

24th Annual Report

**BHARAT
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**BHARAT
BHUSHAN
FINANCE
COMMODITY
BROKERS
LIMITED**

&

2015-2016

BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED



BOARD OF DIRECTORS	:	SANT KUMARI AGRAWAL ARUN KUMAR GARG NISHA AHUJA VIJAY BHUSHAN JOGESH C. AHUJA KULDEEP GUPTA RAVINDRA SINGH VARUN SAIHGAL
AUDITORS	:	M/S. P. BHOLUSARIA & CO. 26/11, SHAKTI NAGAR, DELHI - 110007
REGD. OFFICE	:	503, ROHIT HOUSE, 3, TOLSTOY MARG, NEW DELHI - 110001 PHONE NO. 011-49800900 FAX : 011-49800933
SHARE TRANSFER AGENTS	:	ALANKIT ASSIGNMENTS LTD. 1E/13 ALANKIT HEIGHTS JHANDEWALAN EXTN., NEW DELHI - 110055 PHONE : 23541234 42541234
BANKERS	:	ICICI BANK LTD. 9A PHELPS BUILDING CONNAUGHT PLACE NEW DELHI - 110001

BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED

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NOTICE OF 24th ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 24TH ANNUAL GENERAL MEETING OF THE MEMBERS OF M/s. BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED (CIN: L67120DL1992PLC049038) WILL BE HELD ON THURSDAY, 29TH SEPTEMBER, 2016 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 BUSINESSES:-

ORDINARY BUSINESS:-

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended 31st March, 2016 together with the reports of the Board of Directors and Auditors thereon.
2. To declare dividend on Equity Shares for the Financial Year ended 31st March, 2016.
3. To appoint a Director in place of Mr. Arun Kumar Garg (DIN: 00178582), who retires from the office 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 Mr. Jogesh Chander Ahuja (DIN: 00650258), who retires from the office by rotation in terms of Section 152 (6) of the Companies Act, 2013 and being eligible, offers himself 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 pursuant to the provisions of Section-139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014 including any statutory modification or re-enactment thereof, M/s. P. Bholusaria & Co., Chartered Accountants, New Delhi (Firm Registration No. 000468N), the retiring auditors of the Company be and are hereby reappointed 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 / Audit Committee of the Board".

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

Sd/-

**Nisha Ahuja
(Director)
DIN : 00001875**

Registered Office:

503, Rohit House, 3,
Tolstoy Marg,
New Delhi-110001
Date : 9th August, 2016
Place : New Delhi

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. The proxy form must be deposited at the registered office of the Company not less than 48 hours before the scheduled hour of commencement of the meeting i.e. by 11:00 A.M. on 27th September, 2016.

3. Members /proxies should bring the enclosed attendance slip duly filled in and signed for attending the meeting.
4. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copy of Annual report with them at the Annual General Meeting.
5. Corporate members are requested to send a duly certified copy of the Board Resolution/Power of Attorney authorizing their representatives to attend and vote on their behalf at the Annual General Meeting.
6. The register of Members and Share Transfer Books of the Company will remain closed from Thursday, 22nd September, 2016 to Thursday, 29th September, 2016 (both days inclusive).
7. 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 29th September, 2016 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 on 22nd September, 2016 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).
8. 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.
9. Members who hold shares in dematerialized form are requested to bring their Depository ID Number and Client ID Number for easier identification of attendance at the Annual General Meeting.
10. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
11. There will be no gift distribution at the Annual General Meeting.
12. The time limit for transfer of un-paid dividend declared for the financial year 2008-2009 will be expiring in October, 2016 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 2008-2009 or thereafter are requested to write to the Company or Company's Registrar and Share Transfer Agents.
13. 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.
14. The Shares of your company is listed on the Bombay Stock Exchange. The annual listing fees upto March 2017, already stand paid to Bombay Stock Exchange.
15. Queries at the AGM: Queries proposed to be raised at the Annual General Meeting may be sent to the Company at its registered office at least seven days prior to the date of AGM to enable the management to compile the relevant information to reply the same in the meeting.
16. Members who have not registered their email address so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.
17. The details of directors who are proposed to be reappointed/newly appointed are given in Corporate Governance Report. There are no inter-se relationship between the board members.

