuance of the said Right Issue the company will be issuing 16,90,200 Equity Shares @ Rs. 10/- each (At Par) which will result in increase in the paid up capital of Rs. 1,69,02,000/- and the Authorized Share Capital of the Company shall stand Increased to 5.07 Crore.

The offer aforesaid shall include a right exercisable by the persons to renounce the shares being offered, in favour of any other person(s) provided such renunciation is made during the offer period and the renouncee shall submit application form with the share application money during the offer period; the equity shares to be issued and allotted shall rank pari passu in all respects with the existing equity shares of the company; and the offer aforesaid, if not accepted and no right to renounce exercised within the offer period, the said offer will be deemed to have been declined.

The Directors recommend the adoption of the Special Resolution at Item no. 6 of the Notice

\*None of the Directors and Key Managerial Personnel and their relatives are concerned or interested in this resolution.

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

Date : 30/07/2015  
Place : New Delhi

**Nisha Ahuja  
Director  
(DIN 00001875)**

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

**BHARAT  
BHUSHAN**



# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED

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

**BHARAT  
BHUSHAN**

## DIRECTORS' REPORT

To,  
The Members,  
Bharat Bhushan Finance & Commodity Brokers Limited.

Your Directors have pleasure in presenting their 23<sup>rd</sup> Annual Report along with the Audited Financial Statement for the year ended on 31<sup>st</sup> March, 2015.

### 1. FINANCIAL SUMMARY

Your Company's financial performance for fiscal year 2015 is summarized in the following table:

	(₹ In Lakhs)	
Particulars	Fiscal 2015	Fiscal 2014
Total Income	85.72	82.40
Profit before depreciation & Tax	53.27	51.17
Depreciation	0.91	1.12
Profit Before Tax	52.37	50.05
Provision for Taxation	9.91	8.62
Profit After Tax	42.45	41.43
Balance Profit B/F from earlier Year	280.77	267.40
Profit available for appropriation	323.22	308.83
APPROPRIATION:		
Transfer to Reserve Fund	8.49	8.28
Proposed Dividend	16.90	16.90
Provision for Dividend Tax	3.38	2.87
Profit C/F to Balance Sheet	294.45	280.77

### 2. OPERATIONAL REVIEW

The Company in the last couple of years has maintained steady growth rate despite slowdown and uncertainty in the economy. The new government's approach towards the Corporate sector has also resulted in better operational revenue for our Company. The Company is engaged in the business of Shares Trading, Commodity Trading and Investments in Mutual Fund. The Company's financial performance is as under:

- Revenue from Operation increased by 4.6 % to Rs. 73,63,367/-
- Profit before tax increased by 4.6% to Rs. 52,36,769/-
- Profit after tax increased by 2.5% to Rs. 42,45,258/-

### 3. DIVIDEND

Your Director's are pleased to recommend a Dividend of Rs.0.50 Paise per equity share for the year 2014-15. The proposed dividend, subject to approval of Shareholders in the ensuing Annual General Meeting of the Company, would result in appropriation of Rs.20,28,139/- (including Corporate Dividend Tax of Rs.3,37,939/-) out of the profits thus giving 47.774 % payout from the net profit of the Company. The dividend would be payable to all Shareholders whose names appear in the Register of Members as on the Book Closure Date.

The Register of Members and Share Transfer books shall remain closed from 21<sup>st</sup> September, 2015 to 28<sup>th</sup> September, 2015 (both days inclusive).

During the year, the unclaimed dividend pertaining to the final dividend for the year ended 2006-07 was transferred to the Investor Education & Protection Fund pursuant to section 125 of the Companies Act, 2013 after giving due notice to the Members.

### 4. TRANSFER TO RESERVES

The Company proposes to transfer Rs. 8,49,052/- to the General Reserve out of the amount available for distribution.

