

*24th Annual Report*

**BHARAT  
BHUSHAN**

**BHARAT  
BHUSHAN  
FINANCE  
COMMODITY  
BROKERS  
LIMITED**

&

**2015-2016**

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

**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 PLACE NEW DELHI - 110001

# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED

**BHARAT  
BHUSHAN**

## **NOTICE OF 24th ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN THAT THE 24<sup>TH</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF M/s. BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED (CIN: L67120DL1992PLC049038) WILL BE HELD ON THURSDAY, 29<sup>TH</sup> 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 29<sup>th</sup> 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 22<sup>nd</sup> 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](http://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 22<sup>nd</sup> 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.nsd.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](mailto:kavitasewani1@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto: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.nsd.com](http://www.evoting.nsd.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

# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED

**BHARAT  
BHUSHAN**

- 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 22<sup>nd</sup> 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. 22<sup>nd</sup> September, 2016, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto: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](http://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](http://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 : 09<sup>th</sup> August, 2016  
Place : New Delhi

## Annexure to Notice

### **Brief Resume of the Director (s) Seeking Re-Appointment At The 24<sup>th</sup> 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

**BHARAT  
BHUSHAN**

## DIRECTORS' REPORT

To,

The Members,

Bharat Bhushan Finance & Commodity Brokers Limited

The Directors of your Company take pleasure in presenting the 24<sup>th</sup> Annual Report of your Company together with the Audited Statement of Accounts of the Company for the financial year ended 31<sup>st</sup> 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:

Particulars	₹ In Lakhs	
	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 31<sup>st</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> 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-

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](http://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](http://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.

# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED

**BHARAT  
BHUSHAN**

## 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](http://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 Saihgale	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 HARRASSMENT 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 31<sup>st</sup> 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](mailto: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
Place : New Delhi	(DIN : 00001875)
Date : 09 <sup>th</sup> August, 2016	(DIN : 00002421)

# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED

**BHARAT  
BHUSHAN**

## ANNEXURE 'A'

Form No. MGT-9

### EXTRACT OF ANNUAL RETURN

as on the Financial Year ended on 31<sup>st</sup> March, 2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS:

i	CIN	L67120DL1992PLC049038
ii	Registration Date	03.06.1992
iii	Name of the Company	BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED
iv	Category/Sub-category of the Company	Company Limited by shares
v	Address of the Registered office & contact details	503, Rohit House, 3, Tolstoy Marg, New Delhi-110001
vi	Whether listed company	Listed
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any	Alankit Assignments Limited, 1E/13 Alankit Heights, Jhandewalan Extension, New Delhi – 110 055

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

S. No	Name and Description of Main Products/Services	NIC Code of the Product /Service	% to total turnover of the Company
1.	The Company is engaged in investments and dealing in shares and other securities, providing loan & advances and other related activities	64990	100%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES – NA

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section

#### IV. SHARE HOLDING PATTERN ( Equity Share Capital Breakup as percentage of Total Equity)

##### i) CATEGORY-WISE SHARE HOLDING

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of change during the Year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. Promoters</b>									
(1) <b>Indian</b>									
(a) Individual/ HUF	1816962	80	1817042	53.75	1819190	80	1819270	53.82	0.07
(b) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(d) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(e) Banks/FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(f) Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub total (A)(1):-</b>	1816962	80	1817042	53.75	1819190	80	1819270	53.82	0.07
(2) <b>Foreign</b>									
(g) NRIs-Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(h) Other Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(i) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(j) Bank/FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(k) Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-Total (A)(2):-</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Total Shareholding of Promoters (A)= (A)(1) + (A)(2)</b>	1816962	80	1817042	53.75	1819190	80	1819270	53.82	0.07

# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED

**BHARAT  
BHUSHAN**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of change during the Year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(a) Mutual Funds	500	Nil	500	0.01	500	Nil	500	0.01	Nil
(b) Banks/FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(d) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(g) FIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(i) Others :Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-total (B)(1):</b>	500	Nil	500	0.01	500	Nil	500	0.01	Nil
<b>2. Non-Institutions</b>									
(a) Bodies Corp.									
(i) Indian	77315	25400	102715	3.04	54272	24400	78672	2.33	0.68
(ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(b) Individual									
(i) Individual shareholders holding nominal shares capital upto Rs. 2 lakh	802714	550821	1353535	40.05	838720	540521	1379241	40.80	0.76
(ii) Individual Shareholders holding nominal share capital in excess of Rs. 2 lakh.	61271	Nil	61271	1.82	61271	Nil	61271	1.82	Nil
(c) Others (specify)									
(i) Clearing Members	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(ii) HUF	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(iii) NRI	16837	16000	32837	0.98	11746	16000	27746	0.82	-0.15
(iv) Corp. Bodies (OCB)	12500	Nil	12500	0.37	12500	Nil	12500	0.37	Nil
(v) Clearing House/ Public House	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(vi) NBFC registered with RBI	Nil	Nil	Nil	Nil	1200	Nil	1200	0.03	0.03
<b>Sub-total(B)(2):-</b>	970637	592221	1562858	46.23	978509	580921	1560630	46.17	1.32
Total Public shareholding(B)= (B)(1)+(B)(2)	971137	592221	1563358	46.25	979009	580921	1561130	46.18	1.32
<b>C. Shares held by custodians for GDRs &amp; ADRs</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Grand Total (A+B+C)</b>	2788099	592301	3380400	100	3777208	581001	3380400	100	1.39

# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED

**BHARAT  
BHUSHAN**

## ii) SHAREHOLDING OF PROMOTERS

S. No.	Name of Shareholders	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in share holding during the year
		No. of Shares	% of total shares of the company	% of shares pledge/encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledge/encumbered to total shares	
1	VIJAY BHUSHAN	800510	23.68	NIL	801968	23.73	NIL	0.05
2	NISHA AHUJA	654976	19.38	NIL	655746	19.40	NIL	0.02
3	JOGESH AHUJA	20581	0.61	NIL	66488	1.97	NIL	1.36
4	JOGESH AHUJA (HUF)	118607	3.51	NIL	118607	3.51	NIL	NIL
5	SANGEETA BHUSHAN	104565	3.09	NIL	104565	3.09	NIL	NIL
6	MADHVI AHUJA	33905	1.00	NIL	33905	1.00	NIL	NIL
7	SANDHYA AHUJA	30413	0.9	NIL	30413	0.9	NIL	NIL
8	SANT KUMARI AGRAWAL	1500	0.04	NIL	1500	0.04	NIL	NIL
9	SAVI BHUSHAN	100	0.00	NIL	100	0.00	NIL	NIL
10	UDAY AHUJA	45907	1.36	NIL	0	0.00	NIL	-1.36
11	KANTA AHUJA	5000	0.15	NIL	5000	0.15	NIL	NIL
12	MADHAV BHUSHAN	898	0.03	NIL	898	0.03	NIL	NIL
13	DARSHAN AGGARWAL	80	0.00	NIL	80	0.00	NIL	NIL
	<b>Total</b>	<b>1817042</b>	<b>53.75</b>	<b>NIL</b>	<b>1819270</b>	<b>53.82</b>	<b>NIL</b>	<b>0.07</b>

## iii) CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY IF THERE IS NO CHANGE)

S. No.	Name of Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	<b>VIJAY BHUSHAN</b>				
	At the beginning of the year	800510	23.68	800510	23.68
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	16.04.2015	250	0.01	800760	23.69
	17.04.2015	500	0.01	801260	23.70
	24.04.2015	699	0.02	801959	23.72
	05.05.2015	9	0.01	801968	23.73
At the end of the year (or on the date of separation, if separated during the year)	801968	23.73	801968	23.73	
2.	<b>NISHA AHUJA</b>				
	At the beginning of the year	654976	19.38	654976	19.38
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	16.04.2015	250	0.01	655226	19.39
	17.04.2015	520	0.01	655746	19.40
	At the end of the year (or on the date of separation, if separated during the year)	655746	19.40	655746	19.40

S. No.	Name of Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
3.	<b>JOGESH AHUJA</b>				
	At the beginning of the year	20581	0.61	20581	0.61
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc) 21.03.2016	45907	1.36	66488	1.97
	At the end of the year (or on the date of separation, if separated during the year)	66488	1.97	66488	1.97
4.	<b>UDAY AHUJA</b>				
	At the beginning of the year	45907	1.36	45907	1.36
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc) 21.03.2016	(45907)	1.36	-	-
	At the end of the year (or on the date of separation, if separated during the year)	-	-	-	-

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	Name of Shareholders	Shareholding as on 1 <sup>st</sup> April, 2015		Shareholding as on 31 <sup>st</sup> March, 2016	
		No. of shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Milan Dhar	40377	1.19	40377	1.19
2.	Integrated Financial Services Ltd.	30000	0.89	30000	0.89
3.	Subeeta Dhar	20894	0.62	20894	0.62
4.	Tikam Saraf	16237	0.48	16237	0.48
5.	Alka Jain	12601	0.37	14795	0.44
6.	Savina Sharan	12500	0.37	12500	0.37
7.	W F Holdings Ltd.	12500	0.37	12500	0.37
8.	Madathiveetil Ramachandran Menon	10400	0.31	10400	0.31
9.	Brij Bhushan Sharma	10200	0.30	10200	0.30
10.	Nilesh Kumar Muljibhai Kothari	10100	0.30	10100	0.30

# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED

**BHARAT  
BHUSHAN**

## v) Shareholding of Directors & KMP

S. No.	Name of Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Mr. Vijay Bhushan				
	At the beginning of the year	800510	23.68	800510	23.68
	Shares Purchased during the FY 2015-16	1458	0.05	801968	23.73
	At the end of the year	801968	23.73	801968	23.73
2	Ms. Nisha Ahuja				
	At the beginning of the year	654976	19.38	654976	19.38
	Shares Purchased during the FY 2015-16	770	0.02	655746	19.40
	At the end of the year	655746	19.40	655746	19.40
3	Mr. Jogesh Ahuja				
	At the beginning of the year	20581	0.61	20581	0.61
	Shares Purchased during the FY 2015-16	45907	1.36	66488	1.97
	At the end of the year	66488	1.97	66488	1.97
4	Ms. Sant Kumari Agrawal	1500	0.04	1500	0.04
5	Mr. Arun Kumar Garg	NIL	NIL	NIL	NIL
6	Mr. Kuldeep Gupta	NIL	NIL	NIL	NIL
7	Mr. Ravindra Singh	NIL	NIL	NIL	NIL
8	Mr. Varun Saihgal	NIL	NIL	NIL	NIL
9	Mr. Satish Aggarwal (Chief Financial Officer)	NIL	NIL	NIL	NIL
10	Ms. Sonia Luthra (Company Secretary)	NIL	NIL	NIL	NIL

## V. INDEBTEDNESS

Indebtedness of the Company including outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial Year</b>	Nil	Nil	Nil	Nil
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				
<b>Change in Indebtedness during the financial year</b>	Nil	Nil	Nil	Nil
● Addition				
● Reduction				
<b>Net Change</b>	Nil	Nil	Nil	Nil
<b>Indebtedness at the end of the financial Year</b>	Nil	Nil	Nil	Nil
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	Nil	Nil	Nil	Nil

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-Time Director and/or Manager:

S.No	Particulars of Remuneration	Name of the MD/WTD/Manager Mr. Satish Aggarwal (Manager)	Total Amount
1	Gross Salary		
	(a) Salary as per provisions	407,940	407,940
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0	0
	(c) Profits in lieu of salary u/s 17(3) Income Tax Act, 1961	0	0
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission		
	- as % of Profit	-	-
	- others, specify....		
5	Others, please specify	0	0
	Total (A)	407,940	407,940
	Ceiling as per the Act.(Per Annum)		30,00,000

**B. Remuneration to other Directors:**

S. No.	Particulars of Remuneration	Name of the Directors					Total Amount
		Mr. Kuldeep Gupta	Mr. Varun Saihgal	Mr. Ravindra Singh			
1.	<b>Executive Directors</b>	Nil	Nil	Nil			Nil
2.	<b>Independent Directors</b>						-
	(a) Fee for attending board committee meetings	12500	25500	21500			59500
	(b) Commission	0.00	0.00	0.00			0.00
	(c) Others, please specify	0.00	0.00	0.00			0.00
	Total (1)	12500	25500	21500			59500
3.	<b>Other Non-Executive Director</b>	Mr. Vijay Bhushan	Mrs. Nisha Ahuja	Mr. Jogesh C Ahuja	Mrs. Sant Kumari Agrawal	Mr. Arun Kumar Garg	-
	(a) Fee for attending board committee meetings	18000	18000	18000	10500	14000	78500
	(b) Commission	0.00	0.00	0.00	0.00	0.00	0.00
	(c) Others, please specify	0.00	0.00	0.00	0.00	0.00	0.00
	Total (2)	18000	18000	18000	10500	14000	78500
	Total (B)=(1+2)	-	-	-	-	-	138000
	Total Managerial Remuneration	-	-	-	-	-	138000
	Overall Ceiling as per the Act	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

S.No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N.A.	2,70,660	4,07,940	6,78,600
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A.	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A.	0.00	0.00	0.00
2.	Stock Option	N.A.	0.00	0.00	0.00
3.	Sweat Equity	N.A.	0.00	0.00	0.00
4.	Commission				
	- as % of profit	N.A.	0.00	0.00	0.00
	- others				
5.	Others, please specify	N.A.	0.00	0.00	0.00
	Total	-	2,70,660	4,07,940	6,78,600

**VII. PENALTIES/PUNISHMENTS/COMPOUNDING OF OFFENCES: NIL**

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal Made if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

## ANNEXURE 'B'

### NOMINATION AND REMUNERATION POLICY

#### 1. Background

- 1.1 The objective of Nomination and Remuneration Policy is to ensure rationale and objectivity in the remuneration of the Directors, Senior Management & employees of the Company.
- 1.2 The Policy also intends to bring in a pragmatic methodology in screening of candidates who may be recommended to the position of Directors and senior management and to establish effective evaluation criteria to evaluate the performance of every Director and the overall Board of the Company.
- 1.3 The Policy also serves as a guiding principle to ensure good Corporate Governance as well as to provide sustainability to the Board of Directors of the Company.

#### 2. Framework

- 2.1 The requirement of formulating a Nomination and Remuneration Policy stems out from the provisions of the Companies Act, 2013, including any statutory modification(s) or re-enactment(s) thereof for the time being in force and from the clause 49 of the listing agreement entered into with the Stock Exchanges.
- 2.2 Any other Law and Statute as may be applicable for the time being in force.

#### 3. Objective

- 3.1 To identify suitable persons, interview them, if necessary, and recommend them as suitable candidates to fill up vacancies on the Board or augment the Board and Senior Management.
- 3.2 To ensure the optimum composition of the Board of Directors ensuring a mix of knowledge, experience and expertise from diversified fields of knowledge.
- 3.3 To lay down criteria for the evaluation of the Board.
- 3.4 To formulate a criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a Policy thereon.
- 3.5 To formulate criteria for evaluation of Directors.

#### 4. Eligibility Criteria for recommending a candidate to be appointed on the Board of Directors.

The Nomination and Remuneration Committee may consider the following parameters while considering the credentials of potential candidates for Directorship in the Company.

##### 4.1 Educational Qualification:

- Possess any Graduation/ Post Graduation/ M. Phil / Doctorate
- Possess any other Professional Qualification / Degree/ Diploma

##### 4.2 Experience / Expertise

To possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company's business.

##### 4.3 Disqualifications

- The Candidate should not be of unsound mind.
- The Candidate should not be an undischarged insolvent.
- The Candidate must not have applied to be adjudicated as an insolvent and his application must not be pending.
- The Candidate must not have been convicted by a Court of

any offence, whether involving moral turpitude or otherwise, and sentenced in respect thereof to imprisonment for not less than six (6) months.

- There must not be any order passed by Court or Tribunal disqualifying a person to be appointed as a Director.
- There should not be any calls in respect of any shares of the Company held by him, whether alone or jointly with others, and six months must not have elapsed from the last date fixed for the payment of the call.
- The Candidate must not have been convicted of the offence dealing with related party transactions under Section 188 of the Companies Act, 2013 at any time during the last preceding five (5) years.
- The Candidate must be holding his Director Identification Number (DIN).
- The Candidate is not or has not been a Director of a Company which has not filed Financial Statements or Annual Returns for any continuous three (3) financial years.
- The Candidate is not or has not been a Director of the Company which has failed to repay the deposits accepted by it or pay interest thereon or to redeem any debentures on the due date or pay interest due thereon or pay any dividend declared and such failure to pay or redeem continues for one year or more.
- The Candidate should not have been found guilty of any offence consisting of violation of Rules/ Regulations/ Legislative requirements by Customs/ Excise/ Income Tax Authority/ Foreign Exchange/ Other Revenue Authorities.

##### 4.4 Other Eligibility Criteria

- Each director must be an individual of high personal and professional integrity and ethical character.
- The candidate should have exhibited behavior that indicates he or she is committed to the highest ethical standards.
- The candidate should not deprive the Company of any opportunity that belongs to the Company.
- He should not be in a position of diverting the corporate opportunity for own benefits or to others, to the detriment of the Company.
- The candidate must not at any time compete with the company in respect of any business transaction.
- Each director must possess the ability to exercise sound business judgment on a broad range of issues.
- The candidate has achieved prominence in his or her business, governmental or professional activities, and has built a reputation that demonstrates the ability to make the kind of important and sensitive judgments that the Board is called upon to make.
- The Nomination and Remuneration Committee must be satisfied that the candidate will effectively, consistently and appropriately take into account and balance the legitimate interests and concerns of all of the Company's shareholders and other stakeholders in reaching decisions, rather than advancing the interests of a particular constituency.
- The Nomination and Remuneration Committee must satisfy itself that the candidate will be able to devote sufficient time and energy to the performance of his or her duties as a Director.

#### 4.5 Fit and Proper Criteria

The Nomination and Remuneration Committee shall undertake a process of Due Diligence based on the criteria of qualifications, technical expertise, track record, integrity etc. The basic objective of ascertaining the fit and proper criteria shall be to put in place an internal supervisory process on a continuing basis and to determine the suitability of the person for appointment / continuing to hold appointment as a Director on the Board of the Company.

The Committee shall undertake such Due Diligence exercise at the time of appointment as well as the time of renewal of the Directorships of the incumbent.