18. Members who hold shares in multiple folios in identical names are requested to send the share certificates to the registrar and transfer agents for consolidations into a single folio. Members are requested to notify correction/change in address if any, to the Company at its registered office, quoting their folio number.
19. Pursuant to Section 101 and 136 of the Companies Act, 2013 read with relevant rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the Depository.
20. The Company's equity shares have been notified for compulsory dematerialization. Accordingly trading of these shares through Stock Exchange would be facilitated if the share certificates are dematerialized. Members having the physical share certificates are advised to consider opening of a Demat account with an authorized Depository participant and arrange for dematerializing their shareholding in the Company.
21. Members seeking any information with regard to accounts or operations are requested to write to the Company at an early date, preferably at least seven days prior to the date of meeting, so as to enable the management to keep the information ready.
22. Inspection of Documents: Statutory Documents relating to the Company are open for inspection at the registered office of the Company at all working days except Saturdays and Sundays between 11:00 A.M. to 2:00 P.M. upto the date of Annual General Meeting.
23. For convenience of the Members and proper conduct of the meeting, entry to the meeting venue will be regulated by Attendance slip. Members are requested to sign at the place provided on the Attendance slip and hand it over at the registration counter.
24. Members may note that Annual Report for the Financial Year 2015-16 will also be available on Company's website www.bbinvestments.in for your download.

25. Voting through electronic means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI(Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through E-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 25th September, 2016 (9:00 A.M.) and ends on 28th September, 2016 (5:00 P.M.). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter.
Once the vote on a resolution is cast by the member, the

member shall not be allowed to change it subsequently.

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

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

- (i) Open email and open PDF file viz; "Bharat Bhushan Finance and Commodity Brokers Limited e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following:
URL: <https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder - Login
- (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- (vii) Select "EVEN" of "Bharat Bhushan Finance & Commodity Brokers Limited".
- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to kavitasewani1@gmail.com with a copy marked to evoting@nsdl.co.in

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

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

EVEN	USER ID	PASSWORD/PIN
(Remote E-voting Event Number)		
—	—	—
- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the

- user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22nd September, 2016.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 22nd September, 2016, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA.
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- XI. Once the vote on a resolution stated in this notice is cast by the shareholder through Remote E-voting, the shareholder shall not be allowed to change it subsequently and such e-vote shall be treated as final. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. M/s. Kavita Pamnani & Associates, Company Secretary in Practice has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of Ballot Paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Scrutinizer's decision on the validity of the vote shall be final.
- XVII. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.bbinvestments.in and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
- XVIII. The Resolutions shall be deemed to be passed on the date of the meeting, i.e. 29th September, 2016 subject to the receipt of the requisite no. of votes in favour of the Resolutions.

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

**Sd/-
Nisha Ahuja
(Director)
DIN : 00001875**

Registered Office:
503, Rohit House, 3,
Tolstoy Marg,
New Delhi-110001
Date : 09th August, 2016
Place : New Delhi

Annexure to Notice

Brief Resume of the Director (s) Seeking Re-Appointment At The 24th Annual General Meeting

Particulars	Mr. Arun Kumar Garg
Date of Birth	27.11.1957
Date of appointment	26.07.2012
Qualification	Bachelor in Commerce and Chartered Accountant
Expertise in Specific Functional Area	Finance and Accounting
Directorship held in other public companies (excluding foreign and private companies)	2
Memberships/Chairmanships of committees in other public companies	2
Shareholding in BBFCBL	-

Particulars	Mr. Jogesh Chander Ahuja
Date of Birth	25.06.1949
Date of appointment	29.01.1998
Qualification	Bachelor in Commerce
Expertise in Specific Functional Area	Marketing, Insurance and Investment
Directorship held in other public companies (excluding foreign and private companies)	1
Memberships/Chairmanships of committees in other public companies	-
Shareholding in BBFCBL	-



BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED

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DIRECTORS' REPORT

To,
The Members,

Bharat Bhushan Finance & Commodity Brokers Limited

The Directors of your Company take pleasure in presenting the 24th Annual Report of your Company together with the Audited Statement of Accounts of the Company for the financial year ended 31st March, 2016.