### 5. SHARE CAPITAL

The paid up Equity Share Capital as on 31<sup>st</sup> March, 2015 was Rs.3,38,04,000/- During the year under review, the company has not issued any further Share Capital.

### 6. FURTHER ISSUE OF CAPITAL BY WAY OF RIGHT ISSUE

The Board of Directors of the company in their meeting held on 30.07.2015 decided to raise further issue of capital by offering the shares to the existing shareholders of the company by right basis in the ratio of 1:2 i.e. one right share for every two equity shares fully paid up held by the equity shareholders of the company.

The purpose of above Right Issue is to raise the additional fund for enhancing the scale of operations of the company. The total number of 16,90,200 Equity Shares of face value of Rs. 10/- each at par will be offered to the existing shareholders of the company. The total paid up capital of the company after such right issue shall stand increased to 5.07 Crore.

### 7. DEPOSITS

The Company has not accepted any Public Deposits during the Financial Year ended 31<sup>st</sup> March, 2015 and your Board of Directors have also passed the necessary Resolution for non-acceptance of any Public deposits during the Financial Year 2015-16.

### 8. INTERNAL CONTROL SYSTEMS AND INTERNAL FINANCIAL CONTROL

The Company has an internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the policies, guidelines and procedures laid down for this purpose. To maintain the objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board. Based on the report of Internal Auditor, corrective actions in respective areas are taken and thereby strengthen the controls.

The Company has an Internal Financial Control that are adequate and were operating effectively, internal financial control means the policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

### 9. SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

The Company as on 31<sup>st</sup> March 2015 has no Subsidiary and Associate Company.

### 10. CORPORATE GOVERNANCE

As per clause 49 of the Listing Agreement entered with the stock exchange, a separate section on corporate governance practices followed by the company together with a CFO certificate and a certificate from the company's auditors confirming compliance form an integral part of this Report, attached at Annexure "A"

### 11. AUDITORS

#### STATUTORY AUDITOR

The Company's Auditors, M/s P.Bholusaria & Co., Chartered Accountants, having registration no. 000468N, who retires at the ensuing Annual General Meeting of the Company are eligible for re-appointment. They have confirmed their eligibility under section 141 of the Companies Act 2013 and the Rules framed thereunder for their reappointment as Statutory Auditor of the Company, therefore it is proposed to appoint M/s P.Bholusaria & Co., Chartered Accountant as Statutory Auditors of the Company from the conclusion of the forthcoming AGM till the conclusion of next AGM.

#### SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Kavita Pamnani & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year



# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED

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

**BHARAT  
BHUSHAN**

2014-15. The Report of the Secretarial Audit is annexed herewith in Annexure "B" in format MR-3. There are no qualifications, reservation or adverse remarks made by Secretarial Auditors in their Report.

## 12. 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 23<sup>rd</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).

## 13. CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, there was neither any appointment nor any resignation of any director on or from the Board of the Company.

The Board of Directors during the year designated Mr. Satish Aggarwal (Manager-Finance) as a Chief Financial Officer (CFO) and Ms. Sonia Luthra as a Company secretary of the Company as Key-ManAGERIAL Personnel pursuant to section 203 of Companies Act, 2013 with effect from 16<sup>th</sup> July, 2014.

In terms of section 152 of the Companies Act, 2013, the Board of directors of the Company recommends the reappointment of Mr. Jogesh Chand Ahuja and Mrs. SantKumari Agrawal as Directors of the company, who are liable to retire by rotation at the forthcoming Annual General meeting and being eligible offer themselves for re-appointment.

## 14. DECLARATION BY AN INDEPENDENT DIRECTOR(S) AND RE-APPOINTMENT, IF ANY

All Independent Directors have given declarations that they meet the criteria of Independence as laid down under section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

## 15. COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

The nomination and remuneration committee of the company formulated a criteria for determining qualification, positive attributes and independence of a director and recommended to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees.