#### 4.6 Criteria For Independence – For Directors to be appointed as Independent Director on Board of the Company

An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director,—

- (a) who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- (b) (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;  
(ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- (c) who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- (d) none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- (e) who, neither himself nor any of his relatives—
  - (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
  - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—
    - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
    - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
  - (iii) holds together with his relatives two per cent or more of the total voting power of the company; or
  - (iv) is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding,

subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or

- (f) who possesses such other qualifications as may be prescribed.

*Explanation—For the purposes of this section, “nominee director” means a director nominated by any financial institution in pursuance of the provisions of any law for the time being in force, or of any agreement, or appointed by any Government, or any other person to represent its interests.*

#### 5. Remuneration Policy

##### I. Board Level Remuneration Structure

###### 1. For Executive Directors (MD and Whole-Time Director) -

The remuneration will be paid as approved from time to time subject to the approval of the Board and Shareholders, as the case may be, and as per the applicable provisions of Companies Act, 2013 and under any other Act/ Rules/ Regulations for the time being in force.

###### 2. In case of Non-Executive / Independent Directors

- (i) Sitting Fees – The Non-Executive/Independent Directors shall be paid sitting fees for attending each meeting of the Board and various Committee/s of Directors. The Sitting Fees may be determined/ revised by the Board of Directors from time to time subject to the overall limits as prescribed under the applicable provisions of the Companies Act, 2013.

##### II. Other than Board Level

Apart from the directors, the remuneration of-

- All the Other KMPs such as the company secretary or any other officer that may be prescribed under the statute from time to time; and
- “Senior Management” of the Company defined in the clause 49 of the Listing Agreement with the Stock Exchanges i.e. personnel who are members of its core management team excluding the Board of Directors, Senior executives one level below the Board i.e. President Cadre shall be determined by the Human Resources Department of the Company in consultation with the Managing Director by considering his/her qualification, skills, experience and the relevant policy of the Company.

The remuneration determined for all the above said KMPs and the Senior Personnel shall be in line with the Company's philosophy to provide fair compensation to key - executive officers based on their performance and contribution to the Company and to provide incentives that attract and retain key executives, instill a long-term commitment to the Company, and develop a pride and sense of Company ownership, all in a manner consistent with shareholder interests.

Decisions on Annual Increments of above said KMPs and the Senior Personnel shall be decided by the Human Resources Department in consultation with the Managing Director.

##### 6. Monitoring and Evaluation

The Nomination and Remuneration Committee shall evaluate the performance of the Directors and the overall Board broadly on the basis of below mentioned criteria:

- Whether the Directors / Board have acted in accordance with the provisions of the Articles of Association of the Company.
  - The Committee shall assemble all information regarding a candidate's background and qualifications to determine if the candidate possesses or satisfies the minimum skills and qualifications that a director must possess.
  - The Committee shall evaluate a candidate's mix of skills and qualifications and determine the contribution the candidate could be expected to make to the overall functioning of the Board.
  - The Committee shall give due consideration to the overall Board balance of diversity of perspectives, backgrounds and experiences.
  - With respect to current directors, the Committee shall consider past attendance at meetings and assess the participation in and contributions to the activities of the Board.
  - Whether the Directors / Board have acted in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interests of the Company, its employees, the shareholders, the Community and for the protection of environment.
  - Whether the Director / Board has exercised their duties with due and reasonable care, skill and diligence and whether the Director / Board have exercised independent judgment.
  - Whether the Director / Board have involved in a situation in which he / they may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
  - The Committee shall recommend director to the Board based on its assessment of overall suitability to serve on the Board in accordance with this Policy.
7. **Board Diversity**
- The Nomination and Remuneration Committee shall ensure that the Board comprises of Directors from diversified fields of knowledge and experience.
  - The Board should have Directors who can add professionalism and objectivity in the decision making process.
  - The overall Board should reflect representatives from areas like finance, law, accountancy, economics, administration and other disciplines concerning the operational interests of the Company at large.

## CRITERIA FOR EVALUATION OF PERFORMANCE OF INDEPENDENT DIRECTORS OF THE COMPANY

The performance of independent directors shall be evaluated by assigning rating on each parameter.

The rating scale is as under:

Scale	Performance
5	Exceptionally good
4	Good
3	Satisfactory
2	Needs Improvement
1	Unacceptable

### Parameters are :

1. Compliance with Article of Association, Companies Act and other Laws.
2. Compliance with ethical standard & code of conduct of company.
3. Rendering independent, unbiased opinion.
4. Attendance & presence in meetings of Board & committees.
5. Attendance & presence in general meetings.
6. Leadership qualities.
7. Qualifications
8. Disclosure of non-independence.
9. Independent view on key appointments & strategy formulation.
10. Objective evaluation of Board's performance
11. Review of integrity of financial information & risk management
12. Safeguard of stakeholders' interests
13. Determination of level of remuneration of KMPs
14. Updation of skills and knowledge
15. Punctuality
16. Information regarding external environment
17. Raising of concerns to the Board
18. Safeguarding interest of whistle-blowers under vigil mechanism
19. Reporting of frauds, violation etc.
20. Team work attributes
21. Safeguard of confidential information

## ANNEXURE 'C'

Form No. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2016

To,

The Members,

**Bharat Bhushan Finance & Commodity Brokers Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bharat Bhushan Finance & Commodity Brokers Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Bharat Bhushan Finance & Commodity Brokers Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme)

Guidelines, 1999;

- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) Reserve Bank of India Regulation relating to Non Banking Finance Companies (not accepting public deposits)

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India :
- (ii) The Listing Agreements entered into by the Company with Bombay and Delhi Stock Exchanges, if applicable;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

#### **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period the company has no carried on or entered into any transaction or specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above during the period of audit.

**For Kavita Pamnani & Associates**

**Company Secretaries**

Sd/-

**Kavita Pamnani**

(Prop.)

**C.P. No. 11099**

**M.No. F6288**

**Place: New Delhi**

**Date: 09.08.2016**

# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED

**BHARAT  
BHUSHAN**

## ANNEXURE 'D' Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

Name(s) of the related party and nature of relationship	Nature of contracts/arrangement/transactions	Duration of the Contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date (s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
Bharat Bhushan Equity Traders Limited, and some of the directors are common in both the Companies	Purchase of Shares	06.05.2015	1. Purchase of 1000 shares of HDFC LTD. at the rate 1169.90/- per share & 1500 shares of Sun Pharm Ltd. at the rate 937.52/- per share. 2. Brokerage charged by the BBET@0.05/-per share. 3. Amount of transaction - 2576180/-.	Low Rate of Brokerage	23.07.2015	Nil	Nil
Bharat Bhushan Equity Traders Limited, and some of the directors are common in both the Companies	Sell of Shares	11.05.2015	1. Sell of 285 shares of Advance Meterin Ltd. at the rate 15.692/- per share. 2. Brokerage charged by the BBET@0.05/-per share. 3. Amount of transaction - 4472/-.	Low Rate of Brokerage	23.07.2015	Nil	Nil
Bharat Bhushan Equity Traders Limited, and some of the directors are common in both the Companies	Sell of Shares	11.05.2015	1. Sell of 10371 shares of Advance Meterin Ltd. at the rate 15.7846/- per share. 2. Brokerage charged by the BBET@0.05/-per share. 3. Amount of transaction - 163702/-.	Low Rate of Brokerage	23.07.2015	Nil	Nil
Bharat Bhushan Equity Traders Limited, and some of the directors are common in both the Companies	Sell of Shares	12.05.2015	1. Sell of 314 shares of Advance Meterin Ltd. at the rate 14.97/- per share. 2. Brokerage charged by the BBET@0.05/-per share. 3. Amount of transaction - 4700/-.	Low Rate of Brokerage	23.07.2015	Nil	Nil
Bharat Bhushan Equity Traders Limited, and some of the directors are common in both the Companies	Sell of Shares	29.06.2015	1. Sell of 1000 shares of Larsen & Toubro Ltd. at the rate 1782.817/- per share. 2. Brokerage charged by the BBET@0.05/-per share. 3. Amount of transaction - 1782817/-.	Low Rate of Brokerage	23.07.2015	Nil	Nil
Bharat Bhushan Equity Traders Limited, and some of the directors are common in both the Companies	Purchase of Shares	03.08.2015	1. Purchase of 250 shares of Lupin Ltd. at the rate 1651.82/- per share. 2. Brokerage charged by the BBET@0.05/-per share. 3. Amount of transaction - 412955/-.	Low Rate of Brokerage	28.10.2015	Nil	Nil

# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED

**BHARAT  
BHUSHAN**

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangement/ transactions	Duration of the Contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date (s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under proviso to section 188
Bharat Bhushan Equity Traders Limited, and some of the directors are common in both the Companies	Sell of shares	31.08.2015	1. Sell of 250 shares of Lupin Ltd. at the rate 1876.55/- per share. 2. Brokerage charged by the BBET @0.05/-per share. 3. Amount of transaction - 469137.60/-.	Low Rate of Brokerage	28.10.2015	Nil	Nil
Bharat Bhushan Equity Traders Limited, and some of the directors are common in both the Companies	Purchase of Shares	31.08.2015	1. Purchase of 1000 shares of Axis Bank Ltd. at the rate 510.10/- per share, 2000 shares of Idea Cellular Ltd. at the rate 153.70/- per share, 2250 shares of Mothersons UMI Ltd. at the rate 309.85/- per share & 2000 shares of Voltas Ltd. at the rate 282/- per share. 2. Brokerage charged by the BBET @0.05/-per share. 3. Amount of transaction - 2078661.35/-.	Low Rate of Brokerage	28.10.2015	Nil	Nil
Bharat Bhushan Equity Traders Limited, and some of the directors are common in both the Companies	Purchase of Shares	29.09.2015	1. Purchase of 2000 shares of Tata Motors Ltd. at the rate 309.067/- per share. 2. Brokerage charged by the BBET @0.05/-per share. 3. Amount of transaction - 618134/-.	Low Rate of Brokerage	28.10.2015	Nil	Nil
Bharat Bhushan Equity Traders Limited, and some of the directors are common in both the Companies	Sell of Shares	14.10.2015	1. Sell of 2000 shares of Tata Motors Ltd. at the rate 363.929/- per share. 2. Brokerage charged by the BBET @0.05/-per share. 3. Amount of transaction - 727858/-.	Low Rate of Brokerage	20.01.2016	Nil	Nil
Bharat Bhushan Equity Traders Limited, and some of the directors are common in both the Companies	Sell of Shares	29.10.2015	1. Sell of 2000 shares of Voltas Ltd. at the rate 292.6315/- per share. 2. Brokerage charged by the BBET @0.05/-per share. 3. Amount of transaction - 585263/-.	Low Rate of Brokerage	20.01.2016	Nil	Nil
Bharat Bhushan Equity Traders Limited, and some of the directors are common in both the Companies	Sell of Shares	30.10.2015	1. Sell of 4000 shares of ITC Ltd. at the rate 355.3280/- per share. 2. Brokerage charged by the BBET @0.05/-per share. 3. Amount of transaction - 1421312/-.	Low Rate of Brokerage	20.01.2016	Nil	Nil

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

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangement/ transactions	Duration of the Contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date (s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
Bharat Bhushan Equity Traders Limited, and some of the directors are common in both the Companies	Purchase of Shares	29.01.2016	1. Purchase of 3000 shares of Idea Cellular Ltd. at the rate 110.06/- per share & 300 shares of Larsen & Toubro at the rate 1106.87/- per share. 2. Brokerage charged by the BBET @0.05/-per share. 3. Amount of transaction - 662241/-.	Low Rate of Brokerage	11.05.2016	Nil	Nil
Bharat Bhushan Equity Traders Limited, and some of the directors are common in both the Companies	Purchase of Shares	29.02.2016	1. Purchase of 600 shares of HPCL Ltd. at the rate 646.82/- per share. 2. Brokerage charged by the BBET @0.05/-per share. 3. Amount of transaction - 388092/-.	Low Rate of Brokerage	11.05.2016	Nil	Nil

**2. Details of material contracts or arrangements or transactions at arm's length basis**

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangement/ transactions	Duration of the Contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date (s) approval by the Board, if any	Amount paid as advance, if any
Nil	Nil	Nil	Nil	Nil	Nil

## ANNEXURE 'E'

### Particulars of Employees

#### A. Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name of Directors & Key Managerial Personnel	Designation	Remuneration of Director/ KMP for Financial Year 2015-16 (in lacs)	% increase in Remuneration in the Financial Year 2015-16	Ratio of Remuneration to Median remuneration of all employees
Satish Aggarwal	Manager & Chief Financial Office	4.07	8.10	1.5:1
Sonia Khanna	Company Secretary	2.7	7.79	1:1

#### Notes:

- The number of permanent employees as on 31st March, 2016 was 5.
- Compared to the previous year 2014-15, the figures for the current year 2015-16 reflects that:
  - Gross Turnover (decrease), PBT (decrease) and EPS (increase) has grown by (12.69) %, (1.66) % & 0.79% respectively.
  - Median remuneration and average remuneration of all employees has been increased by 8% appx.
  - Average remuneration of employees excluding Key Managerial Personnel has been increased by 7% appx.
  - Remuneration of Key Managerial Personnel (CFO) has increased by 8.10% & Key Managerial Personnel (Company Secretary) has increased by 7.79%.
- The ratio of remuneration of the highest paid Director to that employee's remuneration receive in excess of Director for the year 2015-16 is Nil.
- The remuneration of the Directors, Key Managerial Personnel and other employees is in accordance with the Remuneration Policy of the Company provided under the section 'Report on Corporate Governance' which forms part of the Report and Accounts.
- The market capitalisation of the Company as on 31st March, 2016 increased by 1.17% when compared to that of 31st March, 2015. The Company has not made any public offer in the recent past and accordingly, comparison of Public Offer Price and the current market price of the Company's shares will not be relevant.
- The PE ratio as on 31st March, 2016 stood at 8.75 (31st March, 2015: 8.73).
- Performance Bonus of Executive Directors and Commission of Non-Executive Directors are the variable components of their remuneration. Key parameters for determining the same are provided in the Remuneration Policy of the Company.

#### B. Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name	Age	Designation/ Nature of Duties	Gross Remuneration (₹)	Net Remuneration (₹)	Qualification	Experience (Years)	Date of Commencement of Employment	Previous Employment/ Position Held
NOT APPLICABLE								

#### Notes:

- Remuneration includes salary, performance bonus, allowances & other benefits /applicable perquisites except contribution to the approved Pension Fund under the defined benefit scheme and Gratuity Funds and provisions for leave encashment which are actuarially determined on an overall Company basis. The term 'remuneration' has the meaning assigned to it under the Companies Act, 2013.
- The Company has not incurred any expenditure for Stock Options granted at 'market price' [within the meaning of the erstwhile SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines,1999] to the Directors, Key Managerial Personnel and other Employees under its Employee Stock Option Schemes, which can be ascribed to any individual Director, Key Managerial Personnel or other Employees.
- Net remuneration comprises cash income less :
  - income tax, surcharge (as applicable) & education cess deducted at source.
  - manager's own contribution to Provident Fund.
- All appointments are/were contractual in accordance with terms and conditions as per Company Rules.
- None of the above employees is a relative of any Director of the Company.

## CORPORATE GOVERNANCE REPORT

### COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

BBFCBL ('the Company') follows the highest standards of governance and disclosure. The Company firmly believes that adherence to business ethics and sincere commitment to corporate governance will help the Company to achieve its vision of being the most respected Company in the financial services space in India.

Corporate Governance is a set of systems and is based on the principles of Integrity, transparency, accountability and compliance with laws which are the columns of good governance are cemented in the Company's robust business practices to ensure ethical and responsible leadership both at the Board and at the Management level. The Company's Code of Business Conduct, its Risk Management Policy and its well-structured internal control systems which are subjected to regular assessment for its effectiveness, reinforces integrity of Management and fairness in dealing with the Company's Stakeholders.

BBFCBL aims not only its own growth but also maximization of benefits to the shareholders, employees, customers, government and also the general public at large. For this purpose the Company firmly believes that good Corporate Governance stems from the management's ideas and thoughts, which cannot be regulated by legislation alone. The Company not only ensures compliance with various statutory and regulatory requirements applicable to it, but also goes beyond to ensure exemplary Corporate Governance.

The Company has established procedures and systems to be fully compliant with the requirements stipulated by the Securities and Exchange Board of India (SEBI) from time to time. The provisions of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 have been implemented in a manner so as to achieve the objectives of Corporate Governance.

### BOARD OF DIRECTORS

#### A) COMPOSITION

Bharat Bhushan Finance & Commodity Brokers Limited ('the Company') has a very balanced and diverse Board of Directors, constituted in compliance with the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 and in accordance with good corporate governance practices which primarily take care of the business needs and stakeholders' interest. The Non-Executive Directors including Independent Directors on the Board are experienced, competent and highly renowned persons from the fields of finance, economics, law, governance etc. The Board provides leadership, strategic guidance and discharges its fiduciary duties of safeguarding the interest of the Company and its stakeholders.

The current composition of the Board is as under:

S.NO.	NAME	DESIGNATION
1.	Mr. Vijay Bhushan	Non-Executive Director
2.	Mrs. Nisha Ahuja	Non-Executive Director
3.	Mr. Jogesh C Ahuja	Non-Executive Director
4.	Mrs. Sant Kumari 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) NUMBER OF BOARD MEETINGS

A total of four Board Meetings were held during the financial year ended March 31, 2016 on the following dates:

Dates of Board Meetings held during the FY 2015-16

May 25, 2015	July 30, 2015	October 28, 2015	January 20, 2016
--------------	---------------	------------------	------------------

The Board meets at least once in a quarter to review the quarterly financial results and operations of the Company. In addition to the above, the Board also meets as and when necessary to address specific

issues relating to the business.

The gap between any two consecutive meetings did not exceed 120 days. The requisite quorum was present in all the meetings.

#### SEPARATE MEETING OF INDEPENDENT DIRECTORS:

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Regulation 25 (3) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on 22nd March, 2016 to review the performance of Non-Independent Directors and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

#### Performance Evaluation of Independent Directors:

The performance evaluation of all the Directors for the financial year 2015-16, was carried out in accordance with the criteria laid out by the Nomination and Remuneration Committee and approved by the Board. The performance evaluation of Independent Directors was done by the entire Board of Directors (excluding the director being evaluated).

#### C) DIRECTORS' ATTENDANCE RECORD AND DIRECTORSHIP HELD

As per the regulations of SEBI (LODR) Regulations, 2015, none of the Directors on the Board of the Company is Member of more than ten (10) specified Committees and none is a Chairman of more than five (5) specified Committees across all the Indian Public Limited Companies in which they are Directors. The Company received necessary disclosures from all the directors regarding committee positions held by them in other Companies. The table below gives the details of the names of the members of the Board, their status, their attendance at the Board Meetings and the last AGM, their Directorships, Committee Memberships and Chairmanships in Indian Companies as on March 31, 2016.

