



BCB Finance Limited

8th Annual Report 2012-13

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corporate information

**BOARD OF DIRECTORS
CHAIRMAN**

Mr. Bharat C. Bagri

MANAGING DIRECTOR
Mr. Uttam B. Bagri**INDEPENDENT DIRECTORS**
Mr. Suresh Ahiya
Mr. Kalpesh Ranka**PRACTISING COMPANY SECRETARIES**
Kothari H. & Associates**STATUTORY AUDITORS**
M/s. Mohanlal Jain & Co.**COMPANY SECRETARY**
Mr. Manish Mourya**PRINCIPAL BANKER**
Bank of India**REGISTERED OFFICE**
1204, P.J. Towers, Dalal Street, Fort,
Mumbai - 400 001.

Tel No.: +91 22 2272 2414
Fax No.: +91 22 2272 2414

Email: manish@bcbfinance.com
Website: www.bcbfinance.com

REGISTRAR & SHARE TRANSFER AGENTS
Purva Shareregistry (India) Private Limited
9, Shiv Shakti Industrial Estate, J.R. Boricha
Marg, Off N.M. Joshi Marg, Near Lodha
Excelus, Lower Parel (E), Mumbai- 400 011.

Tel.: +91-22-2301 8261 / 6761
Fax : +91-22-2301 2517

Email: busicomp@vsnl.com
Website: www.purvashare.com

notice

NOTICE IS HEREBY GIVEN THAT THE EIGHTH ANNUAL GENERAL MEETING OF THE MEMBERS OF BCB FINANCE LIMITED will be held on SATURDAY, 21ST SEPTEMBER, 2013 at 9:00 A.M. at the Registered Office of the Company at 1204, P.J. Towers, Dalal Street, Fort, Mumbai - 400 001 to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and Profit & Loss Account for the year ended on that date together with the reports of the Board of Directors & Auditors' thereon.
2. To declare a Dividend on Equity Shares of the Company for the Financial Year ended on 31st March, 2013.
3. To appoint a Director in place of Mr. Kalpesh Ranka, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Bharat Bagri, who retires by rotation and being eligible offers himself for re-appointment
5. To re-appoint M/s. Mohanlal Jain & Co., Chartered Accountants, having Firm Registration No. 106532W, 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 of the Company and to authorize the Board to fix their remuneration.

Place: Mumbai
Date: 30th May, 2013

By Order of the Board of Directors

Uttam Bagri
Managing Director

Notes:

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the meeting.
2. Corporate members intended to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. Members/Proxy holders are requested to bring their copy of Annual Report and Attendance slip sent herewith, duly filled-in for attending the Annual General Meeting.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 14th September, 2013 to Saturday 21st September, 2013 (both days inclusive).
5. The Shareholders are requested to notify their change of address immediately to the Registrar & Transfer Agent - **Purva Sharegistry (India) Private Limited**. The Company or its Registrar will not act on any request received directly from the shareholder holding shares in electronic form

for any change of bank particulars or bank mandate. Such changes are to be advised only to the Depository Participant (DP) by the Shareholders.

6. The Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect to special business annexed hereto.
7. Equity shares of the Company are under compulsory Demat trading by all Investors. Those shareholders who have not dematerialized their equity shares are advised to dematerialize their shareholding, to avoid inconvenience in future.
8. Re-appointment of Directors: At the ensuing Annual General Meeting Mr. Kalpesh Ranka and Mr. Bharat Bagri, liable for retire by rotation, and being eligible, offer themselves for re-appointment. The details pertaining to these directors required to be provided pursuant to Clause 52 of the listing agreement are furnished in the statement on Corporate Governance published elsewhere in this Annual report.
9. Members intending to seek explanation / clarification about the Accounts at the Annual General Meeting are requested to inform the Company at least a week in advance of their intention to do so, so that relevant information may be made available, if the Chairman permits such information to be furnished.
10. Members are requested to intimate their Email IDs for correspondence and quicker response to their queries.

Place: Mumbai
Date: 30th May, 2013

By Order of the Board of Directors

Uttam Bagri
Managing Director

Registered Office:
1204, P.J. Towers,
Dalal Street, Fort,
Mumbai - 400 001.

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 that service of notice / documents including Annual Report can be made by e-mail to its members. To support this initiative of the Government, Members are requested to immediately notify their email ids to their respective DPs or the RTA or to the Company, as the case may be, to enable the Company to send all the future notices and documents through electronic mode.

the directors' report

Dear Shareholders,

Yours Directors have pleasure in presenting the Eighth Annual Report and Audited Accounts of BCB Finance Limited ('the Company') for the year ended 31st March 2013 ('the financial year').

