

**FORM A**

Pursuant to Clause 31 of the Listing Agreement

**Format of covering letter of the annual audit report to be filed with the stock exchanges**

(SEBI Circular No. CIR/CFD/DIL/7/2012, dated 13 August, 2012)

1. Name of the Company : BF INVESTMENT LIMITED


2. Annual financial statements  
for the year ended : 31<sup>st</sup> March, 2015

3. Type of Audit observation : Un-qualified

4. Frequency of observation : Not Applicable

5. To be signed by –

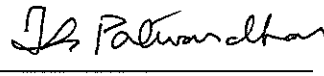
a) Director

:   
A. B. Kalyani (Director)

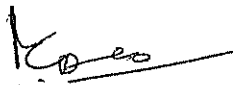
b) Audit Committee Chairman

:   
Mr. B. B. Hattarki  
(Audit Committee Chairman)

c) CEO / CFO

:   
J. G. Patwardhan

d) Auditor of the company

:   
P. V. Deo (Statutory Auditor)



# BF INVESTMENT LIMITED



**KALYANI**  
DRIVING INNOVATION

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## BOARD OF DIRECTORS

Mr. B. N. Kalyani	Chairman *
Mr. A. B. Kalyani	Non-Executive Director
Mr. B. B. Hattarki	Non-Executive Independent Director
Mr. M. U. Takale	Non-Executive Independent Director
Ms. A. A. Sathe	Additional Director **

\* Resigned w.e.f. 12<sup>th</sup> May, 2015

\*\* Appointment w.e.f. 31<sup>st</sup> March, 2015

## COMPANY SECRETARY

Mr. S.R. Kshirsagar

## CHIEF EXECUTIVE OFFICER / CHIEF FINANCIAL OFFICER

Mr. J.G. Patwardhan

## STATUTORY AUDITORS

Prashant V. Deo, Chartered Accountants

## SECRETARIAL AUDITORS

Mr. S.V. Deulkar Partner - SVD & Associates

## BANKERS

HDFC Bank Limited

## REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Private Limited  
'Akshay' Complex, Block No. 202, 2<sup>nd</sup> Floor,  
Near Ganesh Temple, Off Dhole Patil Road, Pune - 411 001  
Tel.: +91 (20) 2616 1629 / 2616 0084  
Fax: +91 (20) 2616 3503;  
Email: [pune@linkintime.co.in](mailto:pune@linkintime.co.in)

## REGISTERED OFFICE

BF Investment Limited  
Mundhwa, Pune Cantonment,  
Pune 411 036, Maharashtra, India.

## CORRESPONDANCE ADDRESS

Cyber City, Tower 15, Level 6, Office 602,  
Magarpatta City, Hadapsar, Pune- 411 013  
Phone: +91-20-6629 2550  
E-mail : [bfinvestment@vsnl.net](mailto:bfinvestment@vsnl.net)  
Website : <http://kalyanigroup.com/BFI.asp>  
CIN : L65993PN2009PLC134021

## INFORMATION FOR SHAREHOLDERS

Annual General Meeting  
Day & Date : Saturday, 19<sup>th</sup> September, 2015  
Time : 11.30 a.m.  
Venue : Kalyani Steels Ltd. Mundhwa, Pune - 411 036  
Date of Book Closure : 19<sup>th</sup> September, 2015



## BF INVESTMENT LIMITED

Registered Office : Mundhwa, Pune Cantonment, Pune 411 036.

CIN : L65993PN2009PLC134021

### NOTICE

NOTICE is hereby given that the Sixth Annual General Meeting of the Members of BF Investments Limited will be held at Kalyani Steels Ltd at Mundhwa, Pune 411 036 on Saturday, the 19<sup>th</sup> day of September, 2015 at 11.30 a.m. (IST), to transact the following business

#### ORDINARY BUSINESS :

##### ITEM NO.1:

To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2015 and the Reports of the Board of Directors and Auditors thereon.

##### ITEM NO.2:

To appoint a Director in place of Mr. A.B. Kalyani, (DIN : 00089430), who retires by rotation and being eligible offers himself for re-appointment.