Name of Director	Nature of Directorship	Meeting held during the year	No. of Board Meetings attended	Attendance at Last AGM	No. of other Directorship	No. of Committee Membership	
						As Member	As Chairman
Mr. Vijay Bhushan	Non-Executive Director	4	4	Present	4	5	2
Mrs. Nisha Ahuja	Non-Executive Director	4	4	-	2	1	1
Mr. Jogesh C Ahuja	Non-Executive Director	4	4	Present	1	1	-
Mrs. Sant Kumari Agrawal	Non-Executive Director	4	3	Present	-	-	-
Mr. Arun Kumar Garg	Non-Executive Director	4	4	-	2	2	-
Mr. Kuldeep Gupta	Non-Executive & Independent Director	4	2	Present	1	1	1
Mr. Varun Saihgal	Non-Executive & Independent Director	4	4	Present	-	2	-
Mr. Ravindra Singh	Non-Executive & Independent Director	4	4	-	1	1	-

#### Note

- Where a Director is also a chairman in other Companies, he has been included in both 'As Member' and 'As Chairman'.
- \* Includes Directorships/Chairmanships held in all public limited companies, whether listed or not, shall be included and excludes Directorships/Chairmanships in all other companies including private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013.
- \*\*Memberships/Chairmanships of Audit Committee and

Stakeholders' Relationship Committee of all public limited companies are considered.

## D) RETIREMENT OF DIRECTORS

In accordance with the relevant provisions of section 152 of the Companies Act, 2013 Mr. Arun Kumar Garg and Mr. Jogesh Chander Ahujais liable to retire by rotation at the ensuing Annual General Meeting. However a proposal for re-appointment of retiring directors shall be placed before the shareholders for their approval in the ensuing Annual General Meeting. Further the brief resume of both the retiring directors is as follows:

### ● Mr. Arun Kumar Garg

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

### ● Mr. Jogesh Chander Ahuja

Mr. Jogesh Chander Ahuja is a commerce graduate from Shri Ram College of Commerce, Delhi University having extensive experience in the field of marketing, insurance and investment.

## INFORMATION SUPPLIED TO THE BOARD

Among others, information supplied to the Board includes:

- Annual operating plans of businesses and budgets and any update thereof.
- Capital budgets and any updates thereof.
- Quarterly results of the Company.
- Minutes of the Meetings of the Board and all other Committees of the Board.
- The information on recruitment and remuneration of senior officers just below the Board level, including the appointment or removal, if any, of Chief Financial Officer and Company Secretary.
- Making of loans and investments of surplus funds.
- Appointment, remuneration and resignation of Directors
- Significant changes in accounting policies and internal controls
- Declarations submitted by Independent Directors at the time of appointment and also annually.
- Appointment of and fixing of remuneration of the Auditors as recommended by the Audit Committee.
- Annual financial results of the Company, Auditors' Report, Director's Report, Corporate Governance Report etc.

## COMMITTEES OF THE BOARD

As on March 31, 2016, the Company had three Committees of the Board of Directors viz, Audit Committee, Stakeholders' Relationship Committee and Nomination and Remuneration Committee.

The composition of all the committees of the Board has been in accordance with the Companies Act, 2013 and the Listing Agreement/SEBI (LODR) Regulations, 2015. All decisions pertaining to the constitution of Board Committees, appointment(s) of members and fixation of terms of reference of the committees is taken by the Board of Directors.

The role, composition and terms of reference of Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee including the number of meetings held during the financial year ended March 31, 2016 and the related attendance are as follows:

### AUDIT COMMITTEE

The terms of reference of the Audit Committee have been formulated in line with the requirement of Section 177 of the Companies Act, 2013 and rules framed there under and as per Regulation 18 SEBI (LODR) Regulations, 2015.

The terms of reference of the Audit Committee are broadly as under:

1. Review Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible and also to examine the financial statement and the auditors' report thereon;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing the financial statements and draft audit report, including quarterly/half yearly financial information.
5. Review with the management, of the annual financial statements before submission to the Board for approval, with particular reference to:
  - a) Matters required to be included in the Director's Responsibility Statement forming part of the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013 or any amendment or re-enactment thereof;
  - b) Changes, if any, in accounting policies and practices and reasons for the same;
  - c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - d) Compliance with listing and other legal requirements relating to financial statements;
  - e) Disclosure of any related party transactions;
  - f) Qualifications in the draft audit report
6. Reviewing with the management, performance of statutory and internal auditors, adequacy of internal control systems.
7. Review of the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
8. Discussion with internal auditors of any significant findings and follow-up thereon.
9. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
10. Approval or any subsequent modification of transactions of the Company with related parties;
11. Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
12. To review the functioning of the Whistle Blower/Vigil Mechanism; Details of establishing the Vigil Mechanism have been disclosed on the Company's website and in the Director's Report;
13. Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications experience and background, etc. of the candidate;
14. Valuation of undertakings or assets of the Company, wherever it is necessary;
15. Scrutiny of inter-corporate loans and investments;
16. Reviewing other areas that may be brought under the purview of role of Audit Committee as specified in Listing Agreement and the Companies Act, as and when amended;
17. Carry out any other function as is mentioned in the terms of reference of the Audit Committee.

### COMPOSITION

The Audit Committee comprises of four directors, three of whom are non-

# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED



executive independent directors namely- Mr. Kuldeep Gupta, Mr. Ravindra Singh & Mr. Varun Saihgale and one non-executive director namely- Mr. Vijay Bhushan. Mr. Kuldeep Gupta acts as the chairman of the committee and all the members of the committee are financially literate.

## MEETING & ATTENDANCE

The committee met four times during the financial year ended March 31, 2016 i.e. May 25, 2015, July 30, 2015, October 28, 2015 and January 20, 2016.

The attendance of the Members in the aforesaid meetings are as under:

S. No.	Name of the Member(s)	Number of Meetings Held during the Year	Number of Meetings Attended
1.	Mr. Kuldeep Gupta (Chairman)	4	2
2.	Mr. Ravindra Singh (Member)	4	4
3.	Mr. Varun Saihgale (Member)	4	4
4.	Mr. Vijay Bhushan (Member)	4	4

## STAKEHOLDERS' RELATIONSHIP COMMITTEE

The terms of reference and the ambit of powers of Stakeholders Relationship Committee are as per Regulation 20 of SEBI (LODR) Regulations, 2015 and Section 178 of the Companies Act, 2013 (or any amendment thereof) and allied rules as may be notified from time to time.

### TERMS OF REFERENCE

- considering and resolving the grievances of shareholders of the Company with respect to transfer of shares, non-receipt of notices, annual report, dividends, revalidation of Dividend Warrants etc.;
- evaluating performance and service standards of the Registrar and Share Transfer Agent of the Company;
- providing guidance and making recommendations to improve service levels for the investors;
- reference to statutory and regulatory authorities regarding investor grievances, and otherwise ensuring proper and timely attendance and redressal of investor queries and investor grievances;
- The Committee also approves issue of duplicate share certificates, remat of shares etc.
- The status of grievances / complaints has also been placed before the Committee on quarterly basis.

### COMPOSITION

The Stakeholders Relationship Committee of the Board comprises of three directors two of whom are Non-Executive Directors namely- Ms. Nisha Ahuja & Mr. Jogesh C. Ahuja and one non-executive Independent Director namely- Mr. Varun Saihgale.

Mrs. Nisha Ahuja act as the chairperson of the committee.

### MEETING & ATTENDANCE

The committee met four times during the financial year ended March 31, 2016 i.e. May 25, 2015, July 30, 2015, October 28, 2015 and January 20, 2016.

The attendance of the Members in the aforesaid meetings are as under:

S. No.	Name of the Member(s)	Number of Meetings Held during the Year	Number of Meetings Attended
1.	Mrs. Nisha Ahuja (Chairperson)	4	4
2.	Mr. Jogesh C. Ahuja (Member)	4	4
3.	Mr. Varun Saihgale (Member)	4	4

## STATUS OF REDRESSAL OF INVESTOR GRIEVANCES

The total number of complaints received and resolved to the satisfaction of investors during the financial year 2015-16 are as follows:

S. No.	Nature of Grievances	Received	Resolved	Pending
1.	Revalidation of Dividend Warrants	10	10	Nil
2.	SEBI/ROC	Nil	Nil	Nil
3.	Address Change	1	1	Nil
	<b>Total</b>	<b>11</b>	<b>11</b>	<b>Nil</b>

The Company has designated an E-mail ID commodities@bharatbhushan.com for the purpose of receiving various queries, complaints etc. of the investors & to take necessary follow up action.

Ms. Shipra Kamra, Company Secretary & Compliance Officer of the Company acts as Secretary to the Committee.

## NOMINATION AND REMUNERATION COMMITTEE

In compliance with Section 178 of the Companies Act, 2013, and as per Regulation 19 of SEBI (LODR) Regulations, 2015 the role of the Nomination & Remuneration Committee includes the following:

- To identify persons who are qualified to become directors, persons who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and / or removal.
- To carry out evaluation of every director's performance.
- To formulate the criteria for performance evaluation of Independent Directors and the Board;
- 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.
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

### COMPOSITION

The Nomination and Remuneration Committee of the Board comprises of three directors two of whom are Non-Executive Independent Directors namely- Mr. Varun Saihgale & Mr. Ravindra Singh and one non-executive Director namely- Mrs. Nisha Ahuja.

Mr. Varun Saihgale act as the chairman of the committee.

### MEETING & ATTENDANCE

During the financial year ended March 31, 2016, the Nomination and Remuneration Committee of the Company met one time i.e. March 22, 2016.

The attendance of the Members in the aforesaid meeting are as under:

S. No.	Name of the Member(s)	Number of Meetings Held during the Year	Number of Meetings Attended
1.	Mr. Varun Saihgale (Chairman)	1	1
2.	Mr. Ravindra Singh (Member)	1	1
3.	Mrs. Nisha Ahuja (Member)	1	1

## NOMINATION AND REMUNERATION POLICY

The Company's Nomination and Remuneration policy is based on the fundamental rule of rewarding performances as against earmarked

objectives. The policy aims at attracting and retaining high caliber talent and ensures equity, fairness and consistency in rewarding the employees. The Nomination and Remuneration Committee of the Company recommend to the Board that the committee while formulating the policy, shall ensure that:

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully and
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

Further, the detailed Nomination & Remuneration Policy is annexed to Directors' Report as **Annexure 'B'** and forms part of this Annual Report.

#### DETAILS OF REMUNERATION AND SITTING FEES PAID TO ALL THE DIRECTORS

S. No.	Name of the Director(s)	Category	Salary & perquisites (In Rs.)	Sitting fees
1	Mr. Vijay Bhushan	Non-Executive Director	Nil	18,000
2	Mrs. Nisha Ahuja	Non-Executive Director	Nil	18,000
3	Mr. Jogesh C. Ahuja	Non-Executive Director	Nil	18,000
4	Mrs. Sant Kumari Agrawal	Non-Executive Director	Nil	10,500
5	Mr. Arun Kumar Garg	Non-Executive Director	Nil	14,000
6	Mr. Kuldeep Gupta	Independent Director	Nil	12,500
7	Mr. Ravindra Singh	Independent Director	Nil	21,500
8	Mr. Varun Saihgal	Independent Director	Nil	25,500

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 AS ON MARCH 31, 2016

S. No.	Name of the Director(s)	Category	No. of shares held As on 31.03.2016
1.	Mr. Vijay Bhushan	Non-Executive Director	801068
2.	Mrs. Nisha Ahuja	Non-Executive Director	655746
3.	Mr. Jogesh C. Ahuja	Non-Executive Director	66488
4.	Mrs. Sant Kumari 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

#### GENERAL BODY MEETINGS

##### 1. ANNUAL GENERAL MEETING

The details of last three Annual General Meetings (AGM) of the Company were held as per the details given below:

Financial Year	Date and Day	Time	Whether any Special Resolution Passed	Venue
2012-13	23 <sup>rd</sup> September, 2013 Monday	11.00 A.M.	No	Shri Purushottam Hindi Bhawan Nyas Samiti (Regd.), 11 Vishnu Digamber Marg, Rouse Avenue, New Delhi – 110 002
2013-14	25 <sup>th</sup> September, 2014 Thursday	11.00 A.M.	No	Shri Purushottam Hindi Bhawan Nyas Samiti (Regd.), 11 Vishnu Digamber Marg, Rouse Avenue, New Delhi – 110 002
2014-15	28 <sup>th</sup> September, 2015 Monday	11.00 A.M.	No	Shri Purushottam Hindi Bhawan Nyas Samiti (Regd.), 11 Vishnu Digamber Marg, Rouse Avenue, New Delhi – 110 002

##### 2. POSTAL BALLOT

No resolution was passed through Postal Ballot in the Financial Year 2015-16. Also, none of the business in the ensuing Annual General Meeting requires a Special Resolution to be passed through Postal Ballot.

##### 3. EXTRA ORDINARY GENERAL MEETING

No Extra-Ordinary General Meeting of the shareholders was held during the financial year ended March 31, 2016.

#### DISCLOSURES:

##### a. COMPLIANCE WITH REGULATIONS

The Company has a robust system in place for monitoring of various statutory and procedural compliances. The Company periodically reviews and has complied with all the requirements of regulatory authorities on capital markets and no penalties/strictures been imposed on the Company by the stock exchanges, Securities Exchange Board of India or any other statutory authority during the last three years.

##### b. RELATED PARTY TRANSACTIONS

During the financial year ended March 31, 2016, there were no materially significant related party transactions that may have potential conflict with the interests of the Company at large. During the financial year, all the transactions entered into by the Company with Related Parties are in conformity with the provisions of Companies Act, 2013.

##### c. RISK MANAGEMENT

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.

Our approach to risk management assists us in identifying risks early and addressing them in ways that manage uncertainties, minimize potential hazards, and maximize opportunities for the good of all our stakeholders including shareholders, customers, suppliers, regulators and employees. Risks can be broadly classified as Strategic, operational, financial and legal/regulatory.

In accordance with the requirements of the Companies Act, 2013 and Regulation 17(9) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, Company has adopted risk management policy, approved by Board of Directors and established a risk management framework to identify, mitigate and control the risk and threatens of risk.

##### d. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has formulated a Vigil Mechanism/Whistle Blower Policy pursuant to the Regulation 22 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and provisions of Section 177 of the Companies Act, 2013 and rules made thereunder for employees to report to the management about the unethical behaviour, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguard to the victimized employees and spreads the way to curb those practices being followed in the office premises. None of the personnel of the Company has been denied access to the Audit Committee.

##### e. CODE OF CONDUCT

Your Company has adopted the code of conduct for all the employees including the Board Members and Senior Management Personnel of the Company in accordance with the requirement under Regulation 26(3) of the Listing (Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges. All the Board Members and the Senior Management Personnel have affirmed their compliance with the said Code of Conduct for the Financial Year ended March 31, 2016.

## f. CODE OF FAIR DISCLOSURE AND PREVENTION OF INSIDER TRADING

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Conduct to regulate, monitor and report insider trading in equity shares of the Company by its employees and connected person.

This code is available on the Company's website [www.bbinvestments.in](http://www.bbinvestments.in).

## g. SUBSIDIARY COMPANIES

The Company does not have any "Subsidiary Company" under Section 2 (87) of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. The Company does not have any material subsidiary whose net worth exceeds 20% of the consolidated net worth of the holding company in the immediately preceding accounting year or has generated 20% of the consolidated income of the Company during the previous financial year. Accordingly, a policy on material subsidiaries has not been formulated.

## h. DISCLOSURE OF ACCOUNTING TREATMENT

The Company in the preparation of financial statements has followed the treatment laid down in the Accounting standards prescribed by the Institute of Chartered Accountants of India. There are no audit qualifications in the Company's financial statements for the year under review.

## i. MANAGEMENT DISCUSSION AND ANALYSIS

A detailed report on the Management Discussion and Analysis is provided as a separate section in the Annual Report.

## j. GREEN INITIATIVE IN CORPORATE GOVERNANCE

Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant rules issued thereunder, Companies can serve Annual Reports and other communications through electronic mode to those shareholders who have registered their email address either with the Company or with the Depository. It is a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow shareholders to contribute towards a greener environment. This is a golden opportunity for every shareholder of the Company to contribute to the cause of Green Initiative.

We therefore invite all our shareholders to support the Green Initiative your Company by registering/ updating email addresses for receiving electronic communications.

**Let's be a part of this 'Green Initiative'**

## k. CEO/CFO CERTIFICATE

In terms of Regulation 17 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, an annual certification on the financial reporting and internal controls have been obtained by the manager cum CFO of the Company for the financial year ended March 31, 2016.

## l. AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Statutory Auditors of the Company have furnished the certificate to Board of Directors of the Company regarding compliance on the conditions of corporate governance in compliance with clause 49 of the Listing Agreement and Regulation 15(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. A declaration to this effect signed by the Statutory Auditor is annexed and forms part of Annual Report.

## m. SEBI COMPLAINTS REDRESSAL SYSTEM (SCORES)

SEBI has initiated SCORES for processing the investor complaints in a centralized web based redress system and online redressal of all

the shareholders complaints. The Company is in compliance with the SCORES and redressed the shareholders complaints well within the stipulated time.

## n. COMPLIANCE WITH MANDATORY REQUIREMENTS

I. The Company is fully complied with the applicable mandatory requirements of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and has adopted all suggested terms to be included in the Report on Corporate Governance.

II. Pursuant to provisions of Section 204 (1) of the Companies Act, 2013 and rules made thereunder a secretarial audit report for the financial year 2015-16 is obtained by M/s Kavita Pamnnani & Associates, a firm of Company Secretaries in Practice, (Membership No. FCS-6288 & CP No. 11099) is annexed to the Directors Report as Form MR-3 as Annexure 'C' which forms a part of the Annual Report.

## o. NON MANDATORY REQUIREMENTS

I. The Company has a Nomination and Remuneration Committee and the details of the same are provided in this report under the section "Board Committees".

II. All Independent Directors have adequate qualifications, expertise and experience which enable them to contribute effectively to the management of the Company.

III. **Shareholders Rights:** The quarterly financial results of the Company are published in leading newspapers as mentioned under the heading 'Means of Communication' of the Report on Corporate Governance and also posted on the website of the Company. These results are not separately circulated to the shareholders.