FINANCIAL PERFORMANCE HIGHLIGHTS

Your Company's financial performance during the year 2015-16 as compared with that of during the previous year 2014-15 is summarized in the following table:

	(₹ In Lakhs)	
Particulars	2015-2016	2014-2015
Total Income	78.23	85.72
Profit before depreciation & Tax	51.66	53.27
Depreciation	0.16	0.91
Profit Before Tax	51.50	52.37
Provision for Taxation	8.58	9.91
Profit After Tax	42.92	42.45
Balance Profit B/F from earlier Year	294.45	280.77
Profit available for appropriation	337.37	323.22
APPROPRIATION:		
Transfer to Reserve Fund	8.58	8.49
Proposed Dividend	16.90	16.90
Provision for Dividend Tax	3.44	3.38
Profit C/F to Balance Sheet	308.45	294.45

PERFORMANCE REVIEW

During the financial year 2015-16, the net Revenue from Operation was Rs. 64.29 Lakhs against Rs. 73.63 Lakhs in the previous year. Your Company has earned the Profit before tax of Rs. 51.50 Lakhs as compared to Rs. 52.37 Lakhs in the previous year. Profit after tax was Rs. 42.92 Lakhs against Rs.42.45 Lakhs for the last financial year.

CHANGE IN THE NATURE OF BUSINESS

There has been no significant changes in the nature of business of the Company during the Financial Year 2015-16.

DIVIDEND ON EQUITY SHARES

Your Director's are pleased to recommend a Dividend of Re.0.50 Paise per equity share (5%) on the paid up equity share capital of the Company for the financial year ended 31st March, 2016. The proposed dividend, subject to approval of Shareholders in the ensuing Annual General Meeting of the Company, would result in appropriation of Rs.16,90,200/- and Corporate Dividend Tax of Rs.3,44,091/-. The dividend would be payable to all members whose names appear in the Register of Members as on the record date for the purpose of dividend for the Financial Year 2015-16.

Dividend if approved by shareholders in Annual General Meeting will maintain the uninterrupted profit making dividend payment record of the Company for the last 24 years.

The Register of Members and Share Transfer books shall remain closed from Thursday, 22nd September, 2016 to Thursday, 29th September, 2016 (both days inclusive).

UNCLAIMED DIVIDEND

Pursuant to the provision of Section 205A (5) of the Companies Act, 1956, and Section 125 of the Companies Act, 2013 the relevant amount against the Final Dividend for the financial year 2008-09 which remains unpaid or

unclaimed for a period of seven years shall be transferred by the Company to the Investor Education and Protection Fund (IEPF) by 28th October, 2016. Shareholders are requested to please send their outdated final dividend warrants issued by the Company for the financial year 2008-09 to the Company on or before 28th October, 2016, enabling it to issue demand drafts, to the shareholders from whom the requisite requests shall be received otherwise the Company would have no other option but to transfer this amount to the IEPF by 28th October, 2016 which is the last date for transfer of the said amount. No further correspondence would be entertained after such unpaid/unclaimed dividend amount is transferred to the IEPF. Once unclaimed dividend is transferred to IEPF, no claim shall lie further against the Company in respect thereof.

TRANSFER TO RESERVES

The Company proposes to transfer Rs. 8,58,313/- to the General Reserve out of the amount available for distribution.

SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2016 was Rs. 3,38,04,000/-. During the year under review, the company has not issued any further Share Capital.

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. But later on the Board of Directors in their meeting held on 28.10.2015 have decided to defer the proposal to issue of further shares by way of right issue due to adverse market conditions.

FINANCE

The Company continues to focus on judicious management of its working capital. Receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring. The Company's relationships with its bankers continued to be cordial during the year.