The policy of the company on directors' appointment and remuneration, including criteria's for determining qualifications, positive attributes and independence of a director and other matters provided under sub-section (3) of section 178 of the Companies Act, 2013, adopted by the Board on the recommendation of nomination and remuneration committee, is appended as Annexure "C"

The Directors hereby affirm that the remuneration provided to all the directors, key managerial personnel and other employees of the company are in accordance with the remuneration policy of the Company.

## 16. BOARD EVALUATION

Clause 49 of the Listing Agreement mandates that the Board shall monitor and review the Board evaluation framework. The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors.

The Board adopted a formal mechanism for evaluating its performance and as well as that of its committee and individual directors. The exercise was carried out through a structured process covering various aspects of the Boards functioning such as composition of the Board committees, experience & competencies, performance of specific

duties & obligations, governance issues etc. separate exercise was carried out to evaluate the performance of individual Director including the Board chairperson who was evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc.

Performance evaluation of the Board as a whole was done by all the directors by considering the following:

- The Board diversity
- The qualification and experience of each director
- The decision taken by the Board
- Flow of information between the Board and management.

The evaluation was conducted according to Schedules IV of the Companies Act, 2013 which states that the performance evaluation of individual director was done by all the directors present except director being evaluated.

None of the Independent Directors are due for re-appointment

## 17. NUMBER OF MEETINGS OF THE BOARD

During the year under review, four Board Meetings were held on 14<sup>th</sup> May, 2014, 16<sup>th</sup> July, 2014, 29<sup>th</sup> October, 2014 and 29<sup>th</sup> January, 2015. The gap between any two consecutive meetings did not exceed 120 days.

Further, a separate meeting of the Independent Directors of the Company in terms of provisions of Section 149 read with Schedule IV of the Companies Act, 2013 pertaining to Code for Independent Directors, was held on 30<sup>th</sup> March, 2015 for the year 2014-15 to review the performance of the Non-Independent Directors, Chairperson and Board and flow of quality and quantity of information between the Management and Board under the chairmanship of Mr. Varun Saihgal, Independent Director.

## 18. COMMITTEES OF THE BOARD

A) **AUDIT COMMITTEE** : The Composition of the Committee is as per the following particulars:

S.No.	Name of the Member	Category
1.	Mr. Vijay Bhushan	Non-Executive Director
2.	Mr. Kuldeep Gupta	Non-Executive & Independent Director
3.	Mr. Ravindra Singh	Non-Executive & Independent Director
4.	Mr. Varun Saihgal	Non-Executive & Independent Director

B) **STAKEHOLDER COMMITTEE** : The Composition of the Committee is as per the following particulars:

S.No.	Name of the Member	Category
1.	Mrs. Nisha Ahuja	Non-Executive Director
2.	Mr. Jogesh C. Ahuja	Non-Executive Director
3.	Mr. Varun Saihgal	Non-Executive & Independent Director

C) **NOMINATION & REMUNERATION COMMITTEE** : The Composition of the Committee is as per the following particulars:

S.No.	Name of the Member	Category
1.	Mrs. Nisha Ahuja	Non-Executive Director
2.	Mr. Ravindra Singh	Non-Executive & Independent Director
3.	Mr. Varun Saihgal	Non-Executive & Independent Director

The Board vide its resolution dated 16<sup>th</sup> July, 2014 has formed a committee to be called Nomination and Remuneration Committee. The Committee had formulated the Nomination & Remuneration Policy, inter alia, for appointment and remuneration of the directors, key managerial

personnel and other employees. The policy has been Reviewed and approved by the Board.

## 19. DIRECTORS RESPONSIBILITY STATEMENTS

To the best of our Knowledge based on the representation received from the Management, your Directors make the following statements in terms of Section 134(3) (C) of the Companies Act, 2013:

- That in the preparation of the annual financial statements for the year ended 31<sup>st</sup> March 2015, all the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- That the directors had 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 at the end of the financial year and of the profit and loss of the company for that period;
- The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- The directors had prepared the annual accounts on a going concern basis;
- The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 20. Extract of the Annual return

As required pursuant to section 92(3) of Companies Act, 2013 and rule 12(1) of Companies (Management and administration) Rules, 2014, an extract of annual return in Form MGT-9 a part of this report is annexed herewith as Annexure "D".