IV. **Audit Qualifications:** It is always the Company's endeavor to present unqualified financial statements.

V. **Training of Board Members:** It is need based.

VI. The Company has appointed an external agency to carry out internal audit work and the Internal Auditors directly report to the Audit Committee.

## MEANS OF COMMUNICATION

The Company recognizes communication as a key element of the overall Corporate Governance framework and therefore emphasizes continuous, efficient and relevant communication to all external constituencies.

a. The quarterly, half-yearly, annual financial results of the company are published in the two leading newspaper. The financial results are also displayed on the Company's website [www.bbinvestments.in](http://www.bbinvestments.in). Simultaneously, financial results and shareholding pattern are also available at [www.bseindia.com](http://www.bseindia.com).

b. The notices of Board Meeting(s), Annual General Meeting(s) and other notice of the Company are published in the two leading newspaper. The financial results are also displayed on the Company's website [www.bbinvestments.in](http://www.bbinvestments.in).

c. Annual Report for the financial year 2015-16 containing, inter alia, Statement of Profit & Loss, Balance Sheet, Cash Flow Statement, Directors' Report, Auditor's Report and other important information is circulated to the shareholders at their registered address and e-mail address registered with the RTA. The Annual Report of the Company is also available on the website of the Company i.e. [www.bbinvestments.in](http://www.bbinvestments.in).

d. As per the Listing Agreement, the Company is maintaining functional website [www.bbinvestments.in](http://www.bbinvestments.in) containing basic information about the Company e.g. details of its business, financial information, shareholding pattern, compliance with Corporate Governance, contact information of designated officials of the Company who are responsible for assisting and handling investor grievances etc. and the same are updated at any point of time.

# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED

**BHARAT  
BHUSHAN**

## GENERAL SHAREHOLDER INFORMATION

<p><b>ANNUAL GENERAL MEETING</b>  <b>Annual General Meeting for the Financial Year 2015-16</b>  <b>Date :</b> 29<sup>th</sup>September, 2016  <b>Day :</b> Thursday  <b>Time :</b> 11.00 A.M.  <b>Venue:</b> Shri Purushottam Hindi Bhawan,  Nyas Samiti (Regd.), 11, Vishnu Digamber Marg,  Rouse Avenue, New Delhi-110 002</p>
--

## FINANCIAL CALENDAR

Financial Calendar for the Financial Year 2015-16:

Announcement of Financial Results	April 01, 2015 to March 31, 2016
First Quarter	30 <sup>th</sup> July, 2015
Second Quarter	28 <sup>th</sup> October, 2015
Third Quarter	20 <sup>th</sup> January, 2016
Fourth Quarter	11 <sup>th</sup> May, 2016

Announcement of quarterly results for the year ended 31.03.2017

Quarter Ended	Tentative date of Announcement
June, 2016	Second Week of August, 2016
September, 2016	Last Week of October, 2016
December, 2016	Last Week of January, 2017
March, 2017	Last Week of May, 2017

## BOOK CLOSURE

The dates of the Book Closure are from 22<sup>nd</sup> September, 2016 to 29<sup>th</sup>September, 2016 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Annual General Meeting.

## DIVIDEND PAYMENT

Your Directors recommended payment of dividend Re. 0.50 paise per Equity Share subject to the declaration by Shareholders in the ensuing Annual General Meeting and will be paid on or after 29<sup>th</sup>September, 2016.

## LISTING ON STOCK EXCHANGE

NAME & ADDRESS	TELEPHONE/FAX/E-MAIL ID/WEBSITE	SCRIP CODE
BSE LIMITED (BSE)	TELEPHONE: (022) 22721233/4	511501
PHIROZE JEEJEEBHOY	FAX: (022) 22721919	
TOWERS DALAL STREET	E-MAIL ID : <a href="mailto:info@bseindia.com">info@bseindia.com</a>	
MUMBAI-400 001	website: <a href="http://www.bseindia.com">www.bseindia.com</a>	

## INTERNATIONAL SECURITIES IDENTIFICATION NUMBER (ISIN)

ISIN is a unique identification number of traded scrip. This number has to be quoted in each transaction relating to the dematerialized securities of the Company. ISIN of Equity Shares of the Company is INE900A01013.

## STOCK MARKET DATA

The monthly high low of price of shares of the company during the fiscal

year April, 2015 to March, 2016 is as under:

Period	Bombay Stock Exchange		
	Highest Price	Lowest Price	Number of Shares traded
April 2015	10.20	8.85	4723
May 2015	11.37	10.00	2547
June 2015	11.49	9.13	9302
July 2015	11.28	9.50	23217
August 2015	13.55	10.22	37906
September 2015	11.25	8.80	7718
October 2015	12.80	9.50	6778
November 2015	11.50	9.50	7778
December 2015	12.67	9.98	16209
January 2016	12.12	9.10	28848
February 2016	12.54	10.36	5936
March 2016	12.85	11.12	1399

## SHARE PRICE PERFORMANCE IN COMPARISON TO BROAD BASED INDICES-BSE SENSEX

Company's share price performance in comparison to BSE Sensex for the Fiscal year 2015-16 :

Period	Company's Share Price	BSE Sensex
April 2015	100.20%	96.61%
May 2015	101.52%	99.54%
June 2015	104.06%	99.37%
July 2015	105.08%	100.56%
August 2015	108.93%	94.01%
September 2015	114.21%	93.55%
October 2015	106.60%	95.35%
November 2015	116.75%	93.52%
December 2015	110.96%	93.42%
January 2016	121.32%	88.96%
February 2016	118.78%	82.27%
March 2016	121.83%	90.64%

## REGISTRAR AND SHARE TRANSFER AGENTS

M/s Alankit Assignments Ltd.  
1E/13, Alankit House  
Jhandewalan Extn.,  
New Delhi – 110 055  
Tel: 23541234/42541234  
Email: [rta@alankit.com](mailto:rta@alankit.com)

## SHARE TRANSFER SYSTEM

The Company's shares which are compulsory in dematerialized (demat) list are transferable through the depository system. The Company's Registrars and Share Transfer Agents, **M/s Alankit Assignments Ltd.**, having its registered office at 1E/13, Alankit Heights, Jhandewalan Extn., New Delhi – 110 055 have adequate Infrastructure to process the share transfers. The shares under physical segment are transferred through **Alankit Assignments Ltd.** RTA receives the shares to be transferred along with the transfer deed from transferee, verifies it, prepares the Memorandum of transfer etc.

Further, according to SEBI Regulations, Stakeholders Relationship Committee has also been constituted to consider and approve requests received from shareholders for splitting/consolidating transfer of physical shares.

Further pursuant to Regulation 40 (9) of SEBI (LODR) Regulations, 2015 with the stock exchanges, Certificate on half yearly basis confirming due

# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED

**BHARAT  
BHUSHAN**

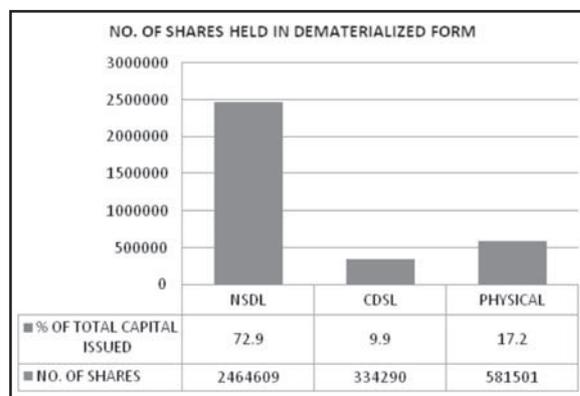
compliance of share transfer formalities by the Company from Practicing Company Secretary have been submitted to Stock Exchanges within stipulated time.

## DEMATERIALIZATION OF SHARES

The shares of the Company are in compulsory dematerialized segment and available for trading system of both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The following data indicates the extent of dematerialization of the Company's Shares as on March 31, 2016:

CATEGORY	NO. OF SHARES	% OF TOTAL CAPITAL ISSUED
NSDL	2464609	72.90
CDSL	334290	9.90
PHYSICAL	581501	17.20



## RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

The Reconciliation of Share Capital Audit Report of every quarter of the Financial Year 2015-16, confirms that the total issued/paid up share capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. These reports were submitted to the Stock Exchange within stipulated time.

## DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>ST</sup> MARCH, 2016

Share holding of nominal value	Shareholders		Share/ Debenture Amount	
	Number of Shares	Number% To	Total Rupees	% to total
(1)	(2)	(3)	(4)	(5)
1 - 5000	3322	87.306	6735080	19.924
5001 – 10000	278	7.306	2326600	6.883
10001 – 20000	101	2.654	1488020	4.402
20001 – 30000	40	1.051	989710	2.928
30001 – 40000	19	0.499	697410	2.063
40001 – 50000	10	0.263	471590	1.395
50001 – 100000	17	0.447	1207640	3.572
100001 and above	18	0.473	19887950	58.833
<b>Total</b>	<b>3805</b>	<b>100.00</b>	<b>33804000</b>	<b>100.00</b>

## SHAREHOLDING PATTERN AS ON 31ST MARCH, 2016

CATEGORY	TOTAL NO. OF SHARES	% TO EQUITY
Promoters & Person acting in concert	1819270	53.81
Mutual Fund/UTI	500	0.01
Banks, Financial Institutions, Insurance Companies	Nil	Nil
Bodies Corporate	78672	2.33
Indian Public	1440512	42.63
NRI, Foreign Nationals, OCBs and FII's	40246	1.19
Central Govt./State Govt.	Nil	Nil
Others ( NBFCs Registered with RBI )	1200	0.03
<b>Total</b>	<b>3380400</b>	<b>100</b>

## TRANSFER OF UNCLAIMED AMOUNT TO THE INVESTOR EDUCATION AND PROTECTION FUND

The Investors are advised to claim the unclaimed dividends for the year 2008-2009 onwards lying in the unpaid dividend accounts of the Company before the same gets credited to the Investor Education and Protection Fund.

During the year under review the Company has credited a sum Rs.1,81,417.20/- (Rupees One Lac Eighty One Thousand Four Hundred Seventeen and Twenty Paise only) unclaimed dividend for the year (2007-2008) to the Investor Education and Protection Fund pursuant to section 125 of the Companies Act, 2013 and the Investor Education and Protection Fund (Awareness and Protection of Investor) Amendment Rules, 2014.

## ANNUAL LISTING FEE TO STOCK EXCHANGE

The Company has paid Annual Listing Fee for the Financial Year 2016-17 to the respective Exchange.

## ANNUAL CUSTODIAL FEE TO DEPOSITORIES

The Company has paid Annual Custodial Fee for the Financial Year 2016-17 to NSDL and CDSL.

## PLANT LOCATION

Not Applicable on the Company.

## ADDRESS FOR CORRESPONDENCE

The shareholders may address their communication / suggestion / queries to:

Bharat Bhushan Finance & Commodity Brokers Limited  
503, Rohit House, 3, Tolstoy Marg, New Delhi – 110 001  
Phone: +91-11-49800900, Fax: +91-11-49800933  
Email: [commodities@bharatbhushan.com](mailto:commodities@bharatbhushan.com)  
Website: [www.bbinvestments.in](http://www.bbinvestments.in)  
CIN: L67120DL1992PLC049038

## COMPLIANCE OFFICER

Ms. Shipra Kamra  
Company Secretary  
Phone: +91-11-49800900  
Email: [commodities@bharatbhushan.com](mailto:commodities@bharatbhushan.com)

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### INDUSTRY TRENDS AND BUSINESS ANALYSIS

The Company believes that diversification is a form of growth strategy. By diversifying into different lines of business, the Company can sustain and achieve the path of growth leading to a long term viability of the Company.

#### ECONOMIC OVERVIEW

According to the International Monetary Fund World Economic Outlook the global growth is projected at 3.4 percent in 2016 and 3.6 percent 2017.

In 2015, global economic activity remained subdued, with world output slowing down further to 3.1%. Emerging markets and developing economies grew 4%, a year-on-year deceleration for the fifth consecutive year. Steep falls in oil prices, continued weakness in commodity prices, a slowdown in China and deep recessions in some large emerging market economies more than offset strong growth in India and some of the ASEAN economies.

The world economy continues to dabble with weak growth and dwindling inflation. Global markets continue to remain sluggish with the impact of US returning to normalcy with a rate hike, lower commodity markets and a strengthening dollar. Asset classes across the board witnessed volatile movements during the year with uncertainty rising from the Chinese slowdown and US unwinding of quantitative measures. Going forward, the Chinese rebalancing from an investment led economy to one driven by consumption apart from the US Fed rate movement would be closely watched by investors across the globe. Adding to uncertainty and fueling recessionary tendencies we believe current year is likely to remain a subdued year for global growth with headwinds emerging from the above mentioned factors and limited scope for acceleration in growth in other major economies of the world.

Brexit is a shorthand way of referring to a British exit from the EU. It is a word that owes something to the term "Grexit", which has been used for several years to refer to the possibility that Greece might leave the eurozone. As serious as the Greek debt crisis is, the prospect that one of the EU's biggest and richest economies leaving the bloc is much more momentous.

#### INDIAN CAPITAL MARKET

The Indian economy bucked the trend in 2015 when most of the emerging market economies witnessed significant external vulnerabilities owing to positive external balance and a stable public policy. Although the rising NPAs in the banking system and strong headwinds in the global economy did have an impact on Indian economy, it was largely stable when compared to its peers. The year 2016 will be closely watched for the government's ability to push critical reforms and apex banks' monetary *policy* stance to support growth. Year 2016 could be the year for India with most macro factors in place and the result of the government's push to increase investments likely to get fructified.

The Indian economy currently stands at a strong footing with the interest rate rolling downwards, key macro variables like CAD and Fiscal deficit mostly under control and the government's continued push for reforms and ease of doing business. International agencies continue to remain positive on India with an expected growth for 2016 pegged at 7.50 percent. India is likely to gain momentum in the year to come as the results of earlier measures are visible. The key factors which are likely to aid growth during the year are the impact of the executive action addressing systemic issues in key sectors like mining, railways, defense, banking, roads and power. Further, the pay commission suggestion for hikes in payouts for government employees coupled with soft commodity prices are likely to result in a consumption driven growth. The continued accommodative

stance and look out for emerging room for more rates easing by the Apex bank is likely to bring in positive sentiments and scope for expansion of the economy.

Nevertheless, the risk to our outlook remains primarily owing to the international market, the pace of rate hike by US Fed and China's growth slowdown, which could have a spillover deceleration effect on emerging markets.

Moreover, Brexit supporters say leaving would get rid of job-killing regulation and free Britain to decide its own laws and trading partners. Some pro-Europeans worry that exit would weaken both Britain and the EU, with the bloc unravelling at increasing speed. A vast range of issues would be affected by Brexit — from the £13bn the UK sent Brussels last year, to access to the single market, to the survival of the UK itself if Scotland prefers to stay in the EU. Record levels of EU immigration to the UK are also a huge issue.

But what the precise effect of Brexit will be remains impossible to say, because of a lack of agreement on what would be the concrete alternative to EU membership. Possibilities range from Britain becoming a virtual associate member of the bloc — such as Norway, which participates in the single market, pays budget dues and opens its borders to EU workers — to a much more estranged relationship.

The year 2015 witnessed high volatility in equity markets as global headwinds in the form of the Greece Crisis, China currency devaluation, falling commodity prices and US Fed rate hike kept the markets under pressure. Executive actions from the *government* across the infrastructure sector, defense, insurance, banking, etc. kept the market hopeful of the government's intent of improving the business scenario. The positive action from the government and falling energy prices helped the Indian economy to build stability during the year. Though, benchmark indices closed down nearly 4 percent, their midcap and small cap counterparts witnessed resilience. Domestic investors showed confidence in the Indian economy and poured a record Rs. 71877crores in Indian equities while FPIs investment stood at Rs. 17861 crores.

Going forward, the earnings expectations of FY16 have been lowered. While there has been considerable improvement in macro variables, the same has not yet favorably impacted the corporate earnings owing to lower rural demand, currency headwinds, poor monsoon and delay in the revival of investment cycle. We do expect a pick up on corporate earnings with full transmission of interest rate and impact of lower commodity prices translates to lower input costs for corporates. Medium term risk in the form of global growth slowdown and slow movement of critical reforms to push through may continue to weigh on market sentiments. Nevertheless, we continue to remain overweight on equities as an asset *class* with expectations of improvement in corporate balance sheet and revival of investment cycle.

#### Mutual Fund

The Indian mutual fund industry has registered a six-fold increase in AUM over the last 10 years, it is emerging as the preferred investment choice for retail investors in India. More than 50 years have gone by since UTI started its first sale in July 1964, and we believe that in the next few years, the industry will perform rapidly in its mandate of encouraging and mobilizing savings of small investors.

Mutual funds as an investment vehicle have gained immense popularity in the current scenario, which is clearly reflected in the robust growth levels of assets under management. However, despite this growth, penetration levels in India are low as compared to other global economies. Assets under management as a percentage of GDP is less than 5 per cent in India as compared to 70 per cent in the US, 61 per cent in France and 37 per cent in Brazil.

Higher penetration levels can be achieved through the accelerated drive

for investor awareness, increase in investible surplus and a younger population with the capacity to absorb higher risks (of market movements in NAVs). In addition, regulatory environment was expected to take a turn, towards an alignment of financial regulations across the financial services sector.

## COMMODITY MARKET OVERVIEW

Last year, the commodity prices were at all time low. There was more than 40 per cent fall in the base metal prices and more than 50 per cent fall in the energy prices. Though gold prices fell internationally, in India the fall was not so much. All these things together with the fine budget will give a lot of encouragement for infrastructure. We feel that the demand for base metals will increase and naturally if the demand increases, there will be some effect. Although India is a price taker not a price setter, the volumes should be on the higher side in the time to come.

This year the commodity industry expects some relief on the Commodity Transaction Tax (CTT) which has reduced trading volumes drastically in future trades which has proved to be an efficient mechanism for price discovery and hedging. Exempting processed agri-commodities such as sugar, menthe oil, soya oil and guar gum would go a long way in bringing back volumes and reducing volatility.

Moreover, In the Union Budget for 2015-16, the Hon'ble Union Finance Minister had proposed merger of Forward Markets Commission (FMC) with the Securities and Exchange Board Of India (SEBI) "to strengthen regulation of commodity forward markets and reduce wild speculation". To enable the same, the Finance Act, 2015 provided for amending the Securities Contracts (Regulation) Act, 1956 (SCRA) and the Forward Contracts (Regulation) Act, 1952 (FCRA). Government repealed forward Contracts (Regulation) Act, 1952 (FCRA) w.e.f. September 29, 2015 paving the way for the merger of the Forward Market Commission with the Securities and Exchange Board of India. The Merger of the two regulations had been recommended by various committees including FSLRC to gain economies of scale and scope and make the regulation of commodities market more effective.