EXTRACT OF ANNUAL RETURN

As required pursuant to the provisions of Section 134 (3) (a) and Section 92(3) of Companies Act, 2013 read with Rule 12(1) of Companies (Management and Administration) Rules, 2014, an extract of Annual Returns as at 31st March, 2016, in the prescribed Form MGT-9 which is annexed as **Annexure "A"** to this Report forming part hereof.

PUBLIC DEPOSITS

Your Company has not accepted any deposits from the public in terms of the provisions of Section 73 of the Companies Act, 2013 during the Financial Year ended 31st March, 2016 and your Board of Directors have also passed the necessary resolution for non-acceptance of any Public Deposits during the Financial Year 2016-17.

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 have occurred between the close of the financial year of the Company to which the balance sheet relates and the date of the report which may affect the financial position of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2) read with other regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 annexed to this Directors' Report, provides a more detailed review of the operating performance.

DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors of the Company have given declaration to the effect that they meet the criteria of Independence as laid down under Sub-

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section 6 of Section 149 of the Companies Act, 2013 read with Schedule IV thereof in the first Board Meeting held for the financial year 2016-17.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Company has held four Board Meetings during the financial year under review for which notices were served in accordance with Section 173 (3) of the Companies Act, 2013 at their address registered with the Company by the permitted mode of delivery. The details of the Board Meetings are given in the Corporate Governance Report that forms part of the Annual Report.

POLICIES OF THE COMPANY

NOMINATION AND REMUNERATION POLICY

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.

Pursuant to Sub-section 3 of Section 178 of the Companies Act, 2013, on recommendation of the Nomination & Remuneration Committee, the Board of Directors of the Company formulated the policy on selection and appointment of Directors, Senior Management and other employees of the Company and their remuneration, positive attributes, Directors' qualifications, Independence of Directors and other related matters. The detailed Nomination & Remuneration Policy is annexed as **Annexure 'B'** and forms part of this Report and is also available on the website of the Company at www.bbinvestments.in.

IMPLEMENTATION OF RISK MANAGEMENT POLICY

Effective risk management is essential to success and is an integral part of our culture. While we need to accept a level of risk in achieving our goals, sound risk management helps us to make the most of each business opportunity and enables us to be resilient and respond decisively to the changing environment.

The Company has its well defined Risk Management Policy or identifying risks and opportunities that may have a bearing on the organization's objectives, assessing them in terms of likelihood and magnitude of impact and determining a response strategy.

The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risk associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

As a matter of policy, these risks are assessed and appropriate steps are taken to mitigate the same as the element of risk threatening the Company's existence is very minimal.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Pursuant to provisions of section 177 of the Companies Act, 2013, the Company already has put in place a policy prohibiting managerial personnel from taking adverse personnel action employees disclosing in good faith, alleged wrongful conduct on matters of public concern involving violation of any law, mismanagement, misappropriation of public funds, among others. Employees aware of any alleged wrongful conduct are encouraged to make a disclosure to the Audit Committee.

No personnel of the Company were denied access to the Audit Committee. Your Company has maintained Vigil Mechanism/ Whistle Blower Policy and posted its Policy on website www.bbinvestments.in.

COMMITTEES OF THE BOARD

AUDIT COMMITTEE:

Pursuant to the provisions of Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 and Regulation 18 of the SEBI (Listing Obligations and

Disclosure Requirements) Regulations, 2015, the composition of the Audit Committee is as under:

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

NOMINATION & REMUNERATION COMMITTEE:

Pursuant to the provisions of Section 178 (1) of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the composition of the Audit Committee is as under:

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

STAKEHOLDERS RELATIONSHIP COMMITTEE:

Pursuant to Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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

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 139, 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.

ACCOUNTING STANDARDS FOLLOWED BY THE COMPANY

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP") to comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act and the Guidelines prescribed by the RBI, as applicable.

EXPLANATION OF AUDITOR'S REPORT

The notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

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 Board of Directors has re-appointed M/s Kavita Pamnani & Associates, a firm of Company Secretaries in Practice, (Membership No. FCS-6288 & CP No. 11099), to undertake the Secretarial Audit of the Company for the financial year 2015-16. The Report of the Secretarial Audit is annexed herewith in **Annexure "C"** in format **MR-3**. There are no qualifications, reservation or adverse remarks made by Secretarial Auditors in their Report.