##### ITEM NO.3:

1. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION :

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the appointment of Mr. Prashant V. Deo, Chartered Accountant, Pune (Membership No.041609), (who was appointed in the 5<sup>th</sup> Annual General Meeting, as Statutory Auditor for a period of three years upto the conclusion of the 8<sup>th</sup> Annual General Meeting to be held during the year 2017) be and is hereby ratified for the financial year 2015-16 as Statutory Auditor of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on such remuneration plus service tax thereon and reimbursement of out of pocket and travelling expenses etc. as may be mutually agreed between the Board of Directors of the Company and the auditors based on the recommendation of the Audit Committee."

#### SPECIAL BUSINESS :

##### ITEM NO. 4:

Appointment of Ms. Aarti A. Sathe as an Independent Director

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

"RESOLVED THAT pursuant to the provisions of Section 149, 152 and any other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Ms. Aarti A. Sathe (DIN 06925030), who has submitted a declaration that she meets the criteria for independence as prescribed in Section 149(6) of the Act and Clause 49 of the Listing Agreement and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (Five) consecutive years with effect from 19<sup>th</sup> September, 2015 to 18<sup>th</sup> September, 2020."

By Order of the Board of Directors  
For BF Investment Limited

Pune 411036  
22<sup>nd</sup> July, 2015

S. R. Kshirsagar  
Company Secretary  
Membership No. A23653

## NOTES :

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on a Poll instead of himself and the proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. In case, a Proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such Proxy shall not act as a Proxy for any other person or member.

The Instrument appointing proxy should, however, be deposited at the Registered Office of the Company duly completed and signed not less than forty-eight (48) hours before the commencement of the meeting.

2. A Statement pursuant to Section 102 of the Companies Act, 2013, relating to Special Business under Item No .4 of the Notice to be transacted at the Annual General Meeting is annexed hereto.
3. Corporate members are requested to send board resolution duly certified, authorising their representative to attend and vote on their behalf at the Annual General Meeting.
4. Members who hold shares in dematerialised form are requested to write their DP ID AND CLIENT ID numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the meeting to facilitate easy identification of membership at the meeting.
5. Members holding shares in dematerialised form are requested to intimate any change in their address, bank details, ECS details etc. to their respective Depository Participants and those holding shares in physical form are to intimate the said changes to the Registrar and Transfer Agent of the Company, at their address given below.
6. The Share Transfer Books and the Register of Members of the Company will remain closed on Saturday, 19<sup>th</sup> September, 2015, as an Annual Closure for Annual General Meeting.
7. Equity Shares of the Company are under compulsory demat trading by all investors. Those shareholders, who have not dematerialised their shareholding, are advised to dematerialise the same to avoid any inconvenience in future.
8. Brief Profile of Directors proposed to be appointed / re-appointed, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, are provided in the Report on Corporate Governance forming part of the Annual Report.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in dematerialised form are therefore requested to submit their PAN to the Depository Participants with whom they are maintaining the demat account. Members holding shares in physical form can submit their PAN details to the Registrar and Transfer Agent of the Company, at their address given below.
10. The Ministry of Corporate Affairs (MCA), Government of India, had taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and had issued circulars stating that service of notice / documents including Annual Report can be done by e-mail to its members.

To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of dematerialised holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to submit the same to the Registrar and Transfer Agent of the Company i.e. Link Intime India Private Limited, Block No. 202, 2<sup>nd</sup> Floor, Akshay Complex, Off Dhole Patil Road, Pune - 411 001, (Maharashtra), Telephone No. 020 2616 1629 / 2616 0084.

The Notice of the Annual General Meeting along with the Annual Report 2014-15 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company / Depositories, unless any member has requested for the physical copy of the same.

11. In case members wish to ask for any information about accounts and operations of the Company, they are requested to send their queries in writing at least 7 days in advance of the date of the meeting so that the information can be made available at the time of the meeting.
12. All documents referred to in the Notice or in the accompanying Statement are available for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, Sundays and public holidays, between 10.00 a.m. to 12.00 noon, prior to the date of the Annual General Meeting and also available for inspection at the meeting.