SEBI has created a separate Commodity Derivatives Market Regulation Department for the regulation of commodity derivatives including exchange administration, market policies, risk management and products and handling of inspections and complaints. Additional divisions for intermediary registration, surveillance, investigation, enforcement, regulatory assistance and research of commodity markets have been created within existing departments of SEBI which will aid the convergence of both markets and build capacity.

## BUSINESS ANALYSIS

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

(Rs. In Lacs)

Particulars	Financial Year 2015-16	Financial Year 2014-15
Total Income	78.22	85.72
Administrative and other Expenditure	26.57	32.44
Profit after depreciation & tax	42.91	42.45
Current Assets	136.87	145.15
Current Liabilities & Provisions	56.20	63.68
Net Current Assets	80.67	81.47
Share Capital	338.04	338.04
Reserve & Surplus	469.16	446.59

## FINANCIAL PERFORMANCE

During the financial year 2015-16, the Company's total revenue was Rs. 78.22 Lacs as compared to Rs. 85.72 Lacs in the previous year 2014-15 and the total expenditure was Rs. 26.57 Lacs as compared to Rs. 32.44 Lacs in the previous year.

The company has earned a profit before tax for the financial year ended 2015-16 is Rs. 51.50 Lacs as compared to Rs. 52.37 Lacs in the previous year 2014-15 and its profit after tax for the financial year ended 2015-16 is Rs. 42.91 Lacs as compared to Rs. 42.45 Lacs in the previous year.

## FUTURE PROSPECTS AND OUTLOOK

The outlook for the current financial year looks optimistic on account of political stability at the centre with expectation of well-defined process of decision making at government & other levels. However, the Indian markets are bound to react to the international events. The uncertainty as regards crisis in Greece, Chinese economy and other factors are likely to play very important role as far as Indian capital market is concerned. Taking into consideration, the initiatives and approach of the new Government towards the corporate sectors, the company anticipates long term and stable growth with the goal of achieving sustainable superior returns while managing its risks prudently.

For several years, NBFCs have rapidly emerged as an important segment of the Indian Financial System. The sector is now being recognized as complementary to the banking sector due to the implementation of innovative marketing strategies, introduction of tailor made products, customer-oriented services, attractive rates of return and simplified procedures.

NBFC's are governed and are required to be registered with RBI, follow stringent prudential norms prescribed by RBI in the matters of capital adequacy, credit investment norms, asset-liability management, income recognition, accounting standards, asset classification, provisioning for NPA and several disclosure requirements. Besides this, RBI also supervises the functioning of NBFCs by conducting annual on-site audits through its officials. Such a rigorous regulatory framework ensures that NBFCs function properly and follow all the guidelines of RBI. Thus in all respect the monitoring of NBFCs is similar to banks.

## OPPORTUNITIES & THREATS

There are several exciting opportunities for the Company:

- India's Growth Rate
- Focus on Digital and Affluent Customer
- Financial Inclusion
- Utilize technology to provide solutions to customers
- Increase Distribution Strength

In the same way, there are threats for the Company:

- Volatile Environment
- Fiscal Deficit and Current Account Deficit
- Attracting and retaining talent and training them for the right culture
- Inflation and economic slowdown
- Competition

## RISKMANAGEMENT

Risk Management is an ongoing process. Effective risk management is therefore critical to any organizational success. Globalization with increasing integration of markets, newer and more complex products and transactions and an increasingly stringent regulatory framework has exposed

organizations to and integrated approach to risk management. Timely and effective risk management is of prime importance to our continued success. The sustainability of the business is derived from the following:

- Identification of the diverse risks faced by the company.
- The evolution of appropriate systems and processes to measure and monitor them.
- Risk Management through appropriate mitigation strategies within the policy framework.
- Monitoring the progress of the implementation of such strategies and subjecting them to periodical audit and review.
- Reporting these risk mitigation results to the appropriate managerial levels.
- There is the risk of loss from inadequate or failed systems, processes or procedures. These may be attributed to human failure or technical problems given the increase use of technology and staff turnover. Our company has in place suitable mechanisms to effectively reduce such risks. All these risks are continuously analyzed and reviewed at various levels of management through an effective information system.

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

In any industry, the processes and internal control systems play a critical role in the health of the Company. The Company's well-defined organisational structure, documented policy guidelines, defined authority matrix and internal controls ensure efficiency of operations, compliance with internal policies and applicable laws and regulations as well as protection of resources. Moreover, the Company continuously upgrades these systems in line with the best available practices.

The internal control system is supplemented by extensive internal audits, regular reviews by management and standard policies and guidelines to ensure reliability of financial and all other records to prepare financial statements and other data. The Audit Committee of the Board reviews internal audit reports given along with management comments. The Audit Committee also monitors the implemented suggestions.

#### **HUMAN RESOURCES**

Your Company's vision is to become an employer of choice by providing a compelling employee value proposition. It strives to attract the best talent and ensures employees' development, retention and contribution to the Company's success. The main focus of the company is the development

of employees in various areas with specific focus on customer service and technical & managerial capacity building in order to meet the future talent requirement.

The Board of Directors would like to express their sincere appreciation to all the employees for their continued hard work and steadfast dedication.

Your Company will continue investing in employee leadership, motivation, training and assistance programs.

#### **INFORMATION TECHNOLOGY**

At BBFCB, Information Technology plays a vital role in enabling the business to transform and also run the day to day operations with precision.

The Company has also embarked on a 'Green' technology mission. The Company has virtualised the server as well as the desktop environment to reduce the carbon footprint of the computing operations. The Company believes that to facilitate efficiencies and ensure seamless business growth, investing in technology is crucial. The implementation of appropriate IT Systems results in better customer experiences, a reduced Turn Around Time (TAT) and minimized operational risks and human errors. The Company's hardware infrastructure and the security systems have also been upgraded to strengthen the overall network. BBFCB has also enhanced its communication channels to allow for more efficient internal and external communications which culminate in faster decision making and greater customer satisfaction.

#### **CAUTIONARY STATEMENT**

This report may contain forward-looking statements about Bharat Bhushan Finance & Commodity Brokers Ltd. including their business operations, strategy and expected financial performance and condition. Forward-Looking Statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or concern future financial performance (including revenues, earnings or growth rates), possible future Company plans and action. Forward-Looking statements are based on current expectations and understanding about future events. They are inherently subject to, among other things, risks, uncertainties and assumptions about the Company, economic factors and the industry in general. The Company's actual performance and events could differ materially from those expressed or implied by forward-looking statements made by the Company due to, but not limited to, important factors such as general economic, political and market factors in India and internationally, competition, technological change and changes in Government regulations.

**GREEN INITIATIVE IN CORPORATE GOVERNANCE**

Dear Shareholder,

The Ministry of Corporate Affairs ("MCA") has started "Green Initiative in Corporate Governance", which provides for paper less compliances by companies through electronic mode. In accordance with MCA's circulars bearing no. 17/2011 dated 21<sup>st</sup> April, 2011 and 18/2011 dated 29<sup>th</sup> April, 2011, companies can now send documents and other notices to shareholders through electronic mode. In the spirit of circulars issued by MCA, we propose to henceforth send documents such as notices convening General Meetings, Annual Report and other communications in electronic form to shareholders. Please note that all such documents shall be available on the Company's website 'www.bbinvestments.in' and shall also be kept open for inspection at the Registered Office of the Company during office hours.

Many of the shareholders have registered their emails pursuant to the said initiative. We thank those shareholders for the same. Those shareholders, who have not registered their email addresses so far, may, as a support to this initiative, register their email addresses by sending an email to [rta@alankit.com](mailto:rta@alankit.com) quoting their Name, Folio No., DP ID/ Client ID and email address to be registered with us for sending documents in electronic form. Alternatively, to register their email ID with the company, Shareholders are requested to submit the following form, duly filled in the format prescribed below.

**Green Form**

To Bharat Bhushan Finance & Commodity Brokers Limited  
Registered Office: 503, Rohit House, 3, Tolstoy Marg, New Delhi-110001

As per the Green Initiative in Corporate Governance of the Ministry of Corporate Affairs, I hereby opt to receive service of documents by companies, including the Annual Report, in electronic mode, and request you to register my email ID as stated below for the same.

<b>Shareholder Name(s)*</b>	
<b>DPID No.*</b>	
<b>Folio No. / Client ID No.*</b>	
<b>PAN No.*</b>	
<b>Email Address*</b>	
<b>No. of Equity Shares held *</b>	
<b>Year *</b>	
<b>Address *</b>	

# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED

**BHARAT  
BHUSHAN**

## CEO/CFO CERTIFICATION

(Issued in accordance with provision of Regulation 17(8) of SEBI (LODR) Regulations, 2015

To,  
The Board of Directors,  
Bharat Bhushan Finance & Commodity Brokers Limited

Dear Sirs,

In terms of Regulation 17 (8) of SEBI (LODR) Regulations, 2015, I, Satish Aggarwal, Manager and Chief Financial Officer of the Company hereby certify that I have reviewed financial statements and the cash flow statement for the year ended 31.03.2016 and that to the best of my knowledge and belief:

- A. I have reviewed financial statements and the cash flow statement for the year and that to the best of my knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of my knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and I have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- D. I have indicated to the auditors and the Audit committee of the Board that there have been:
- (1) no significant changes in internal control over financial reporting during the year;
  - (2) no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) no instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Yours sincerely  
Sd/-

Satish Aggarwal  
Manager & Chief Financial Officer

Date: 11.05.2016  
Place: New Delhi

## CERTIFICATE REGARDING THE COMPLIANCE OF CORPORATE GOVERNANCE

To,  
THE MEMBERS OF BHARAT BHUSHAN FINANCE AND COMMODITY BROKERS LIMITED

We have examined the compliance of conditions of Corporate Governance by Bharat Bhushan Finance & Commodity Brokers Limited ("the Company") for the financial year ended March 31, 2016, as stipulated in Clause 49 of the Listing Agreement ("Listing Agreement") of the said Company with Stock Exchanges for the period from 1<sup>st</sup> April, 2015 to 30<sup>th</sup> November, 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("Listing Regulations") as referred to in Regulation 15(2) of the Listing Regulations for the period from 1<sup>st</sup> December, 2015 to 31<sup>st</sup> March, 2016.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliances with the conditions of the Corporate Governance as stipulated in the above stated Listing Agreement/ Listing Regulations, as applicable. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above stated Listing Agreement/ Listing Regulations, as applicable.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Kavita Pamnani & Associates  
Company Secretaries

Sd/-

Kavita Pamnani  
(Prop.)

C.P. No. 11099  
M.No. F6288

Place: New Delhi  
Date: 09.08.2016

**Declaration by the Director under Regulation 34 (3) read with Part D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

I, Vijay Bhushan, Director of Bharat Bhushan Finance & Commodity Brokers Limited declare that all the Members of the Board of Directors and Senior Management personnel have, for the year ended 31<sup>st</sup> March, 2016, affirmed compliance with the Code of Conduct laid down by the Board of Directors in terms of the Listing Agreement/Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as applicable.

Sd/-

Place : New Delhi  
Date : 09.08.2016

Vijay Bhushan  
Director  
DIN:00002421

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
Bharat Bhushan Finance & Commodity Brokers Ltd.

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LTD.** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the

reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2016 and its profit and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the Balance sheet, the Statement of profit and loss and the Cash flow statement dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) on the basis of the written representations received from the directors as on 31st March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 2.15 to the financial statements;
    - ii. the Company did not have any long-term contracts

including derivative contracts for which there were any material foreseeable losses;

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For P. BHOLUSARIA & CO.**  
**Chartered Accountants**  
**Firm Registration No.: 000468N**  
**Sd/-**

**PLACE : Delhi**  
**DATED : 11.05.2016**

**(NITIN SINGAL)**  
**PARTNER**  
**(Membership No. 520114)**

## Annexure – A to the Auditors' Report

The annexure referred to in Independent Auditor's Report to the members of the company on the financial statements for the year ended on 31<sup>st</sup> March, 2016, We Report that:

1. a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;
- b. As explained to us, the management during the year has physically verified the fixed assets in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.
- c. The Company does not have any immovable property. Accordingly para 3(1)(c) of the order is not applicable.
2. As explained to us, inventories (Investments) have been physically verified by the management at reasonable intervals during the year. As explained to us the discrepancies noticed on physical verification of inventory as compared to the book records were not material.
3. a. As explained to us, the Company has not granted any loans, secured or unsecured to corporate, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provision of section 185 and 186 of the Act, with respect to the loans and investment made. As per the information and explanation given to us, the Company has not given any guarantee or provides any security in connection with a loan to any other body corporate or person.
5. The Company has not accepted any deposits from the public.
6. The nature of the company's business/activities is such that maintenance of Cost Records under section 148(1) of the Act is not applicable to the company.
7. a. According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales-Tax, Service Tax, Customs Duty, Excise Duty, Value added tax, Cess and other statutory dues to the extent and as applicable to the company have been generally regularly deposited by the company during the year with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31<sup>st</sup> March, 2016 for a period of more than six months from the date of becoming payable.
- b. There are no disputed statutory dues on account of matters pending before appropriate authorities are as under:
8. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the order is not applicable.
10. In our opinion and according to the information and explanation given to us, no material fraud by the company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on our examination of the record of the Company, the Company has not paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the order is not applicable.
13. According to the information and explanations given to us and based on or examinations of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transaction have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the record of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the record of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the order is not applicable.
16. The Company is required to be registered under section 45-IA of the Reserve bank of India Act, 1934 and the Company has obtained the registration.

**For P. BHOLUSARIA & CO.**  
**Chartered Accountants**  
**Firm Registration No.: 000468N**  
**Sd/-**  
**(NITIN SINGAL)**  
**PARTNER**  
**(Membership No. 520114)**

**PLACE : Delhi**  
**DATED : 11.05.2016**

**Annexure – B to the Auditors' Report****Report on the Internal Financial Control under clause (i) of sub section 3 of section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LTD. ("the Company") as of 31st March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively 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, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For P. BHOLUSARIA & CO.**  
**Chartered Accountants**  
**Firm Registration No.: 000468N**

**PLACE : Delhi**  
**DATED : 11.05.2016**

**Sd/-**  
**(NITIN SINGAL)**  
**PARTNER**  
**(Membership No. 520114)**

# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED

**BHARAT  
BHUSHAN**

AMOUNT ( ₹ )

BALANCE SHEET AS AT	Note No.	31ST MARCH, 2016	31ST MARCH, 2015
<b><u>EQUITY AND LIABILITIES</u></b>			
<b><u>SHAREHOLDERS FUND</u></b>			
SHARE CAPITAL	2.1	33,804,000	33,804,000
RESERVES & SURPLUS	2.2	46,916,493	44,659,217
		<u>80,720,493</u>	<u>78,463,217</u>
<b><u>NON-CURRENT LIABILITIES</u></b>			
LONG TERM PROVISIONS	2.3	7,902	58,567
		<u>7,902</u>	<u>58,567</u>
<b><u>CURRENT LIABILITIES</u></b>			
TRADE PAYABLES	2.4	-	717,440
OTHER CURRENT LIABILITIES		2,235,592	2,221,927
SHORT TERM PROVISIONS		<u>3,384,706</u>	<u>3,428,917</u>
		<u>5,620,298</u>	<u>6,368,284</u>
<b>TOTAL</b>		<u><b>86,348,692</b></u>	<u><b>84,890,068</b></u>
<b><u>ASSETS</u></b>			
<b><u>NON-CURRENT ASSETS</u></b>			
FIXED ASSETS (TANGIBLE ASSETS)	2.5	37,825	53,803
DEFERRED TAX ASSETS (NET)	2.6	31,193	55,540
NON-CURRENT INVESTMENT	2.7	70,587,411	65,738,312
LONG TERM LOAN AND ADVANCES	2.8	2,004,560	3,027,180
	2.8.1	-	1,500,000
		<u>72,660,989</u>	<u>70,374,835</u>
<b><u>CURRENT ASSETS</u></b>			
INVENTORIES	2.9	6,149,678	8,355,931
TRADE RECEIVABLES		54,276	241,372
CASH & CASH EQUIVALENTS		1,892,028	2,071,906
SHORT TERM LOANS & ADVANCES		3,532,253	3,573,792
OTHER CURRENT ASSETS		<u>2,059,468</u>	<u>272,232</u>
		<u>13,687,703</u>	<u>14,515,233</u>
<b>TOTAL</b>		<u><b>86,348,692</b></u>	<u><b>84,890,068</b></u>
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	1		
<b>NOTES ON ACCOUNTS</b>	2		

AS PER OUR REPORT OF EVEN DATE  
FOR P.BHOLUSARIA & CO.  
CHARTERED ACCOUNTANTS  
FRN : 000468N

FOR & ON BEHALF OF THE BOARD

Sd/-  
NITIN SINGAL  
PARTNER  
(M.No. : 520114)

Sd/-  
SHIPRA KAMRA  
COMPANY SECRETARY  
(M.No. : 34813)

Sd/-  
VIJAY BHUSHAN  
DIRECTOR  
(DIN : 00002421)

Sd/-  
NISHA AHUJA  
DIRECTOR  
(DIN : 00001875)

Sd/-  
SATISH AGGARWAL  
CHIEF FINANCIAL OFFICER

PLACE : NEW DELHI  
DATE : 11.05.2016

**BALANCE SHEET**

39

# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED

**BHARAT  
BHUSHAN**

AMOUNT ( ₹ )

Statement of Profit and Loss for the year ended	Note No.	31ST MARCH, 2016	31ST MARCH, 2015
REVENUE FROM OPERATIONS	2.10	6,428,627	7,363,367
OTHER INCOME	2.11	1,394,329	1,208,265
<b>TOTAL REVENUE</b>		<b>7,822,956</b>	<b>8,571,632</b>
<b>EXPENSES</b>			
EMPLOYEE BENEFIT EXPENSE	2.12	1,227,731	1,738,245
DEPRECIATION	2.6	15,978	90,737
OTHER EXPENSES	2.13	1,429,414	1,505,881
<b>TOTAL EXPENSES</b>		<b>2,673,123</b>	<b>3,334,863</b>
<b>PROFIT FOR THE YEAR BEFORE TAX</b>		<b>5,149,833</b>	<b>5,236,769</b>
<b>TAX EXPENSE:</b>			
(1) CURRENT TAX		950,000	1,000,000
(2) DEFERRED TAX		24,347	(5,157)
(3) TAX ADJUSTMENTS FOR EARLIER YEARS		(116,081)	(3,332)
<b>PROFIT FOR THE YEAR AFTER TAX</b>		<b>4,291,567</b>	<b>4,245,258</b>
<b>EARNING PER EQUITY SHARE:</b>			
BASIC AND DILUTED	2.14	1.27	1.26
SIGNIFICANT ACCOUNTING POLICIES	1		
NOTES ON ACCOUNTS	2		