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PARTICULARS OF LOANS, GUARANTEES 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.

PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES

Details of contracts or arrangements entered into by the Company during the financial year 2015-16 with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 and as required to be disclosed as per Section 134 (3) (h) are given in Form AOC-2 (**Annexure -D**) attached with this report. Your Company has taken necessary approvals as required by Section 188 read with Companies (Meetings of Board and its Powers) Rules, 2014 from time to time.

FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS

The Company conducts Familiarization Programme for the Independent Directors to provide them an opportunity to familiarize with the Company, its management and its operations so as to gain a clear understanding of their roles and responsibilities and contribute significantly towards the growth of the Company. They have full opportunity to interact with senior management personnel and are provided all the documents required and sought by them for enabling them to have a good understanding of the Company, its various operations and the industry of which it is a part. The initiative undertaken by the Company in this respect have been disclosed on the website of the Company at www.bbinvestments.in.

BOARD EVALUATION

Pursuant to applicable provisions of the Companies Act, 2013 and Listing Regulations, the Company has devised a mechanism for evaluating the performance of Independent Directors, Board, Committees and other individual Directors. On the basis of the said mechanism, the Board has evaluated the performance of Committees of Board, individual directors and Board as a whole.

Directors were evaluated on aspects such as attendance, contribution at Board/Committee meetings and guidance/support to the management outside Board/Committee meetings. The Committees of the Board were assessed on the degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

The performance evaluation of the Independent Director was carried out by the whole Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Board, its Committees and the Directors.

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.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The current composition of the Board of Directors of your Company is as under:

S.NO.	NAME OF DIRECTOR	DESIGNATION	DATE OF APPOINTMENT
1.	Mr. Vijay Bhushan	Non-Executive Director	03.06.1992
2.	Mrs. Nisha Ahuja	Non-Executive Director	03.06.1992
3.	Mr. Jogesh C. Ahuja	Non-Executive Director	29.01.1998
4.	Mrs. Sant Kumari Agrawal	Non-Executive Director	29.01.1998
5.	Mr. Arun Kumar Garg	Non-Executive Director	26.07.2012
6.	Mr. Kuldeep Gupta	Non-Executive & Independent Director	28.01.2010
7.	Mr. Varun Saihgal	Non-Executive & Independent Director	21.05.2013
8.	Mr. Ravindra Singh	Non-Executive & Independent Director	12.06.2008

Key Managerial Personnel

S.NO.	NAME OF PERSON	DESIGNATION	DATE OF APPOINTMENT
1.	Mr. Satish Aggarwal	Chief Financial Officer & Manager	25.09.2014
2.	Ms. Shipra Kamra	Company Secretary	11.05.2016

Retire by Rotation

In terms of section 152 (6) of the Companies Act, 2013, the Board of directors of the Company recommends the reappointment of Mr. Arun Kumar Garg and Mr. Jogesh Chander Ahuja 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.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Conservation of Energy: Since the Company is not engaged in any manufacturing activity, issues relating to conservation of energy and technology absorption are not quite relevant to its functioning.

Export Activities: There was no export activity in the Company during the year under review. The Company is not planning any export in the near future as well.

Foreign Exchange Earnings and Outgo: There was no Foreign Exchange Earnings and outgo during the year under review.

SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

Your Company does not have any Subsidiary/Subsidiaries, Joint Ventures and Associate Company within the meaning of Companies Act, 2013 as at March 31, 2016.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

No significant and material orders were passed by the regulators or courts or tribunals during the financial year 2015-16 which have an impact on the going concern status and Company's operations in future.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. The Company has also implemented several best corporate governance practices as an important step towards building strong investors' confidence, improving investor protection and maximizing long-term stakeholders' value.

Pursuant to SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 a compliance report on Corporate Governance together with the certificate auditors of the Company on compliance mandatory requirements has been annexed in this report.

