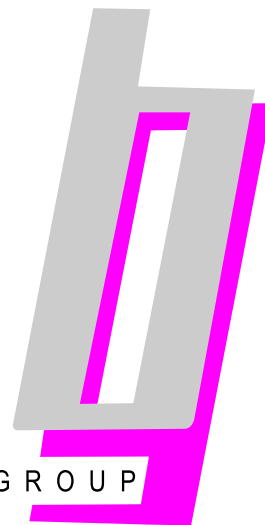


# **Bhatia Industries & Infrastructure Limited**

(formerly known as "*BCC Finance Limited*")



B H A T I A   G R O U P

**20th**  
**ANNUAL REPORT**  
**2012 - 2013**

## Corporate Information

### **BOARD OF DIRECTORS**

Mr. Surinder Singh Bhatia : Executive Director & CEO  
Mr. Manjeet Singh Bhatia : Director  
Mr. Jitendra Kumar Jain : Director  
Mr. Lal Krishna Thanvi : Director (Ceased w.e.f. 08-11-2012)  
Mr. Chitranjan Singh Kahlon : Director (Appointed w.e.f. 08-11-2012)

### **COMPANY SECRETARY & COMPLIANCE OFFICER**

Mr. Samir Kumar Bahri

### **REGISTERED OFFICE**

"BCC House", 8/5 Manoramaganj,  
Navratan Bagh, Main Road,  
Indore (M.P.) - 452 001

### **BANKERS**

Bank of India  
Central Bank of India  
State Bank of India  
Indusind Bank Limited

### **AUDITORS**

M/s. R. S. Bansal & Co.,  
Chartered Accountants  
Urvashi, 3 Jaora Compound,  
Indore (M.P.) - 452 001

### **REGISTRAR & SHARE TRANSFER AGENT**

Link Intime India Private Limited  
C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (West)  
Mumbai - 400 078

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## **Important Communication to Members**

- The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating services of notice/documents including Annual Report can be sent by e-mail to its member. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Participants. Members who hold shares in physical form are requested to register their e-mail id with Company / Registrar and Transfer and Agent, M/s. Link Intime India Private Limited.
- Demat Your shares : Members are requested to convert their physical shareholdings to demat / electronic form through any of the nearest depository participants (DPs) to avoid the hassles as possibility of loss, mutilation, etc. and also to ensure safe and speedy transactions in the securities.
- Register Nominations : To help your successors get the shares transmitted in their favour, please register your nomination. Members desirous of availing this facility may submit nomination form which can be obtained from Link Intime India Private Limited. Members holding shares in dematerialized form are requested to register their nomination directly with their respective DPs.



## **NOTICE**

NOTICE is hereby given that the **Twentieth Annual General Meeting** of the Members of **Bhatia Industries & Infrastructure Limited** will be held on Friday, the 12<sup>th</sup> day of July, 2013 at 11.00 AM at 4-4/5, Manoramaganj, Navratan Bagh Main Road, Indore 452 001 (M.P) to transact the following business: -

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March, 2013 and Profit and Loss Account for the year ended on that date together with the Reports of the Auditors and Directors thereon.
2. To declare dividend of Rs. 2.00 per share on 2% Cumulative Redeemable Preference Shares of the Company.
3. To declare dividend of Rs. 0.75 per share on Equity Shares of the Company.
4. To appoint Director in place of Mr. Jitendra Kumar Jain, who retire by rotation and being eligible, offer himself for re-appointment.
5. To appoint M/s. R.S. Bansal & Co., Chartered Accountants, Indore, having firm registration number 000939C, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

### **SPECIAL BUSINESS**

6. To regularize Mr. C. S. Kahlon as Director on the Board of Company.

To consider and if thought fit, pass, with or without modification(s), following resolution as an "Ordinary Resolution".

**"RESOLVED THAT** Mr. C. S. Kahlon, who was appointed as an Additional Director of the Company w.e.f. 08<sup>th</sup> November, 2012 and who holds the said office until the date of this Meeting in terms of Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a Notice in writing from a Member under Section 257 of the Companies Act, 1956, proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation;

**RESOLVED FURTHER THAT** the Board of Directors be and hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary or desirable in such manner as it may deem fit in this regard to give effect to this resolution."