## 21. PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT 2013

The provision of Section-186 is not applicable on the Company as in pursuant to Sub Section- (11) of Section-186, the Company is exempted.

## 22. PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES

The particulars of contracts or arrangements referred to in sub-section (1) of section 188 of the Companies Act, 2013 and Rule 8 of Companies (Accounts) Rules, 2014 are given in Form AOC-2 (Annexure "E")

## 23. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Provisions relating to disclosure of particulars with respect to Conservation of Energy are not applicable on the Company and it has no information to be published regarding Technology Absorption. The Company has not carried on during the period under report any activity relating to exports and has not used or earned any foreign exchange. (Annexure "F")

## 24. VIGIL MECHANISM / WHISTLE BLOWER POLICY

Pursuant to provision of section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Company has established a Vigil Mechanism /Whistle Blower Policy for directors and employees to report their genuine concerns. The mechanism provides for adequate safeguards against victimization of persons who use such mechanism to report any unethical behavior and non-compliance within the organization. The mechanism also provides for the direct access to the Chairman of Audit Committee in appropriate cases. The Protection of the Whistle Blower is of utmost importance in Bharat Bhushan Finance & Commodity Brokers Limited and the safety and secrecy is done in a systematic way.

## 25. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN

## THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of this report.

## 26. RISK MANAGEMENT POLICY

Your Company recognizes risk management as an integral component of good corporate governance and fundamental in achieving its strategic and operational objectives. It improves decision-making, defines opportunities and mitigates material events that may impact shareholder value.

The Board has laid down a risk management policy which contemplates to cover all locations/verticals and applies to all employees, whether full time, part time or casual at any level of seniority with in the business. The Company is exposed to a variety of operational, business and market risks including but not limited to technological changes, financial risk, risk of noncompliance of various statutory requirements, upward and downward trends in the sensex, foreign exchange fluctuation, interest rates risk and inventory carrying risk. The Company continuously monitors these risks. The objective of Company's risk management system is to prepare and maintain a proper strategy to ensure that risk exposure arising out of business does not result in any financial crisis.

## 27. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The provisions of section 135 of the Act, with regard to Corporate Social Responsibility (CSR) are at present not applicable on the Company.

## 28. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no orders passed by the Regulators/ Courts which would impact the going concern status of the Company and its future operations.

## 29. DETAILS PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013

Details pursuant to Section 197(12) of the Companies Act, 2013 read with the Companies(Appointment and Remuneration of Managerial Personnel) Rules, 2014 form part of this Report and as follows:-

<b>A. Ratio of remuneration of each director to the median employee's remuneration.</b>	—	Nil.
<b>B. Comparison between remuneration to managerial personnel and remuneration to employees.</b>	3,59,400	12,08,497.
<b>C. Details of employees drawing salary of Rs. 5,00,000/- or more per month.</b>	—	Nil.
<b>D Details of remuneration to person holding 2% or more of equity shares.</b>	—	Nil.
<b>E. Details of employees (who are not directors or relatives) posted outside India.</b>	—	Nil.