FINANCIAL HIGHLIGHTS

The summarised performance of the Company for the years 2012-13 is given below:

Particulars	(Rs. in Lacs)	
	For Financial Year Ended	
	31 st March, 2013	31 st March, 2012
Total Income	267.28	242.92
Total Expenditure	134.28	160.19
Profit before Depreciation and Tax	133.00	82.73
Less: Depreciation	0.36	0.72
Profit after Depreciation but before Tax	132.64	82.01
Less: Current Tax	36.00	20.84
Add: Excess Provision of Income Tax of Previous years	0.00	0.00
Profit / (Loss) After Tax	96.64	61.17
Proposed Final Dividend	28.76	28.76
Tax on Final Dividend	4.89	4.67
Transferred to Statutory Reserves	18.00	13.46

1. Financial Performance

During the year, your Company has recorded a total income of Rs. 267.28 Lac, against Rs. 242.92 Lac in the previous year, an increase of 10%. Net Profit before Taxation for the financial year ended March 31, 2013 increased to Rs. 132.64 Lac from Rs. 82.01 Lac which is increase of 61% from the previous year. Consequently, the Profit after Tax increased from Rs. 61.17 Lac to Rs. 96.64 Lac an increase of 57%.

2. Dividend

Keeping in mind the overall performance and outlook for your Company, your Board of Directors recommend a Final Dividend @ 2.5% (i.e. Rs. 0.25) per share on 1,15,02,585 Equity Shares of Rs. 10/- each absorbing an amount of Rs. 33.65 lakh (inclusive of Dividend Distribution Tax). The dividend will be paid to those members whose name appears in the register of members as on 13th September, 2013 subject to the approval by the members at the Annual General Meeting. The final dividend is over and above an interim dividend of @ 2.5% (i.e. Rs. 0.25) per share paid already.

3. Listing Fee

Yours Directors are pleased to inform you that your Company has become the first Company in India to get listed its securities on the SME Platform of the BSE Limited on 13th March, 2012 and the Company has paid Listing Fees to the Exchange for the year 2013-14.

4. Management Discussion and Analysis Report

As required under Clause 52 of the Listing Agreement with the Stock Exchanges, the Management Discussion and Analysis of the financial condition and results of consolidated operations of the Company under review, is annexed and forms an integral part of the Directors' Report.

5. Public Deposit

Your Company has not accepted any deposits from the public during the year under review and shall not accept any deposits without obtaining prior approval of the Reserve Bank of India.

6. Re-appointment of Directors

In accordance with Section 255 and 256 of the Companies Act, 1956 read with the Articles of Association of the Company, Mr. Kalpesh Ranka, Non-Executive Independent Director and Mr. Bharat Bagri, Executive Chairman, retire by rotation and are being eligible offer themselves for re-appointment at the ensuing Annual General Meeting.

Based on the confirmations received from Directors, none of the Directors are disqualified from appointment under Section 274(1)(g) of the Companies Act, 1956.

7. Directors' Responsibility Statement

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- a. in the preparation of the annual accounts for the year ended March 31, 2013, the applicable Accounting Standards read with the requirements set out under Schedule VI of the Companies Act, 1956 have been followed and there are no material departures from the same, if any
- b. the Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that were 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
- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, and
- d. the Directors had prepared the annual accounts of the Company on a 'going concern' basis.

8. Statutory Auditors

M/s. Mohanlal Jain & Co., Chartered Accountants (having Firm Registration No.106532W) as Statutory Auditors of the Company, holds office until the conclusion of the ensuing Annual General Meeting and is eligible for re-appointment. The Company has received letter from M/s. Mohanlal Jain & Co., Chartered Accountants, to the effect that their appointment, if made, would be within the prescribed limits under Section 224 (1-B) of the Companies Act, 1956 and that they are not disqualified for such appointment within the meaning of Section 226 of the Companies Act 1956.

The observations made in the Auditors report read together with the relevant notes thereon, are self explanatory and hence do not call for any comments under Section 217 of the Companies Act, 1956.

9. Particulars of Employees

No Employee of the Company draws remuneration in excess of limit prescribed under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

10. Energy Conservation Measures, Technology Absorption and R & D Efforts and Foreign Exchange Earnings and Outgo

In view of the nature of activities carried on by the Company, the requirements for disclosure in respect of Conservation of Energy, Technology Absorption, in terms of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable to the Company. However the Company takes all possible efforts towards energy conservation.

The requirement for disclosure with regard to technology absorption does not apply to the Company as the activities in which the Company operates does not require any technology.

During the period under review the Company has earned Foreign Exchange of Rs. NIL and incurred the Foreign Exchange outgo of Rs. NIL.

11. Corporate Governance

A report on Corporate Governance along with a Certificate from the Auditors of the Company regarding the compliance with conditions of Corporate Governance as also the Management Discussion and Analysis Report as stipulated under Clause 52 of the Listing Agreement are annexed to this Report.

12. Reserve Bank of India Regulations

The Company has complied with all the applicable regulations of the Reserve Bank of India as on March 31, 2013.

13. 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 Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff, resulting in successful performance of the Company during the year.