By Order of the Board  
**For Bhatia Industries & Infrastructure Limited**

Place: Indore  
Date: May 07, 2013

Sd/-  
**Samir Bahri**  
Company Secretary



## **NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE ENCLOSED PROXY FORM, IF INTENDED TO BE USED, SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED IN NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.
2. Shareholders who are interested in obtaining any information regarding the Accounts of the Company are requested to write to the Company at least 7 days before the date of Meeting so that desired information required can be made available at the meeting.
3. The Register of Members and the share Transfer Books of the Company shall remain closed for the purpose of Annual General Meeting from July 08, 2013 to July 12, 2013 (both days inclusive).
4. The dividend on Equity Shares, if declared at the meeting will be credited/dispatched to those members whose name shall appear on the Company's Register of members on July 05, 2013; in respect of the shares held in dematerialized form, the dividend will be paid to the members whose name are furnished by NSDL and CDSL as beneficial owners as on that date.
5. In pursuance of the recommendation of SEBI Committee on Corporate Governance for the appointment/re-appointment of retiring Directors, please find below, the details of Mr. Jitendra Kumar Jain, who retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

Mr. Jitendra Kumar Jain, aged 50 years, appointed as Director on 26<sup>th</sup> August 1997 and is the Chairman of Audit Committee and the Shareholders Grievances and Share Transfer Committee. He is a commerce graduate and possesses more than 23 years of rich experience in the field of accounts and taxation.

6. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Share Transfer Agents cannot act on any request received directly from the members holding shares in electronic form for any change in bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the member.
  7. Members holding shares in electronic form are requested to intimate immediately any changes in their address or bank mandates to their Depository Participant with whom they are maintaining their Demat Accounts. Members holding shares in physical form are requested to advise any change in addresses immediately to Company/Registrar and Share Transfer Agents, Link Intime India Private Limited.
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**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE  
COMPANIES ACT, 1956****ITEM NO.6**

Mr. C. S. Kahlon was appointed as an Additional Director on the Board of the Company with effect from 08<sup>th</sup> November 2012 and as such he holds his office till the date of the ensuing Annual General Meeting.

The Company has received a Notice from a shareholder proposing his name for appointment as Director of the Company liable to retire by rotation in terms of Section 257 of the Companies Act, 1956. Accordingly, a resolution is placed before the Members for his appointment for approval of the Members.

As per clause 49 of the listing agreement, information regarding Mr. Chitranjan Singh Kahlon is as follows:

Name	: Chitranjan Singh Kahlon
Age	: 62 Yrs
Qualification	: IRS
Profile & Experience	: Mr. C. S. Kahlon is renowned person in the field of taxation and Ex-member of Central Board of Direct Tax (CBDT) and Ex- Executive Director of Securities Exchange Board of India (SEBI) and having very good financial knowledge.
Details of directorship held in other Company	: 1. Bhatia Global Trading Limited 2. Delhi Gymkhana Club Limited 3. IL&FS AMC Trustee Limited
Details of Chairman ship/ Membership held in other companies	: Nil
Shareholding in the Company as on the date of notice	: Nil

Your Directors recommend his appointment, as Director liable to retire by rotation, for the approval of Members. Apart from Mr. C. S. Kahlon, no other Director is interested in the resolution.

By Order of the Board  
**For Bhatia Industries & Infrastructure Limited**

Place: Indore  
Date: May 07, 2013

Sd/-  
**Samir Bahri**  
Company Secretary



## DIRECTORS' REPORT

To,  
The Members,  
**Bhatia Industries & Infrastructure Limited**  
Indore

Your Directors have pleasure in presenting the Twentieth Annual Report together with the Audited Financial Statements of the Company for the year ended March 31, 2013.

### FINANCIAL RESULTS

The summary of the financial result of the Company for the year under review are as under:

(Rs. in Millions)

	For the year ended 31.03.2013	For the year ended 31.03.2012
Sales & Other Income	2650.55	1509.35
<b>Profit / (Loss) before Depreciation, Interest &amp; Tax</b>	<b>176.90</b>	<b>113.05</b>
Less: Depreciation & Amortization	0.26	0.05
Financial Charges	79.84	63.60
<b>Profit/(Loss) before tax</b>	<b>96.80</b>	<b>49.40</b>
Add\Less) : Prior period adjustments	---	(1.50)
Add \Less) : Provision for Income-Tax	(32.32)	(17.30)
<b>Profit/(Loss) after Tax</b>	<b>64.48</b>	<b>30.60</b>
Add: Balance brought forward from last year	14.32	104.73
Less: Amount utilized towards issue of fully paid up Bonus Shares	--	86.21
<b>Amount available for Appropriation</b>	<b>78.80</b>	<b>49.12</b>
Less: Proposed Dividend on preference shares	1.60	1.60
Less: Proposed Dividend on Equity Share Capital	9.90	9.90
Less: Dividend Distribution Tax	1.95	1.87
Less: Transfer to Capital Redemption Reserve	11.43	11.43
Less: Transfer to General Reserve	--	10.00
<b>Balance carried forward</b>	<b>53.92</b>	<b>14.32</b>

### PERFORMANCE REVIEW

During the year under review, your Company has posted Turnover of Rs. 2623.08 as compared to the turnover of Rs. 1482.42 Millions in previous year and Profit after tax of Rs. 64.48 Millions as compared to the Profit after tax of Rs. 30.60 Millions in previous year.