## 30. ACKNOWLEDGMENT

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  
Bhart Bhushan Finance & Commodity Broker Limited

	<b>VIJAY BHUSHAN</b>	<b>NISHA AHUJA</b>
	<b>DIRECTOR</b>	<b>DIRECTOR</b>
Place : New Delhi	(DIN NO. 00002421)	(DIN No. 00001875)
Date : 30 <sup>th</sup> July, 2015		



# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED

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

**BHARAT  
BHUSHAN**

## ANNEXURE 'A'

### CORPORATE GOVERNANCE REPORT

In compliance with corporate governance requirements as specified in Clause 49 of the Listing Agreement with Stock Exchange, the Company's policies on Corporate Governance and Compliance thereof in respect of specific area as applicable to the Company for the Financial Year 2014-15 as below :

#### 1. Company's philosophy on code of corporate governance

The Company's philosophy on Corporate Governance envisages the adoption of best business policies and alignment of the highest levels of transparency, integrity, honesty, accountability and equity in all facets of its operations and in all its interactions with its stakeholders including shareholders, bankers, government and employees.

The Company is committed to best corporate governance practices which stems not only from the letter of law but also from the inherent belief of doing business in the right way. The Company believes that all its actions and operations must serve the underlying goal of enhancing overall shareholders value on a sustained basis.

#### 2. BOARD OF DIRECTORS

##### A) COMPOSITION

The composition of the Board and category of Directors are as follow:

1. Mr. Vijay Bhushan - Non-Executive Director
2. Mrs. Nisha Ahuja - Non-Executive Director
3. Mr. Jogesh C Ahuja - Non-Executive Director
4. Mrs. SantKumari Agrawal - Non-Executive Director
5. Mr. Arun Kumar Garg - Non-Executive Director
6. Mr. Kuldeep Gupta - Non-Executive & Independent Director
7. Mr. Varun Saihgal - Non-Executive & Independent Director
8. Mr. Ravindra Singh - Non-Executive & Independent Director

##### B) BOARD MEETING HELD DURING THE YEAR

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 14<sup>th</sup> May, 2014, 16<sup>th</sup> July, 2014, 29<sup>th</sup> October, 2014 and 29<sup>th</sup> January, 2015. The gap between any two consecutive meetings did not exceed 120 days. 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.

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.

##### C) ATTENDANCE OF DIRECTORS AT THE BOARD MEETINGS, ANNUAL GENERAL MEETING AND DIRECTORSHIPS IN OTHER COMPANIES.

S. No	Director	Attendance		Other Directorships*	Membership of Committee of other Boards**	
		Board Meetings	last AGM		Member	Chairman
1.	Mr. Vijay Bhushan	4	YES	4	3	3
2.	Mrs. Nisha Ahuja	4	YES	3	-	-
3.	Mr. Jogesh C. Ahuja	4	NO	1	-	-
4.	Mrs. Sant Kumari Agrawal	3	NO	-	-	-
5.	Mr. Arunkumar Garg	4	NO	1	-	-
6.	Mr. Kuldeep Gupta	3	YES	2	-	-
7.	Mr. Ravindra Singh	4	NO	1	-	-
8.	Mr. Varun Saihgal	4	NO	-	-	-

#### Note

\* All public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 shall be excluded.

\*\*In accordance with clause 49 of Listing Agreement, only two Committees viz. the Audit Committee and Stakeholder Relationship Committee of all public limited companies are considered.

#### D) BRIEF RESUME OF THE DIRECTORS BEING RE-APPOINTMENT AT THE ENSURING ANNUAL GENERAL MEETING

##### • Mr. Jogesh Ahuja

Mr. Jogesh Ahuja is a commerce graduate from Shri Ram College of Commerce, Delhi University having extensive experience in the field of marketing, insurance and investment. Currently he is also holding the directorship in M/s Bharat Bhushan Equity Traders Limited and M/s Pushpdeep Builders Private Limited.

##### • Mrs. Santkumari Agrawal

Mrs. SantKumari Agrawal has the experience of more than 25 years of investment in shares.