For and on behalf of the Board of Directors

Uttam Bagri
Managing Director

Place: Mumbai
Date: May 30, 2013

corporate governance

In terms of Clause 52 of the SME Listing Agreement with BSE Limited (BSE) the report containing details of corporate governance systems and processes at BCB Finance Limited is as under:

1. COMPANY'S PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance is to achieve business excellence, enhance long term values for its stakeholders, maintaining excellent relations across all levels and proper compliance with all applicable legal and regulatory requirements. We believe that Corporate Governance is a journey for constantly improving sustainable value creation and is an upward moving target. In its endeavor to achieve the higher standards of governance by adopting the best emerging practices, the Company not only adheres to the prescribed corporate governance practices in terms of the regulatory requirements but is also committed to sound corporate governance principles and practices.

2. BOARD OF DIRECTORS

The Board of Directors of the Company (Board) has optimum combination of Non-Executive and Independent Directors comprising of more than fifty percent being Non-Executive Directors and more than one-third being Independent Directors.

Mr. Bharat Bagri acts as the Executive Chairman of the Board and Mr. Uttam Bagri is the Managing Director.

None of the Directors hold directorship in more than 15 public limited companies nor is a member of more than 10 committees or chairman of more than 5 committees across all the public limited companies in which they are Directors.

Board Procedure

The Directors of the Company are informed about the Agenda of the Board Meetings and Committee Meetings, containing relevant information / supporting data, as required well in advance, to enable the Board to take informed. Statutory Auditors are also requested to attend the Board or Committee meeting as and when required. When deemed expedient, the Board also approves by circular resolution important items of business which are permitted under the Companies Act, 1956, and which cannot be deferred till the next Board Meeting.

Matters discussed at Board Meeting generally relate to Company's performance, quarterly results of the Company, approval of related-party transactions, general notice of interest of Directors, review of the reports of the internal auditors, Audit Committee and compliance with their recommendation, suggestion, compliance of any regulatory, statutory or listing requirements, etc.

Board Strength and representation:

As of March 31, 2013, the Board consisted of four members. The Composition and the category of Directors on the Board of the Company were as under:

Categories	Name of Directors
Promoter / Executive Chairman	Mr. Bharat Bagri
Promoter / Managing Director	Mr. Uttam Bagri
Non-Executive and Independent Directors	Mr. Kalpesh Ranka Mr. Suresh Ahiya

During the financial year 2012-13, Four Meetings of the Board of Directors were held on the following dates:

30th May, 2012, 14th August, 2012, 10th November, 2012 and 8th February, 2013.

The Details of Directorship and Membership / Chairmanship of the Committee of the Board held by the Directors as on 31st March, 2013 and their attendance at the meetings during the year are as follows:

Name of Directors	Category	No. of Board Meetings held during the financial year 2012-13	No. of Board Meetings attended by the Directors during the financial year 2012-13	Attendance at the Last AGM	No. of Directorships in other public limited companies	No. of Committee positions held including the Company*
Mr. Bharat Bagri	Promoter & Executive Chairman	4	4	Yes	0	0
Mr. Uttam Bagri	Promoter & Managing Director	4	4	Yes	0	0
Mr. Suresh Ahiya	Independent Director	4	4	Yes	0	0
Mr. Kalpesh Ranka	Independent Director	4	4	Yes	0	0
Mr. Haresh Sanghvi@	Independent Director	4	4	Yes	1	0

* Membership / Chairman of only Audit Committee and Shareholders' / Investors' Grievance Committee in Public limited companies have been considered.

@ Resigned from Directorship on 11th February, 2013.

Directors

Disclosure regarding re-appointment of Directors required as per Clause 52 of the Listing Agreement:

- Mr. Kalpesh Ranka** aged 33 years, is a Non-Executive Independent Director of our Company. He is a CA by qualification. He has done his Bachelors of Commerce from Kishanchand Chellaram (K.C.) College of Commerce and Economics, Mumbai. Post which he pursued his education for CA and received Fellow Membership as Chartered Accountant by the Institute of Chartered Accountants of India in 2008. He was also a partner in M/s. Lalit Mehta Associates. He has diverse exposure in audit of partnership firms and corporate entity (audit and assessment) and other areas like financial due diligence, supervision, statutory audit of different entities, trading houses, construction companies, stock broking entities etc.
- Mr. Bharat Bagri**, aged 63 years is the Chairman and Whole Time Director of our Company. He is also one of the Core Promoters of the Company. He is a Post graduate in Commerce by qualification. He has an overall experience of about 41 years in the field of Capital Markets. He has been actively involved in Stock Market Related activities and has been on the Board of Directors of BSE (from 1994 to 1995) and was an active member of the Arbitration Committee of the BSE for many years. He is a Trustee of the Bikaner Seva Sangh and Maheshwari Pragati Mandal (Girgaon). He is on