- Turnover increased by 76.95% to Rs. 2623.08 Millions.
- PBDIT increased by 56.48% to Rs. 176.90 Millions.
- PBT increased by 95.95% to Rs. 96.80 Millions.
- Net Profit increased by 110.72% to Rs. 64.48 Millions.

### RESERVE

During the period under review Company has transferred Rs. 11.43 Millions to Capital Redemption Reserve and not transferred any amount to General Reserve.

### DIVIDEND

Having regard to the performance of the Company, your Directors are pleased to recommend payment of dividend of 2% on cumulative redeemable preference shares and 7.5% on the paid up Equity Share Capital of the Company, which works out to Rs. 0.75 per share on 1,32,00,000 Equity Share of Rs.10/- each for the Financial Year ended March 31, 2013. The dividend if approved will be paid to the eligible shareholders within the period stipulated by the Companies Act, 1956.

### PUBLIC DEPOSITS

The Company has not invited or accepted any public deposits in accordance with the provisions of Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975 during the year under review.



**DIRECTORS**

During the year under review Mr. Lal Krishna Thanvi, has tendered his resignation w.e.f. November 08, 2012 and pursuant to provisions of Section 260 of the Companies Act, 1956 Mr. C. S. Kahlon has been appointed as Additional Director w.e.f. November 08, 2012. Mr. C. S. Kahlon, being eligible, your directors recommend him to appoint him as director liable to retire by rotation.

As per Section 256 of the Companies Act, 1956 and Articles of Association of the Company, Mr. Jitendra Kumar Jain, Director of the Company shall retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 217 (2AA) of the Companies Act, 1956 the Directors hereby confirm that:

- i) in the preparation of the annual accounts for the year ended March 31, 2013, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) appropriate accounting policies have been selected and applied consistently and judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2013 and of the profit of the Company for the year ended on that date;
- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the annual accounts have been prepared on a going concern basis.

**STATUTORY AUDITORS**

M/s. R. S. Bansal & Co., Chartered Accountants, Indore, having Firm Registration number 000939C, the auditor of the Company hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

The Company has received letter from M/s. R. S. Bansal & Co., Chartered Accountants, Indore, to the effect that their re-appointment if made would be within the prescribed limit under Section 224(1B) of the Companies Act, 1956, and that they are not disqualified for such re-appointment within the meaning of Section 226 of the Companies Act, 1956

**AUDITORS' REPORT**

The observation and comment given by Auditors in their report read together with notes to Accounts are self explanatory and do not require any further comments under Section 217 of the Companies Act, 1956.

**PARTICULARS OF EMPLOYEES**

None of the employees of the Company during the year was in receipt of remuneration of more than the maximum permitted ceiling given in the Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended.

**LISTING**

The shares of the Company are listed on Bombay Stock Exchange - Mumbai and Ahmedabad Stock Exchange.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO**

Disclosure regarding Conservation of Energy and Technology absorption as required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 are not applicable to the Company.

The information relating to Foreign Exchange Earnings and Outgo is given in the Annexure to the report.

**CORPORATE GOVERNANCE REPORT**

The Company has complied with the Corporate Governance Code as stipulated under Clause 49 of the listing agreement with the stock exchanges. A separate section on Corporate Governance, along with a certificate from practicing Company Secretary confirming the compliance is annexed to the Annual Report forming part thereof.

**MANAGEMENT DISCUSSION AND ANALYSIS**

Management Discussion and Analysis report in accordance with the requirement of Clause 49 of the Listing Agreement is annexed to the Annual Report forming part thereof.

**ACKNOWLEDGEMENT**

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from shareholders, bankers, regulatory bodies and other business constituents during the year under review. Your Director's also wish to place on record their deep sense of appreciation for the commitment displayed by employees for the services rendered by them.

For and on behalf of the Board  
**For Bhatia Industries & Infrastructure Limited**

Place: Indore  
Dated: May 07, 2013

Sd/-  
**Surinder Singh Bhatia**  
Executive Director & CEO

**Annexure to Directors' Report****PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURES OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988**

Form A (Rule 2)

**A. CONSERVATION OF ENERGY**

Not applicable, since the Company is engaged in trading activities.

Form -B (Rule 2)

**RESEARCH AND DEVELOPMENT**

Not applicable:

**B. TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION**

Not Applicable:

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO***1. Total Foreign Exchange used and earned*

(Rs. in Million)

S.No	Particulars	Current year	Previous year
1	Total Foreign Exchange earned	-	-
2	Total Savings in Foreign Exchange through products manufactured by the Division and deemed exports	-	-
3	Total Foreign Exchange used	1328.72	763.42

For and on behalf of the Board  
**For Bhatia Industries & Infrastructure Limited**

Place: Indore  
Dated: May 07, 2013

Sd/-  
**Surinder Singh Bhatia**  
Executive Director & CEO