AS PER OUR REPORT OF EVEN DATE  
FOR P.BHOLUSARIA & CO.  
CHARTERED ACCOUNTANTS  
FRN : 000468N

FOR & ON BEHALF OF THE BOARD

Sd/-  
NITIN SINGAL  
PARTNER  
(M.No. : 520114)

Sd/-  
SHIPRA KAMRA  
COMPANY SECRETARY  
(M.No. : 34813)

Sd/-  
VIJAY BHUSHAN  
DIRECTOR  
(DIN : 00002421)

Sd/-  
NISHA AHUJA  
DIRECTOR  
(DIN : 00001875)

Sd/-  
SATISH AGGARWAL  
CHIEF FINANCIAL OFFICER

PLACE : NEW DELHI  
DATE : 11.05.2016

# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

PARTICULARS	AMOUNT (₹)	
	YEAR ENDED 31ST MARCH, 2016	YEAR ENDED 31ST MARCH, 2015
<b>A. Cash flow from operating activities :</b>		
Net Profit before tax and extraordinary items	5149.83	5236.77
Adjustments for :		
Depreciation	15.98	90.74
Profit on Sale of Investments	(4581.35)	(5018.80)
Interest/dividend	(1469.04)	(1466.62)
Provision for diminution in the value of investments	0.58	18.79
Contingent Provision for standard assets	0.00	0.60
<b>Operating profit before working capital charges</b>	<b>(883.99)</b>	<b>(1138.52)</b>
<b>Adjustment for :</b>		
Change in other assets and liabilities	204.00	(2137.75)
Change in Inventories	2206.25	(5504.51)
<b>Cash generated from operations</b>	<b>1526.26</b>	<b>(8780.78)</b>
Direct taxes paid	(879.28)	(994.84)
<b>Cash flow before extraordinary items</b>	<b>646.97</b>	<b>(9775.62)</b>
Extraordinary Items		
<b>Net cash from operating activities</b>	<b>646.97</b>	<b>(9775.62)</b>
<b>B. Cash Flow from investing activities :</b>		
Purchase of investments	(26972.71)	(50335.71)
Sale of investments	26704.96	60387.22
Interest received	568.04	505.85
Dividend received	901.00	960.76
<b>Net cash used in investing activities</b>	<b>1201.29</b>	<b>11518.13</b>
<b>C. Cash flow from financing activities :</b>		
Dividend paid	(1690.20)	(1690.20)
Tax On Dividend	(337.94)	(337.94)
<b>Net cash used in financing activities</b>	<b>(2028.14)</b>	<b>(2028.14)</b>
<b>Net increase in cash and cash equivalents(A+B+C)</b>	<b>(179.88)</b>	<b>(285.63)</b>
Cash and cash equivalents (Opening balance)	2071.91	2357.53
Cash and cash equivalents (Closing balance)	1892.03	2071.90

AS PER OUR REPORT OF EVEN DATE  
FOR P.BHOLUSARIA & CO.  
CHARTERED ACCOUNTANTS  
FRN : 000468N

FOR & ON BEHALF OF THE BOARD

Sd/-  
NITIN SINGAL  
PARTNER  
(M.No. : 520114)

Sd/-  
SHIPRA KAMRA  
COMPANY SECRETARY  
(M.No. : 34813)

Sd/-  
VIJAY BHUSHAN  
DIRECTOR  
(DIN : 00002421)

Sd/-  
NISHA AHUJA  
DIRECTOR  
(DIN : 00001875)

Sd/-  
SATISH AGGARWAL  
CHIEF FINANCIAL OFFICER

PLACE : NEW DELHI  
DATE : 11.05.2016

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

### **1 SIGNIFICANT ACCOUNTING POLICIES:**

#### **1.1 SYSTEM OF ACCOUNTING:-**

- 1.1.1 The accounts have been prepared under the historical cost convention except where otherwise stated.
- 1.1.2 The company follows the mercantile system of accounting.

#### **1.2 REVENUE RECOGNITION:-**

Income / Expenses/ Revenues are accounting for on accrual basis in accordance with the Accounting Standard (AS-9) issued by the Institute of Chartered Accountants of India. Accordingly, wherever there are uncertainties in the ascertainment / realization of Income, the same is not accounted for.

#### **1.3 FIXED ASSETS: -**

Fixed assets are stated at cost less depreciation.

#### **1.4 DEPRECIATION:-**

Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets. The useful lives of the Assets are taken as prescribed under Part C of Schedule II of the Companies Act 2013. Depreciation for assets purchased / sold during a period is proportionately charged.

#### **1.5 INVESTMENTS:-**

Investments (long term) are valued at cost less permanent diminution, if any.

#### **1.6 STOCK IN TRADE:-**

Stock in Trade of shares/Debentures/Units etc. is valued at scrip wise lower of cost or net realizable value.

#### **1.7 EMPLOYEES BENEFITS:-**

Employee benefits are recognized / accounted for on the basis of revised AS-15 detailed as under:-

- 1.7.1 Short term employee benefits are recognized as expense at the undiscounted amount in the profit & loss account of the year in which they are incurred.
- 1.7.2 Employee benefits under defined benefit plans comprise of gratuity which is accounted for as at the year-end based on actuarial valuation by following the projected unit credit (PUC) method.
- 1.7.3 Leave encashment benefits are paid to employees at the year end.
- 1.7.4 Termination benefits are recognized as an expense as and when incurred.
- 1.7.5 The actuarial gains & losses arising during the year are recognized in profit & loss account of the year without restoring to any amortization.

#### **1.8 DEFERRED TAXATION:-**

Tax liability of the company is estimated considering the provisions of the Income Tax Act, 1961. Deferred Tax is recognized subject to the consideration of prudence, on timing difference, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

#### **1.9 IMPAIRMENT OF FIXED ASSETS**

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognized to the extent it does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognized for the assets in prior years.

#### **1.10 CONTINGENCIES**

The company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED

**BHARAT  
BHUSHAN**

## NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(Previous year figures have been regrouped/reclassified necessary to the year presentation)

### SHARE CAPITAL

### NOTE NO. 2.1

AMOUNT (₹)

PARTICULARS	AS AT 31ST MARCH, 2016	AS AT 31ST MARCH, 2015
<b>AUTHORISED</b>		
70,00,000 EQUITY SHARES OF RS.10/- EACH	70000000	70000000
<b>ISSUED, SUBSCRIBED &amp; PAID UP</b>		
33,80,400 EQUITY SHARES OF RS. 10/- EACH FULLY PAID-UP	33804000	33804000
TOTAL	<b>33804000</b>	<b>33804000</b>

— Issued Share capital of the Company has only one class of shares referred to as equity shares having Par value of Rs. 10/.Each holder of Equity Shares is entitled to One vote per share.

#### - Reconciliation of the number of shares outstanding and amount of share capital as on 31st March 2016 & 31st March, 2015 is as under:

Particulars	No. of Shares	AMOUNT (₹)	No. of Shares	AMOUNT(₹)
Number of shares at the beginning	33,80,400	3,38,04,000	33,80,400	3,38,04,000
Number of shares at the end	33,80,400	3,38,04,000	33,80,400	3,38,04,000

#### - Particulars of shares in the company held by each shareholder holding more than 5% shares:

Name of Shareholder	As at 31st March 2016		As at 31st March 2015	
	No. of Shares held	% of holding	No. of Shares held	% of holding
Vijay Bhushan	8,01,968	23.72%	8,00,510	23.68%
Nisha Ahuja	6,55,746	19.40%	6,54,976	19.38%

-In the event of the Liquidation of the company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all Preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### RESERVES & SURPLUS

### NOTE NO. 2.2

AMOUNT (₹)

PARTICULARS	AS AT 31ST MARCH, 2016	AS AT 31ST MARCH, 2015
<b>CAPITAL RESERVE</b>		
CAPITAL RESERVE- OPENING BALANCE	400	400
	400	400
<b>RESERVE FUND</b>		
OPENING BALANCE	1,14,64,591	10,615,539
ADDITION DURING THE YEAR*	8,58,313	849,052
	1,23,22,904	11,464,591
<b>GENERAL RESERVE</b>		
GENERAL RESERVE- OPENING BALANCE*	37,49,153	3,975,658
LESS : DEPRICIATION AND DEFFERRED TAX ADJUSTMENT	-	226,505
	37,49,153	3,749,153
<b>SURPLUS</b>		
OPENING BALANCE	2,94,45,073	28,077,006
ADD: NET PROFIT AFTER TAX TRANSFERRED FROM STATEMENT OF PROFIT & LOSS	42,91,567	4,245,258
	3,37,36,641	32,322,264
LESS: APPROPRIATIONS		
—PROPOSED DIVIDEND	16,90,200	1,690,200
—DIVIDEND TAX ON ABOVE	3,44,091	337,939
—TRANSFERRED TO RESERVE FUND	8,58,313	849,052
SURPLUS - CLOSING BALANCE	3,08,44,036	29,445,073
TOTAL	<b>4,69,16,493</b>	<b>44,659,217</b>

(\* ) Created by way of transfer of specified percentage of profits as per section 45IC of Reserve Bank of India (Amendment) Act, 1997. Appropriation from Reserves shall be for the purposes as may be specified by Reserve Bank of India.

# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED



## LONG-TERM PROVISIONS

## NOTE NO. 2.3

AMOUNT (₹)

PARTICULARS	AS AT 31ST MARCH, 2016	AS AT 31ST MARCH, 2015
PROVISION FOR EMPLOYEES BENEFIT (REFER NOTE NO.2.20)		
GRATUITY	7,902	58,567
	<b>7,902</b>	<b>58,567</b>

## CURRENT LIABILITIES

## NOTE NO. 2.4

AMOUNT (₹)

PARTICULARS	AS AT 31ST MARCH, 2016	AS AT 31ST MARCH, 2015
<b>A. TRADE PAYABLES</b>		
SUNDRY CREDITORS	-	717,440
TOTAL A	-	717,440
<b>B. OTHER CURRENT LIABILITIES</b>		
EXPENSES PAYABLE	1,53,601	161,732
GOVERNMENT DUES PAYABLE	12,332	21,662
ADVANCES FROM CUSTOMERS	7,00,250	710,202
UNPAID DIVIDEND *	13,69,408	1,328,332
TOTAL B	22,35,592	2,221,927
<b>C. SHORT-TERM PROVISIONS</b>		
FOR INCOME TAX	9,50,000	1,000,000
FOR DIVIDEND TAX	3,44,091	337,939
FOR PROPOSED DIVIDEND	16,90,200	1,690,200
FOR DIMINUTION IN THE VALUE OF INVESTMENT	3,99,660	399,076
FOR GRATUITY	155	1,102
FOR STANDARD ASSETS	600	600
TOTAL C	33,84,706	3,428,917
<b>TOTAL (A+B+C)</b>	<b>56,20,298</b>	<b>6,368,284</b>

\* No amount was due for transfer to investor education and protection fund as on 31.03.2016

## FIXED ASSETS AS ON 31st March, 2016

## NOTE -2.5

AMOUNT (₹)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS ON 01.04.2015	ADDITIONS DURING THE YEAR	DELETION DURING THE YEAR	AS AT 31.03.2016	AS AT 01.04.2015	FOR THE YEAR	ADJUSTED DURING THE YEAR	AS AT 31.03.2016	AS ON 31.03.2016	AS ON 31.03.2015
<b>TANGIBLE ASSETS</b>										
FURNITURE & FIXTURE	7128	0	0	7128	6772	0	0	6772	356	356
OFFICE EQUIPMENT	53250	0	0	53250	46935	1854	0	48789	4461	6315
DATA PROCESSING MACHINERY	326434	0	0	326434	292770	14124	0	306894	19540	33664
VEHICLE	269366	0	0	269366	255898	0	0	255898	13468	13468
<b>TOTAL</b>	<b>656178</b>	<b>0</b>	<b>0</b>	<b>656178</b>	<b>602375</b>	<b>15978</b>	<b>0</b>	<b>618353</b>	<b>37825</b>	<b>53803</b>
PREVIOUS YEAR	3466390	0	2810212	656178	2994050	90737	2482412	602375	53803	472340

\* DURING THE YEAR UNDER CONSIDERATION SOME OF THE ASSETS WHICH ARE NOT PHYSICALLY AVAILABLE AS ON 31.03.2015 ARE DISCARDED IN THE ABOVE SCHEDULE.

## NON-CURRENT ASSETS DEFERRED TAX ASSETS(NET)

## NOTE NO. 2.6

AMOUNT (₹)

PARTICULARS	AS AT 31ST MARCH, 2016	AS AT 31ST MARCH, 2015
FIXED ASSETS	33,683	37,102
GRATUITY	2940	18,438
	<b>31,193</b>	<b>55,540</b>

**NON CURRENT INVESTMENTS**
**NOTE 2.7**

AMOUNT (₹)

NAME OF THE COMPANY	AS AT 31ST MARCH, 2016			AS AT 31ST MARCH, 2015	
	FACE VALUE	QTY (NOS)	AMOUNT	QTY (NOS)	AMOUNT
<b>A.1. QUOTED FULLY PAID UP EQUITY SHARES (TRADE)</b>					
ALOK INDUSTRIES LTD.	10/-	10000	219100	10000	219100
A.P. SCOOTER LTD.	10/-	100	490	100	490
ADINATH TEXTILES LTD.	10/-	200	3572	200	3572
ADVANCE METERINE LTD.	10/-	0	0	10970	219365
AGRO CHEM(PUNJAB) LTD.	10/-	40	2320	40	2320
AGRO TECH (INDIA ) LTD	10/-	800	4061	800	4061
AMBIC PROTEIN LTD.	10/-	800	4080	800	4080
AMINSONS FOOD LTD.	10/-	100	4185	100	4185
ANSAL PROPERTIES & INFRASTRUCTURE LTD.	5/-	4000	1094720	4000	1094720
AGIO PAPER AND INDUSTRIES LTD.	10/-	100	4575	100	4575
ADITYA BIRLA MONEY LTD.	1/-	50	1900	50	1900
ARIHANT COTSYN LTD.	10/-	50	788	50	788
ARIHANT INDUSTRIES LTD.	10/-	450	3693	450	3693
ARLABS LTD.	10/-	100	2000	100	2000
ASHIANA AGRO INDUSTRIES LTD.	10/-	100	2553	100	2553
ASHOK LEYLAND LTD.	1/-	1000	52210	1000	52210
AXIS BANK LTD.	2/-	1000	510100	-	-
BESTAVISION ELECTRONIC LTD.	10/-	200	4066	200	4066
BHARAT NIDHI LTD,	10/-	100	344	100	344
BHARAT PIPE & FITTINGS LTD.	10/-	200	6574	200	6574
BITS INDIA LTD.	2/-	8000	40320	8000	40320
BLB LTD.	1/-	1	25.61	1	26
BOMBAY EXTRACTIONS LTD.	10/-	400	6088	400	6088
CAIRN INDIA LTD.	10/-	10000	3248537.51	10000	3248538
BRITISH INDIA STEELS LTD.	10/-	100	1672	100	1672
CANARA BANK LTD.	10/-	2000	742691	2000	742691
CAREW PHIPSON LTD,	10/-	100	3055	100	3055
CEAT LTD.	10/-	6	450	6	450
CENTURY TUBES LTD.	10/-	100	1858	100	1858
CHEMIEQUIP LTD.	10/-	50	750	50	750
CHOKHANI INTERNATIONAL LTD,	10/-	700	4585	700	4585
CITRIC INDIA LTD.	10/-	50	500	50	500
CITY UNION BANK LTD.	1/-	12874	291675.73	12874	291676
COAL INDIA LTD.	10/-	500	122500	500	122500
DABUR INDIA LTD.	1/-	2000	263617	2000	263617
DEE PHARMA LTD	5/-	5	100	5	100
DIL LTD (FORMELY KNOW AS DIGITAL EQUIPMEN CO.LTD)	10/-	100	8747	100	8747
DRAVYA INDUSTRIES CHEM LTD	10/-	600	4854	600	4854
DSQ SOFTWARE LTD.	10/-	1100	1100	1100	1100
ELB SCHLIFF (INDIA ) LTD.	10/-	100	1045	100	1045
EMKAY GLOBAL FINANCIAL SERVICES LTD.	10/-	51	3433	51	3433
EQUIPMENT COND.CABLE LTD.	10/-	100	806	100	806
ELECTROSTEEL STEELS LTD	10/-	10000	110468	10000	110468
FEDDERS LLOYED CORPORATION LTD.	10/-	1000	23570	1000	23570
FISHING FALCONS LTD.	10/-	100	1000	100	1000
FIBER WEB INDIA LTD.	10/-	200	9622	200	9622
GEOGIT BNP PARIBUS FINANCIAL SERVICES LTD.	1/-	1	51.66	1	52
GILT PACK LTD.	10/-	100	1820	100	1820
GROVER LEASING LTD.	10/-	100	1046	100	1046
GKW LTD.	10/-	10	7361	10	7361
GOLDEN TOBACCO LTD.	10/-	200	27256	200	27256
GUJARAT B.D. LUGGAGE LTD.	10/-	100	1241	100	1241
GUJARAT COTSYN LTD.	10/-	200	7666	200	7666
GUJARAT INJECT LTD.	10/-	500	4810	500	4810
HAYRANA PETRO CHEMICALS LTD.	10/-	400	6920	400	6920
HINDUSTAN FLUORO CARBONS LTD.	10/-	100	3060	100	3060
HDFC BANK LTD.	2/-	5000	1524664	5000	1524664
HOUSING DEVELOPMENT FINANCE CORPORATION LTD.	2/-	1000	1169900	0	0

# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED

**BHARAT  
BHUSHAN**

## NON CURRENT INVESTMENTS (Cont.)

AMOUNT (₹)