RBI NORMS AND ACCOUNTING STANDARDS

To comply with RBI directions, your company closed its accounts for the full year ending March 2016, and your Company continues to comply with the directives issued as well as the norms prescribed by Reserve Bank of India for NBFCs.

RBI GUIDELINES

Your Company is complying with all the guidelines of the Reserve Bank of India for Non-Banking Finance Company. In terms of Para 13 of the NBFC Regulations, the particulars as applicable to the Company are appended to the Balance Sheet.

NON-BANKING FINANCIAL COMPANIES AUDITORS' REPORT (RESERVE BANK) DIRECTIONS, 1998

Pursuant to the Non-Banking Financial Companies Auditors' Report (Reserve Bank) Directions, 1998, a report from the statutory auditors to

the Board of Directors, has been received by the Company.

DISCLOSURE OF SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company does not fall in requirements of the Sexual Harassment of Women at the Workplace (prevention, prohibition & redressal) Act, 2013. No employees (permanent, contractual, temporary, trainees) are covered under this policy.

LISTING AGREEMENT

The Securities and Exchange Board of India (SEBI), on September 02, 2015, issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the aim to consolidate and streamline the provisions of the Listing Agreement for different segments of capital markets to ensure better enforceability. The said regulations were effective December 01, 2015. Accordingly, all listed entities were required to enter into the Listing Agreement within six months from the effective date. The Company entered into Listing Agreement with BSE Limited during February 2016.

LISTING OF EQUITY SHARES

The securities of the Company are listed and are traded at BSE Limited. The Company has paid listing fee to BSE Ltd. for the Financial Year 2016-17.

BUSINESS RESPONSIBILITY STATEMENT

SEBI, vide its Circular CIR/CFD/DIL/8/2012 dated August 13, 2012, mandated the top 100 listed entities, based on market capitalization at BSE and NSE, to include Business Responsibility Report (BRR) as part of the Annual Report describing the initiatives taken by the companies from Environmental, Social and Governance perspective. Accordingly, this circular is not applicable to our Company.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3) (C) of the Companies Act, 2013, the Directors confirm the following in respect of the Audited Annual Accounts for the Financial Year ended March 31, 2016:

- that in the preparation of the annual financial statements for the year ended 31st March 2016, 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;
- that 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;
- that the directors had prepared the annual accounts on a going concern basis;
- that 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
- that 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.

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.

EMPLOYEE REMUNERATION

- The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not applicable on the Company.
- The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) and Rule 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this report named as **Annexure-'E'**. In terms of Section 136 of the Companies Act, 2013 the same is open for inspection at the Registered Office of the Company. Copies of this statement may be obtained by the members by writing to the Company Secretary.
- There are no employees employed throughout the financial year and in receipt of remuneration of Rs. 60 lacs or more, or employed for part of the year and in receipt of Rs. 5 lacs or more a month, to be reported under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

INTERNAL FINANCIAL CONTROL

Internal control framework including clear delegation of authority and standard operating procedures are available across all businesses and functions. These are reviewed periodically at all levels. The Company's Internal Audit is conducted by Rajesh Suresh Jain & Associates, Chartered Accountant, Internal Auditors of the Company. The Internal Auditor independently evaluates the adequacy of internal controls and reviews major transactions. The Internal Auditor report directly to the Audit Committee to ensure complete independence.

SERVICE OF DOCUMENTS THROUGH ELECTRONIC MODE

In furtherance of the Green Initiative in Corporate Governance announced by the Ministry of Corporate Affairs, the Company had in past requested the shareholders to register their email addresses with the Registrar/ Company for receiving the Report and Accounts, Notices etc. in electronic mode. However, some of the shareholders have not yet registered their E-mail IDs with the Company. Shareholders who have not registered their E-mail addresses are once again requested to register the same with the Company by sending their requests to commodities@bharatbhushan.com.

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
For Bharat Bhushan Finance & Commodity Brokers Limited

Sd/-	Sd/-
NISHA AHUJA	VIJAY BHUSHAN
DIRECTOR	DIRECTOR
(DIN : 00001875)	(DIN : 00002421)

Place : New Delhi
Date : 09th August, 2016