#### E) DIRECTORS REMUNERATION

The Company does not pay any remuneration /commission to its Non-Executive Directors except sitting fees for attending the meetings of the Board of Directors and Committees thereof. Further, it has not implemented any Stock Option Scheme. The Company has no pecuniary relationship/ transactions with its Directors during the Financial Year ended 31<sup>st</sup> March, 2015

#### F) Code of conduct

The Board has laid down a Code of Conduct for all Directors and Senior Management of the Company, which has been posted on the website of the Company i.e. [www.bbinvestments.in](http://www.bbinvestments.in). All Directors and Senior Management personnel have affirmed compliance with the code for the year ended 31<sup>st</sup> March, 2015.

#### 3. COMMITTEES OF THE BOARD

##### A) AUDIT COMMITTEE

##### TERMS OF REFERENCE OF COMMITTEE

The terms of reference of the Audit Committee are as per the guidelines set out in the listing agreement with the Stock Exchanges read with Section 177 of the Companies Act, 2013. These broadly includes (i) Oversight of the company's financial reporting process (ii) Recommendation for appointment, remuneration and terms of appointment of auditors of the company (iii) Reviewing, with the management, the annual and quarterly financial statements and auditor's report thereon before submission to the board for approval (iv) Approval or any subsequent modification of transactions of the company with related parties (v) Evaluation of internal financial controls and risk management systems (vi) Scrutiny of inter-corporate loans and investments etc.

##### COMPOSITION AND ATTENDANCE

The Audit Committee of the Board comprises of three non-executive independent directors and one non-executive director. All the members of the committee are financially literate. The composition of the committee is in the accordance of Section 177 of the Companies Act, 2013 and Clause 49 of the listing agreement as entered into with the Stock Exchange.

During the year ended 31<sup>st</sup> March, 2015, the Audit Committee met 4 times to deliberate on various issues.

The detail of composition of the committee, meetings and attendance during the year are as under:

Sr. No.	Name of the member	Designation	Date of meeting and attendance of the member			
			14.05.2014	16.07.2014	29.10.2014	29.01.2015
1	Mr. Kuldeep Gupta (Independent Director)	Chairman	Yes	Yes	Yes	No
2	Mr. Ravindra Singh (Independent Director)	Member	Yes	Yes	Yes	Yes
3	Mr. Varun Saihgal (Independent Director)	Member	Yes	Yes	Yes	Yes
4	Mr. Vijay Bhushan (Non-Executive Director)	Member	Yes	Yes	Yes	Yes

# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED

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

**BHARAT  
BHUSHAN**

## B) NOMINATION AND REMUNERATION COMMITTEE

The Board vide its resolution dated 16<sup>th</sup> July, 2014 has formed a committee to be called Nomination and Remuneration Committee. The Committee had formulated the Nomination & Remuneration Policy, inter alia, for appointment and remuneration of the directors, key managerial personnel and other employees. The policy has been reviewed and approved by the Board.

### Terms of reference of committee

- Formulation of the criteria for determining qualifications, positive attributes and Independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- To perform such other functions as may be necessary or appropriate for the performance of its duties
- To carry out any other function as is mandated by the Board from time to time and /or enforced by any statutory notification, amendment or modification, as may be applicable.

During the year ended 31<sup>st</sup> March, 2015, the Nomination and Remuneration Committee of the company met 1 time.

The detail of composition of the committee, meeting and attendance during the year are as under

Sr. No.	Name of the member	Designation	Attendance of the member in the meeting held on 16.07.2014
1	Mr. Varun Saihgal (Independent Director)	Chairman	Yes
2	Mr. Ravindra Singh (Independent Director)	Member	Yes
3	Mrs. Nisha Ahuja (Non-Executive Director)	Member	Yes

### REMUNERATION POLICY

The nomination and remuneration committee of the company recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees which is appended as Annexure C to the Directors' Report.