NAME OF THE COMPANY	AS AT 31ST MARCH, 2016			AS AT 31ST MARCH, 2015	
	FACE VALUE	QTY (NOS)	AMOUNT	QTY (NOS)	AMOUNT
HOTLINE TELETUBE COMPONENTS LTD.	10/-	200	3276	200	3276
HINDUSTAN PETROLEUM CORPORATION LIMITED	10/-	600	388092	0	0
ISPL INDUSRTIAL LTD.	10/-	100	1735	100	1735
RATTAN INDIA POWER LIMITED (FORMELY KNOWN AS INDIA BULLS POWER LTD.)	10/-	5000	179222	5000	179222
IFB VENTURE CAPITAL LTD.	10/-	100	4803	100	4803
ITC LTD.	1/-	14100	1925109	14100	1925109
INDIA MAIZE & CHEMICALS LTD.	10/-	100	765	100	765
INDIA POLYFIBERS LTD.	10/-	50	590	50	590
INDIA SECURITES LTD.	1/-	1200	5272	1200	5272
INDIAN HOTELS CO. LTD.	1/-	1630	179920	1230	157920
INDO JAPAN PHOTO LTD.	10/-	300	3030	300	3030
INTERNATIONAL CERAMIC LTD.	10/-	400	5544	400	5544
INTERGRATED KINETIC FIN. LTD.	10/-	100	1500	100	1500
INDIA CEMENT CAPITAL LTD.	10/-	400	8470	400	8470
INDORAMA SYNTHETICS (INDIA) LTD.	10/-	2000	145640	2000	145640
IDEA CELLULAR LTD.	10/-	5000	637580	0	0
JAI MATA INDUSTRIES LTD.	10/-	500	7553	500	7552
JAY PEE INFRA TECH LTD.	10/-	9000	514800	9000	514800
INDITRADE CAPITAL LTD. (FORMELY KNOWN AS JRG SECURITIES LTD.)	10/-	50	2040	50	2040
KARNATAKA CEMENT LTD.	10/-	200	1650	200	1650
KEDIA AGGLONERATED MARBLED LTD.	10/-	100	1715	100	1715
KESORAM INDUSTRIES LTD.	10/-	20	3300	20	3300
KHAITAN HOSTOMB SPINNERS LTD.	10/-	125	1875	125	1875
KONGRAR INTERGRATED FIBER LTD.	10/-	400	4000	400	4000
KUNAL ENGINEERING CO.LTD.	10/-	53	1590	53	1590
LARSON & TOUBRO LTD.	2/-	452	560232	1152	1501124
LUNAR DIAMONDS LTD.	10/-	200	8510	200	8510
LLOYD ELECTRIC & ENGINEERING LTD.	10/-	1800	96834	1800	96834
MEGAWARE COMPUTER LTD.	10/-	100	1545	100	1545
MANAPPURAM FINANCE LTD	2/-	2000	163825	2000	163825
MAN INDUSTRIES INDIA LTD.	5/-	200	2500	200	2500
MANGLORE CHEM. & FERT. LTD.	10/-	100	2650	100	2650
MANSAROVAR PAPER & IND. LTD.	10/-	260	3932	260	3932
MAHINDRA & MAHINDRA LTD.	5/-	400	275248	400	275248
MICRO ACCESSORIES LTD.	10/-	100	2050	100	2050
MINERVA HOLDING LTD.	10/-	5	2828	5	2828
MINI DIAMONDS ( INDIA ) LTD.	10/-	100	2051	100	2051
MIRNAL TEXT. ( INDIA ) LTD.	10/-	100	2802	100	2802
MODERN INSULATORS LTD.	10/-	50	740	50	740
MODI INDUSTRIES LTD.	10/-	100	1801	100	1801
MOHAN MEAKIN LTD.	10/-	100	1285	100	1285
MOTHERSON SUMI LTD.	1/-	3750	977241	1000	280078
MUKESH STEEL LTD.	10/-	100	2550	100	2550
NAGURJUNA FINANCE LTD.	10/-	200	6404	200	6404
NAHAR POLYFILMS LTD.	5/-	28	4894	28	4894
NAHAR SPPINING MILLS LTD	5/-	22	3846	22	3846
NAVINON LTD.	10/-	200	10516	200	10516
NMDC LTD.	1/-	6000	962100	6000	962100
NELCO LTD.	10/-	1500	238635	1500	238635
NESTLE INDIA LTD.	10/-	22	109318	22	109318
MONARCH NETWORK CAPITAL LTD (EARLIER KNOWN AS NETWORTH STOCK BROKING LTD.)	10/-	50	2503	50	2503
NIRAJ PETRO CHEMICALS LTD.	10/-	100	745	100	745
NIRUP SYNCHROME LTD.	10/-	400	6442	400	6442
NODURON FOUNDER (MAHARASHTRA ) LTD.	10/-	50	2290	50	2289
NORTHERN DIGITAL EXCHANGE LTD.	10/-	100	1391	100	1391
NTPC LTD.	10/-	6000	700828	6000	700828

# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED

**BHARAT  
BHUSHAN**

## NON CURRENT INVESTMENTS (Cont.)

AMOUNT (₹)

NAME OF THE COMPANY	AS AT 31ST MARCH, 2016			AS AT 31ST MARCH, 2015	
	FACE VALUE	QTY (NOS)	AMOUNT	QTY (NOS)	AMOUNT
ORISA SPONG LTD.	10/-	200	135306	200	135306
ONGC LTD.	5/-	2500	563175	2500	563175
OPTO CIRCUIT LTD.	10/-	4000	568333	4000	568333
OCEAN INFRASTRUCTURE LTD.	10/-	500	5780	500	5780
ORKAY SILK LTD.	10/-	200	2324	200	2324
PNB MUTUAL FUND	10/-	150	1242	150	1242
PUNJAB NATIONAL FERTILISERS & CHEMICAL LTD.	10/-	100	1949	100	1949
POLAR LATEX LTD.	10/-	300	8319	300	8319
POLAR MARMO AGGLOMERATED LTD.	10/-	200	3392	200	3392
PARTAP STEEL ROLLING MILLS (1934) LTD.	10/-	200	3454	200	3454
PREMIER VINYAL FLOORING LTD.	10/-	125	3950	125	3950
PSL LTD	10/-	1000	141280	1000	141280
PUNJ LLOYD LTD.	2/-	1200	446763	1200	446763
RADHA KRISHNA CEMENT LTD.	10/-	100	1398	100	1398
RAJASTHAN BREWERIES LTD.	10/-	100	3452	100	3452
RAJASTAN PERTO SYNTH. LTD.	10/-	100	2920	100	2920
RELIANCE BROADCAST NETWORK LTD.	10/-	2000	107944	2000	107944
RELIANCE CAPITAL LTD.	10/-	50	1665	50	1665
RELIANCE COMMUNICATION LTD.	5/-	2954	460913	2954	460913
RELIANCE INFRASTRUCTURE LTD.	10/-	75	9374	75	9373
RELIANCE POWER LTD	10/-	738	175792	738	175792
RELIANCE INDUSTRIES LTD.	10/-	2218	1107890	2218	1107890
RELIANCE MEDIA WORKS LTD.	10/-	1000	428595	1000	428595
RICHMEN SILK LTD.	10/-	200	2152	200	2152
RUCHI STRIPS & ALLOYS LTD.	10/-	100	2537	100	2537
S.M ENERGY TECHNIQUE LTD.	10/-	300	6101	300	6101
SAMTEL ( INDIA ) LTD.	10/-	23	1285	23	1285
SHIVA CEMENT LTD.	2/-	2200	18832	2200	18832
SENTHUR SHOES LTD.	10/-	100	2152	100	2152
SHALIMAR WIRE LTD.	2/-	250	7508	250	7508
SHAMKEN COTSYNL. LTD.	10/-	1000	10000	1000	10000
SHIVA GLOBAL AGRO INDUSTRIES LTD. (FORMELY KNOWN AS SHIVALIK FERTILIZERS LTD.)	10/-	100	1217	100	1217
SHRIYANS STEEL LTD.	10/-	100	1742	100	1742
SOMKAN MARINE FOOD LTD.	10/-	500	5045	500	5045
SOL PHARMA LTD.	10/-	2	1955	2	1955
STERLING BASIC ORGANIC LTD.	10/-	900	9000	900	9000
SUBHASH DALAL LTD.	10/-	100	3230	100	3230
SUL INDIA LTD.	10/-	50	1500	50	1500
SUN PHARMA LTD.	1/-	1500	1406280	0	0
SURAJ VANASPATI LTD.	10/-	300	5580	300	5580
TATA POWER CO. LTD.	1/-	5000	530822	5000	530822
TATA STEEL LTD.	10/-	8400	4367555	8400	4367555
TIN PLATE COMPANY LTD.	10/-	1000	92210	1000	92210
TAMILNADU INDUSTRIAL EXPLOSIVES LTD.	10/-	100	1415	100	1415
TATA CONSULTANCY SERVICES LTD.	1/-	2076	991495	2076	991495
TITAN COMPANY LTD.	1/-	1000	223392	1000	223390
THAPAR AGRO LTD.	10/-	100	1795	100	1795
TOSHA PICTURE TUBE LTD.	10/-	200	2180	200	2180
U.B. PETRO PRODUCTS LTD.	10/-	300	6696	300	6696
UCAL POWER SYSTEM LTD.	10/-	200	7472	200	7472
UNIPON INDIA LTD.	10/-	200	8138	200	8138
UNITED DRILLING TOOLS LTD.	10/-	100	1952	100	1952
UNITECH LTD	2/-	1000	78010	1000	78010
UTI MASTER PLUS	10/-	400	5444	400	5444
UTI MASTER SHARE	10/-	350	8995	350	8995
VITTAZAZDA LTD.	10/-	300	2457	300	2457
FEDERAL MOGUL ANAND SEAL. IND. LTD. (EARLIER KNOWN AS VICTOR GASKETS LTD. )	1/-	100	0	100	0

**NON CURRENT INVESTMENTS (Cont.)**

AMOUNT (₹)

NAME OF THE COMPANY	AS AT 31ST MARCH, 2016			AS AT 31ST MARCH, 2015	
	FACE VALUE	QTY (NOS)	AMOUNT	QTY (NOS)	AMOUNT
WELSPUN CORP. LTD.	5/-	1000	255030	1000	255030
WHIRL POOL WASHING MACHINES LTD.	10/-	100	1245	100	1245
<b>A.2. FULLY PAIDUP UNQUOTED EQUITY SHARES (NON TRADE)</b>					
Bharat Bhushan Equity Traders Ltd	10/-	250000	2500000	250000	2500000
<b>B. QUOTED FULLY PAIDUP PREFERENCE SHARES (NON TRADE)</b>					
15% Non cumulative Redemable preference shares of Mansarover Paper & Ind. Ltd.	10/-	200	2376	200	2376.00
9 % Pref Sh. of Shaw Wallace Gelatines Ltd.	7/-	400	4000	400	4000.00
ZEE ENTERTAINMENT ENTERPRISES LTD	10/-	4410	0	4410	0
<b>C. QUOTED FULLY PAIDUP DEBENTURES (TRADE)</b>					
15 % Secured Fully Redemable NCD of Apple Leasing & Ind. Ltd.	50 /-	20	802	20	802.00
INDIAN HOTELS LTD. (CCD)		0	0	400	22000.00
14 % Secured Redeemable NCD of castrol ind ltd	100/-	2	145	2	145.00
Zero Interest Secured NCD of Mukerien papers ltd	70/-	900	63000	900	63000.00
8.49% Secured NCD of NTPC Ltd.	12.50/-	6000	0	6000	0.00
<b>D. FULLY PAID-UP UNQUOTED UNITS IN MUTUAL FUNDS (TRADE)</b>					
BIRLA SUNLIFE CASH PLUS FUND GROWTH		2360.78	498982	9539.786	1935228.67
BIRLA SUNLIFE MNC FUND DIVIDEND PLAN		1194.84	199000	0	0.00
BIRLA SUN LIFE SAVING FUND GROWTH		3182.89	930000	0	0.00
DSP BLACK ROCK LIQUID FUND INST. PLAN		0.00	0	559.045	1000000.00
FRANKLIN INDIA LOW DURATION FUND		164339.02	2651450	0	0.00
ICICI PRUDENTIAL FLEXIBLE INCOME PLAN GROWTH		70070.75	18474017	53767.541	14074017.13
ICICI PRUDENTIAL LIQUID PLAN GROWTH		0.00	0	9382.828	1842879.37
SBI SHFULTRA SHORTTERM FUND		0.00	0	2288.146	3208613.36
TATA LIQUID FUND PLAN A		1066.10	2737948	1066.098	2737948.21
TEMPLATION INDIA SHORT TERM INCOME PLAN		0.00	0	1127.247	2696807.23
UTI TREASUREY ADV. FUND (INVT. PLAN)		2138.97	4329648	2268.512	4047099.22
UTI MONEY MARKET FUND INST. PLAN GROWTH		2466.33	4152316	3764.212	5258526.00
<b>E OTHER NON CURRENT INVESTMENTS WARRANTS (NON TRADE)</b>					
DCM Shriram Industries Ltd.		288	0	288	0
Mukerian Paper Ltd.		900	0	900	0
Usha Ispat Ltd		100	300	100	300
Vardhman Polytex Ltd.		1400	0	1400	0
<b>F. FULLY PAID-UP QUOTED BONDS (TRADE)</b>					
IDBI BANK LTD. (BONDS)	10000000	4	4028000	0	0
<b>GRAND TOTAL</b>		<b>704759.67</b>	<b>70587412</b>	<b>541519</b>	<b>65738312</b>

**NOTES:**
**NATURE OF INVESTMENT:-**  
 QUOTED INVESTMENT

— Cost Price	34113750	26436893
— Market Price	38827191	33084972

## UNQUOTED INVESTMENTS

Units of Mutual Funds

— Cost Price	33973361	36801119
— Net Asset Value of units	36047753	39705268

## OTHERS

— Cost Price	2500300	2500300
--------------	---------	---------

# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED

**BHARAT  
BHUSHAN**

## LONG TERM LOAN AND ADVANCES

## NOTE NO. 2.8

AMOUNT (₹)

PARTICULARS	AS AT 31ST MARCH, 2016	AS AT 31ST MARCH, 2015
<b>LONG TERM LOANS AND ADVANCES</b>		
SECURITY DEPOSIT	20,04,560	3,027,180
	<u>20,04,560</u>	<u>3,027,180</u>

## OTHER NON CURRENT ASSETS

## NOTE NO. 2.8.1

AMOUNT (₹)

PARTICULARS	AS AT 31ST MARCH, 2016	AS AT 31ST MARCH, 2015
<b>NON CURRENT BANK BALANCES</b>		
Terms deposits with maturity of more than 12 months	-	15,00,000
	<u>-</u>	<u>15,00,000</u>

## CURRENT ASSETS

## NOTE NO. 2.9

AMOUNT (₹)

PARTICULARS	AS AT 31ST MARCH, 2016	AS AT 31ST MARCH, 2015
<b>A.STOCK IN TRADE</b>	6,149,678	8,355,931
(AS TAKEN, VALUED AND CERTIFIED BY MANAGEMENT)		
(COST OR MARKET PRICE WHICHEVER IS LOWER) TOTAL A	<u>6,149,678</u>	<u>8,355,931</u>
<b>B.TRADE RECEIVABLES</b>	54,276	241,372
The amounts with the balances of less than 6 month TOTAL B	<u>54,276</u>	<u>241,372</u>
<b>C.CASH AND CASH EQUIVALENTS</b>		
BALANCE WITH BANK	514,381	734,040
—OF WHICH AMOUNT EARMARKED FOR PAYMENT OF UNPAID DIVIDEND	<u>1,369,408</u>	<u>1,328,332</u>
2.CASH IN HAND	8,239	9,534
TOTAL C	<u>1,892,028</u>	<u>2,071,906</u>
<b>D.SHORT TERM LOANS AND ADVANCES*</b>		
LOANS & ADVANCES		
— SECURED	2,400,000	2,400,000
OTHER		
1.ADVANCE INCOME TAX & TAX DEDUCTED AT SOURCE	1,106,336	1,110,971
2.SERVICE TAX RECOVERABLE	11,457	22,258
3.PREPAID EXPENSES	1,810	27,178
4.ADVANCE RECOVERABLE FROM CUSTOMERS	150	2,385
5.ADVANCE RECOVERABLE FROM EMPLOYEES	12,500	1,000
6.OTHER ADVANCE RECOVERABLE	-	10,000
TOTAL D	<u>3,532,253</u>	<u>3,573,792</u>
<b>E.OTHER CURRENT ASSETS</b>		
INTEREST ACCRUED ON BANK DEPOSITS	477,468	272,232
DIVIDEND RECOVERABLE	12,000	-
INTEREST RECOVERABLE	70,000	-
CURRENT BANK BALANCES	1,500,000	-
Terms deposits with maturity of less than 12 months		
TOTAL E	<u>2,059,468</u>	<u>272,232</u>
TOTAL (A+B+C+D+E)	<u>13,687,703</u>	<u>14,515,233</u>

\* In the opinion of the management, current assets, Loans and advances are approximately of the value stated, if realized, in the ordinary course of the business.

# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED

**BHARAT  
BHUSHAN**

## REVENUE FROM OPERATIONS

## NOTE NO. 2.10

AMOUNT (₹)

PARTICULARS	For the Year Ended 31ST MARCH, 2016	For the Year Ended 31ST MARCH, 2015
PROFIT/LOSS FROM SALE/PURCHASE AND DIFFERENCE IN SECURITIES DEALING (NET)	331,739	850,182
GAIN ON SALE OF INVESTMENT- TRADE (NET)	4,581,349	5,018,801
BROKERAGE / SERVICES CHARGES*	46,500	27,767
INTEREST INCOME (GROSS) (INCLUDING TAX DEDUCTED AT SOURCE ₹ 22804/- PREVIOUS YEAR ₹ 21089/-)		
— ON LOANS/ICD'S	340,000	294,970
— ON FIXED DEPOSITS WITH BANKS	228,040	210,882
DIVIDEND INCOME ON INVESTMENTS- TRADE	574,562	740,845
DIVIDEND INCOME ON STOCK IN TRADE	326,436	219,919
TOTAL	6,428,627	7,363,367

\*Brokerage / Service charges of NIL (Previous year ₹ 27767/- ) represents brokerage earned from Commodity Trading (NCDEX, NSEL and MCX)

## OTHER INCOME

## NOTE NO. 2.11

AMOUNT (₹)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH, 2016	FOR THE YEAR ENDED 31ST MARCH, 2015
OTHER INCOME (INCLUDING TAX DEDUCTED AT SOURCE - ₹ 17650/- PREVIOUS YEAR ₹ 24000/-)	1,394,329	1,208,265
TOTAL	1,394,329	1,208,265

## EMPLOYEE BENEFIT EXPENSE

## NOTE NO. 2.12

AMOUNT (₹)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH, 2016	FOR THE YEAR ENDED 31ST MARCH, 2015
SALARY & BENEFITS	10,72,847	16,17,085
STAFF WELFARE	1,54,884	1,21,160
TOTAL	12,27,731	17,38,245

# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED



## OTHER EXPENSES

## NOTE NO. 2.13

AMOUNT (₹)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH, 2016	FOR THE YEAR ENDED 31ST MARCH, 2015
RENT	2,000	24,000
REPAIRS & MAINTANANCE	67,989	68,095
POSTAGE, TELEGRAM & TELEPHONE	151,525	230,808
MEMBERSHIP & SUBSCRIPTION	107,585	104,531
PRINTING & STATIONERY	86,833	75,606
LISTING FEES	200,000	100,000
DIRECTORS' SITTING FEE	90,000	93,000
TRAVELLING & CONVEYANCE	72,549	99,068
VEHICLE RUNNING & MAINTENANCE	1,020	21,425
LEGAL AND PROFESSIONAL CHARGES	119,416	103,248
ADVERTISEMENT	59,225	45,737
SECURITIES TRANSACTIONS TAX	13,238	32,783
PROVISION FOR DIMUNITION IN THE VALUE OF LONG TERM INVESTMENT	584	18,787
CONTINGENT PROVISION OF STANDARD ASSETS	-	600
MISCELLANEOUS	262,227	233,020
AUDITOR'S REMUNERATION		
AUDIT FEES	45,812	44,000
TAX AUDIT FEES	25,000	20,000
TAXATION MATTERS	12,023	14,700
OTHERS	20,866	23,336
OFFICE EXPENSES	91,523	153,136
<b>TOTAL</b>	<b>1,429,414</b>	<b>1,505,881</b>

## EARNING PER SHARE (EPS)

## NOTE NO. 2.14

AMOUNT (₹)

		Year Ended 31 <sup>ST</sup> MARCH 2016	Year Ended 31 <sup>ST</sup> MARCH 2015
Net Profit available for Equity shareholders (₹)	(A)	4291567	4245258
Weighted average no of equity shares			
Outstanding during the year	(B)	3380400	3380400
Nominal Value of Equity Share (₹)		10/-	10/-
Basic/Diluted EPS (₹)	(A)/(B)	1.270	1.256

## CONTINGENT LIABILITIES

## NOTE NO. 2.15

AMOUNT (₹)

	AS AT 31 <sup>ST</sup> MARCH 2016 (Rs.)	AS AT 31 <sup>ST</sup> MARCH 2015 (Rs.)
a. Claims against the company/disputed Liability not acknowledged as debt (Net)	9006058	9006058
b. Liability in respect of partly paid up Equity Shares	85000	85000

# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED

**BHARAT  
BHUSHAN**

2.16 In the opinion of Management, there is no separate reportable segment in terms of Accounting Standard AS – 17 “Segment Reporting”.

2.17 Quantitative information in respect of shares/debentures/units etc. is as follows:-

	FOR THE YEAR ENDED 31ST MARCH 2016		FOR THE YEAR ENDED 31ST MARCH 2015	
	QTY. ( in Nos.)	AMOUNT ( ₹ )	QTY. ( in Nos.)	AMOUNT ( ₹ )
<b>A) STOCKS:-</b>				
<b>a) SHARES</b>				
OPENING	177660	8355930	163710	2851425
PURCHASES	15499	0	16750	5456315
SALES/REDEMPTION	19499	2206253	2800	215454
VALUATION PROFIT	—	-385937	—	-263645
CLOSING	173660	6149678	177660	8355930
<b>b) UNITS OF MUTUAL FUND</b>				
OPENING	1	0	1	0
PURCHASES	—	—	—	—
SALES/REDEMPMENTION	—	—	—	—
CLOSING	1	0	1	0
<b>B) INVESTMENTS: -</b>				
<b>a) SHARES</b>				
OPENING	450434	28851246	437503	26628824
PURCHASES/ ADJUSTMENT	16400	6736263	34690	11977803
SALES/REDEMPTION	16220	3087407	21759	9755381
CLOSING	450614	32500102	450434	28851246
<b>b) UNITS OF MUTUAL FUND</b>				
OPENING	83763	36801119	1347154	43567663
PURCHASES/ADJUSTMENT	189380	16208450	125386	38335903
SALES/REDEMPTION	26324	19036207	1388777	45102446
CLOSING	246820	33973361	83763	36801119
<b>c) DEBENTURES</b>				
OPENING	7322	85947	922	63947
PURCHASES/ADJUSTMENT	—	—	6400	22000
SALES/REDEMPTION	—	—	—	—
CLOSING	7322	85947	7322	85947
<b>d) GOLD</b>				
OPENING	—	—	200	510595
PURCHASE/ADJUSTMENT	—	—	—	—
SALES/REDEMPTION	—	—	200	510595
CLOSING	—	—	—	—
<b>e) BANK BONDS</b>				
OPENING	—	—	—	—
PURCHASES/ADJUSTMENT	4	4028000	—	—
SALES/REDEMPTION	--	—	—	—
CLOSING	4	4028000	—	—

2.18 Related Party disclosures (As Identified by the Management and relied upon by Auditors)

2.18.1. List of related parties with whom transaction have been taken place and relationship:

A. Where control exists/Key Management Personnel alongwith their relatives

Sh. Vijay Bhushan

Mrs. Nisha Ahuja

Mrs. Sant Kumari Agarwal

Director & Mother of (a)

Sh. Jogesh Ahuja

Director & Husband of (b)

B. Enterprises under common control/enterprises where person described in “A” above is able to exercise significant influence.

- Bharat Bhushan Equity Traders Ltd.

- Bharat Bhushan & Co.

# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED

**BHARAT  
BHUSHAN**

## 2.18.2. Transactions during the year with Related Parties.

Nature of Transactions	Where control exists / Key Management Personnel alongwith their relatives	Enterprises under common control / enterprises where person described in column A. is able to exercise excessive significant influence.
	A	B
I. Sales of securities etc. and other similar transactions	—	3737950
	(—)	(11536991)
II. Purchase of securities etc. and other similar transaction	—	6736263
	(—)	(17426568)
III. Net derivative / difference in share dealing	—	717676
	(—)	(586537)
IV. Amount recovered on account of reimbursement of expenses	—	650000
	(—)	(1200000)
V. Sitting fees	90000	—
	(93000)	(—)
VI. Depository Charges Paid	—	133
	(—)	(416)
VII. Outstanding Balances as on 31-3-2016		
Investments	—	2500000
	(—)	(2500000)

Figure in brackets pertains to previous year

2.19 Schedule as required in terms of Paragraph 13 of Non Banking Financial (Non Deposit Accepting or Holding ) Companies Prudential Norms (Reserve Bank) Directions ,2007 as Superseded by "Non –Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions,2015.

### Information as on 31<sup>st</sup> March 2016 required in terms of Paragraph 13 of Non- Banking Financial Companies

Figures in Rupees

Particulars	Amount Outstanding	Amount Overdue
<b>Liabilities side:</b>		
<b>(1) Loans and advances availed by the NBFCs Inclusive of interest accrued thereon but not Paid:</b>		
(a) Debentures : Secured	—	—
: Unsecured	—	—
(other than failing within the Meaning of public deposits)		
(b) Deferred Credits	—	—
(c) Term Loans	—	—
(d) Inter-corporate loans and borrowing	—	—
(e) Commercial Paper	—	—
(f) Public Deposits	—	—
(g) Other Loans (specify nature)	—	—
<b>(2) Break-up of (1) (f) above (Outstanding Public deposits inclusive of interest accrued Thereon but not paid):</b>		
(a) In the form of Unsecured debentures	—	—
(b) In the form of partly secured Debentures ie. Debentures where there is a shortfall in the value of security	—	—
(c) Other public deposits	—	—
<b>Asset side</b>		
		Amount Outstanding
<b>(3) Break-up of Loan and Advances including Bills receivables [other than those included In (4) below] :</b>		
(a) Secured		2400000
(b) Unsecured including interest receivable		(2400000)
<b>(4) Break-up of Leased Assets and stock on hire And hypothecation loans counting towards EL/HP activities</b>		
(i) Lease assets including lease rentals under Sundry debtors :		
(a) Financial lease		—
(b) Operating lease		—
(ii) Stock on hire including hire charges under Sundry debtors:		
(a) Assets on hire		—
(b) Repossessed Assets		—
(iii) Hypothecation loans counting towards EL/HP activities:		
(a) Loans where assets have been Repossessed		—
(b) Loans other than (a) above		—

**(5) Break-up of Investments :**

Current Investments :

1. Quoted :

(i) Shares :	(a) Equity	---
	(b) Preference	---
(ii) Debentures and Bonds		---
(iii) Units of mutual funds		---
(iv) Government Securities		---
(v) Others (please specify) warrants		---

2. Unquoted :

(i) Shares :	(a) Equity	---
	(b) Preference	---
(ii) Debentures and Bonds		---
(iii) Units of mutual funds		---
(iv) Government Securities		---
(v) Others (please specify) warrants		---

Long-Term investments :

1. Quoted :

(i) Shares :	(a) Equity	30015428
	(b) Preference	6376
(ii) Debentures and Bonds		4091947
(iii) Units of mutual funds		---
(iv) Government Securities		---
(v) Others (please specify)		---
-Gold		---
-Silver		---

2. Unquoted

(i) Shares	(a) Equity	2500000
	(b) Preference	---
(ii) Debentures and Bonds		---
(iii) Units of mutual funds		33973361
(iv) Government Securities		---
(v) warrants		300

**(6) Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances :**

Category	Amount net of provisions		Total
	Secured	Unsecured	
1. Related Parties			
(a) Subsidiaries	---	---	---
(b) Companies in the same group	---	---	---
(c) Other related parties	---	---	---
2. Other than related parties	---	---	---
Total	---	---	---

**(7) Investor group-wise classification of all investments (current and long term) in shares and Securities (both quoted and unquoted):**

Category	Market Value / Break up or fairvalue or NAV	Book Value (Net of Provisions)
1. Related Parties		
(a) Subsidiaries	---	---
(b) Companies in the same group	---	---
(c) Other related parties	---	2500000
2. Other than related parties	74673944	98087412
Total	74673944	70587412

**(8) Other information**

(i) Gross Non-Performing Assets	
(a) Related parties	---
(b) Other than related parties	---
(ii) Net Non-Performing Assets	
(a) Related parties	---
(b) Other than related parties	---
(iii) Assets acquired in satisfaction of debt	---

2.20 Disclosure pursuant to Accounting Standard - 15

- a) Defined Benefit Plan  
Movement in net liability

<u>Particulars</u>	<u>Gratuity (funded) 31.03.2016</u>	<u>Gratuity (funded) 31.03.2015</u>
Present value of obligations as at the beginning of the year. (A)	533583	466425
Adjustment for increase(Decrease) in opening obligation (B)	-	-
Interest Cost (C)	42687	39646
Current service cost (D)	22211	44804
Benefits paid (E)	(209080)	-
Actuarial loss/(Gain) on obligation (F)	4162	(17292)
Present value of obligations as on closing of the year (G=A+B+C+D-E+F)	393563	533583

- b) The amounts recognized in the balance sheet and Profit & loss account are as follows:

<u>Particulars</u>	<u>Gratuity (funded) 31.03.2016</u>	<u>Gratuity (funded) 31.03.2015</u>
Present value of obligation (A)	393563	533583
Estimated fair value of plan assets (B)	385506	473914
Net Liability / (Asset) (C=A-B)	8057	59669
<b>Amounts in the Balance Sheet</b>	<b>31.03.2016</b>	<b>31.03.2015</b>
Long Term Provision	7902	58567
Short Term Provision	155	1102
Total	8057	59669
<b>Amount charged to Profit &amp; Loss Account</b>	<b>31.03.2016</b>	<b>31.03.2015</b>
Current Service Cost	22211	44804
Interest Cost	42687	39646
Expected Return on Plan Asset	(39572)	(33478)
Actuarial(Gain)/Loss	14856	(19785)
	<b>40182</b>	<b>31187</b>
<b>Head under which shown in the Profit &amp; Loss account</b>	<b>Salary &amp; Other benefits</b>	<b>Salary &amp; Other benefits</b>

- (c) Fair value of plan assets

	<u>31.03.2016</u>	<u>31.03.2015</u>
1. Fair Value of plan assets at the beginning of the period	473914	371974
2. Acquisition adjustment	-	-
3. Actual return on plan assets	28878	35971
4. Contributions	91794	65969
5. Benefits Paid	(209080)	-
6. Fair value of plan assets at the end of the period	385506	473914

- d) Following are the Principal Actuarial Assumptions used as at the balance sheet date:

<u>Particulars</u>	<u>Gratuity</u>
Discount Rate	8%
Salary Escalation Rate	8%

2.21 Minimum lease payments recognized in the statement of profit & loss account during the period ended 31<sup>st</sup> March 2016 is NIL (Previous year ₹ 24000/-)

2.22 The provision for investments diminution has closing balance of Rs.3,99,660/- which reflects the permanent diminution of the investments as on 31<sup>st</sup> March 2016 although the total investments diminution of temporary nature is Rs.93,18,021/-

2.23 Provision for diminution in the value of investments is charged to Profit & Loss Account and shown correspondingly under the head "Provisions" in the Balance Sheet without showing it as deduction from the value of investment. This is being done in compliance with Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank Directions, 2007) as Superseded by "Non -Systemically Important Non-Banking Financial (Non- Deposit Accepting or Holding) Companies Prudential Norms(Reserve Bank) Directions, 2015.

AS PER OUR REPORT OF EVEN DATE  
FOR P.BHOLUSARIA & CO.  
CHARTERED ACCOUNTANTS  
FRN : 000468N

FOR & ON BEHALF OF THE BOARD

Sd/-  
NITIN SINGAL  
PARTNER  
(M.No. : 520114)

Sd/-  
SHIPRA KAMRA  
COMPANY SECRETARY  
(M.No. : 34813)

Sd/-  
VIJAY BHUSHAN  
DIRECTOR  
(DIN : 00002421)

Sd/-  
NISHA AHUJA  
DIRECTOR  
(DIN : 00001875)

Sd/-  
SATISH AGGARWAL  
CHIEF FINANCIAL OFFICER

PLACE : NEW DELHI  
DATE : 11.05.2016

# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED

Regd. Office : 503, Rohit House, 3 Tolstoy Marg, New Delhi-110001  
Tel No. : 011-49800900, Fax : 011-49800933  
Email : commodities@bharatbhushan.com, Website : www.bbinvestments.in  
CIN-L67120DL1992PLC049038

## BALLOT FORM

(To be returned of Scrutinizer appointed by the Company)

1. Name of the Member(s) :  
(Including Joint-Holders, if any)
2. Address of Member(s) :
3. Registered Folio NO./  
DPID NO./Client ID No.\* :  
(\* Applicable to members holding shares in Dematerialized form)
4. I/we hereby exercise my/our vote of the Ordinary Resolution(s)/ Special Resolution(s) as specified in the Notice of the Company dated August 09, 2016 to be passed through Ballot

Item No.	Description	Type of resolution	Assent (For)	Dissent (Against)
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.	Ordinary		
2.	To declare dividend on Equity Shares for the Financial Year ended 31st March, 2016.	Ordinary		
3.	Re-appointment of Mr. Arun Kumar Garg (DIN: 00178582) as a director, 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.	Ordinary		
4.	Re-appointment of Mr. JogeshChanderAhuja (DIN: 00650258) as a director, 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.	Ordinary		
5.	Appointment of Auditors and fixing of their remuneration.	Ordinary		

Place : \_\_\_\_\_

Date : \_\_\_\_\_

Email :

\_\_\_\_\_

Signature of Members/Beneficial Owner

Tel No. / Mobile No. \_\_\_\_\_

# BHARAT BHUSHAN FINANCE & COMMODITY BROKERS LIMITED

Regd. Office : 503, Rohit House, 3 Tolstoy Marg, New Delhi-110001  
Tel No. : 011-49800900, Fax : 011-49800933  
Email : commodities@bharatbhushan.com, Website : www.bbinvestments.in  
CIN-L67120DL1992PLC049038

## PROXY FORM (Form MGT-11)

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3)  
of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s) : .....  
E-mail Id : .....  
Folio No./Client Id : .....  
DP ID : .....

I/We, being the member(s) of .....Shares of Bharat Bhushan Finance and Commodity Brokers Limited, hereby appoint :

- Name : .....  
Address : .....  
E-mail Id : .....Signature.....or failing him/her.
- Name : .....  
Address : .....  
E-mail Id : .....Signature.....or failing him/her.
- Name : .....  
Address : .....  
E-mail Id : .....Signature.....or failing him/her.

as my/our proxy to attend and vote (on a Poll) for me/us and on my/our behalf at the 24<sup>th</sup> Annual General Meeting of the Company to be held on Thursday, the 29<sup>th</sup> September, 2016 at Shri Purushottom Hindi Bhawan Nyas Samiti (Regd.) 11 Vishnu Digamber Marg, Rouse Avenue, New Delhi-110002, at 11.00 A.M. and at any adjournment thereof in respect of resolutions, as indicated below:-.

Item No.	Description	Type of resolution	Assent (For)	Dissent (Against)
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.	Ordinary		
2	To declare dividend on Equity Shares for the Financial Year ended 31st March, 2016.	Ordinary		
3	Re-appointment of Mr. Arun Kumar Garg (DIN: 00178582) as a director, 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.	Ordinary		
4	Re-appointment of Mr. Jogesh Chander Ahuja (DIN: 00650258) as a director, 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.	Ordinary		
5.	Appointment of Auditors and fixing of their remuneration.	Ordinary		

Signed this .....day of ..... 2016

Signature of shareholders(s) : .....

Signature of Proxy holder(s) : .....

Affix  
Re. 1/-  
Revenue  
Stamp

Note : Proxy form to be submitted at the registered office of the Company not less than 48 (forty eight) hours before the commencement of aforesaid Annual General Meeting.

*If undelivered please return to :*

**Bharat Bhushan Finance & Commodity Brokers Ltd.**

CIN-L67120DL1992PLC049038

Regd. Office : 503, Rohit House, 3, Tolstoy Marg, New Delhi-110001

Tel No. : 011-49800900, Fax : 011-49800933

Email : [commodities@bharatbhushan.com](mailto:commodities@bharatbhushan.com), Website : [www.bbinvestments.in](http://www.bbinvestments.in)