### DETAILS OF REMUNERATION TO ALL THE DIRECTORS

Sr. No.	Name of the Director	Category	Salary & perquisites (In Rs.)	Sitting fees
1	Mr. Vijay Bhushan	Non-Executive Director	Nil	16,000
2	Mrs. Nisha Ahuja	Non-Executive Director	Nil	16,000
3	Mr. Jogesh C. Ahuja	Non-Executive Director	Nil	16,000
4	Mrs. SantKumari Aggarwal	Non-Executive Director	Nil	9,000
5	Mr. Arun Kumar Garg	Non-Executive Director	Nil	12,000
6	Mr. Kuldeep Gupta	Independent Director	Nil	15,000
7	Mr. Ravindra Singh	Independent Director	Nil	19,000
8	Mr. Varun Saihgal	Independent Director	Nil	23,000

The non-executive directors of the company do not have any pecuniary relationship or transaction with the company except getting of sitting fees for attending meeting of the Board and committee.

### Details of shares held by the directors

Sr. No.	Name of the Director	Category	No. of shares held As on 31.03.2015
1.	Mr. Vijay Bhushan	Non-Executive Director	800510
2.	Mrs. Nisha Ahuja	Non-Executive Director	654976
3.	Mr. Jogesh C. Ahuja	Non-Executive Director	20581
4.	Mrs. SantKumari Agrawal	Non-Executive Director	1500
5.	Mr. Arun Kumar Garg	Non-Executive Director	Nil
6.	Mr. Kuldeep Gupta	Independent Director	Nil
7.	Mr. Ravindra Singh	Independent Director	Nil
8.	Mr. Varun Saihgal	Independent Director	Nil

## C) STAKEHOLDER GRIEVANCE COMMITTEE

### COMPOSITION AND ATTENDANCE

The Stakeholder/ Investor Grievance Committee of the Board

comprises of two Non-Executive Directors and one Independent Director in accordance of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

During the year ended 31<sup>st</sup> March, 2015, the Stakeholder Grievance Committee met 4 times to deliberate on various issues.

The detail of composition of the committee, meetings and attendance during the year are as under:

Sr. No.	Name of the member	Designation	Date of meeting and attendance of the member			
			14.05.2014	16.07.2014	29.10.2014	29.01.2015
1	Mrs. Nisha Ahuja (Non-Executive Director)	Chairman	Yes	Yes	Yes	Yes
2	Mr. Jogesh C. Ahuja (Non-Executive Director)	Member	Yes	Yes	Yes	Yes
3	Mr. Varun Saihgal (Independent Director)	Member	Yes	Yes	Yes	Yes

### Status of redressal of Investor Grievances

During the year the Company received 21 requests/ complaints from shareholders. All the complaints were attended immediately and resolved to the satisfaction of the shareholders. There were no complaints outstanding as on 31<sup>st</sup> March, 2015.

Quarter Ended	Received	Disposed off	Pending
30.06.2014	5	5	Nil
30.09.2014	3	3	Nil
31.12.2014	5	5	Nil
31.03.2015	8	8	Nil

The Company has been taking all steps to ensure that Shareholder's / Investor's Grievance 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 and redress the investors' complaints an exclusive Email 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.

## 4. SEPARATE MEETING OF INDEPENDENT DIRECTOR

A separate meeting of the Independent Directors of the Company in terms of provisions of Section 149 read with Schedule IV of the Companies Act, 2013 pertaining to Code for Independent Directors, was held on 30<sup>th</sup> March, 2015 for the year 2014-15 under the chairmanship of Mr. Varun Saihgal. All the independent directors were present in such meeting.

The meeting reviewed the following aspects:-

- The performance of non-independent directors and the Board as a whole;
- The performance of the Chairperson of the company, taking into account the views of non-executive directors of the company; and
- The quality, quantity and timeliness of flow of information between the company management and the Board that is necessary to take the Board to take effectively and reasonably perform their duties.

## 5. CRITERIA FOR PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS

The evaluation of independent directors was carried out by the entire Board.

The Nomination and Remuneration Committee laid down the following criteria for evaluation of the performance of the directors including independent directors and the overall Board broadly on the basis of below mentioned criteria:

The performance of independent directors shall be evaluated by