13. Pursuant to Section 72 of the Act read with the Companies (Share Capital and Debentures) Rules, 2014, members are entitled to make a nomination in respect of shares held by them in physical form. Shareholders desirous of making a nomination are requested to send their requests in Form No. SH - 13 in duplicate (which will be made available on request) to the Registrar and Share Transfer Agent of the Company.
14. 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 Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Sixth 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 Poling 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 Poling 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 16<sup>th</sup> September, 2015 (9:00 am) and ends on 18<sup>th</sup> September, 2015 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 12<sup>th</sup> September, 2015, 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; "BF\_investment\_e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
      - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
      - (iii) Click on Shareholder - Login
      - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
      - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
      - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
      - (vii) Select "EVEN" of "BF Investment 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 [deulkarcs@gmail.com](mailto:deulkarcs@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 Sixth AGM :

**EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN**

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

VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.

VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 12<sup>th</sup> September, 2015.

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. 12<sup>th</sup> September, 2015, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [pune@linkintime.co.in](mailto:pune@linkintime.co.in) .

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. 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. Mr. S. V. Deulkar, of SVD & Associates, Company Secretaries (Membership No. FCS 1321 & CP No. 965) 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 Sixth 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 "Poling 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 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 Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company <http://www.kalyanigroup.com/BFI.asp> 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 National Stock Exchange of India Ltd. and the Bombay Stock Exchange Ltd., Mumbai.

15. For members who wish to vote using Ballot Paper :

Pursuant to Clause 35B of the Listing Agreement, Members who do not have access to e-voting facility may fill in the Ballot Paper enclosed with the Notice (a copy of the same is also part of the soft copy of the Notice) and submit the same in a sealed envelope to the Scrutinizer appointed by the Board of Directors of the Company, Mr. S. V. Deulkar of SVD & Associates, Company Secretaries, at C/o BF Investment Limited, Secretarial Department, Cyber City, Tower 15, Level 6, Office 602, Magarpatta City, Hadapsar Pune 411 013 so as to reach not later than 18<sup>th</sup> September, 2015 by 6:00 p.m. Ballot Paper received thereafter will be treated as invalid.



16. A member shall opt for only one mode of voting i.e either through remote e-voting or by Ballot Paper or by Poling Paper. If the member casts vote through all the modes, the votes in the electronic system would be considered and the Ballot Paper and / or Poling Paper would be ignored.

17. In terms of Section 152 of the Companies Act, 2013, Mr. Amit B. Kalyani ( DIN : 00089430) Director retires by rotation at the Meeting and being eligible offers himself for reappointment. The information as required under Clause 49 of the Listing Agreement with the Stock Exchanges, with respect to the retiring director is as under:

Mr. A. B. Kalyani, aged 40 years, is a Mechanical Engineer from Bucknell University, Pennsylvania, USA and has been on the Board of BF Investment Limited since 2009. Mr. A.B. Kalyani is Executive Director of Bharat Forge Limited.

He initially worked with Kalyani Steels Ltd, followed by other companies within the group. He then joined Bharat Forge Limited in 1999 as Vice President and Chief Technology Officer, where he played a critical role responsible for implementing Unified MIS System SAP R3.

He later took charge of investor relations & fund raising such as GDR, FCCB, Rights Issue & ECB's, He was also instrumental in strategizing and execution of the several acquisitions that the group had in Germany.

Mr. Kalyani is currently an Executive Director on the board of Bharat Forge Limited, the flagship company of the Kalyani Group. While he is involved in the company's strategic planning & global business development initiatives, Mr. Kalyani also takes care of the overall group strategy and is responsible for the expansion of its steel business and driving the infrastructure business foray of the group.

Mr. A.B. Kalyani is a member of Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Share Transfer Cum Shareholders' / Investors' Grievance and Risk Management Committee.

Directorships / Committee memberships / Chairmanships of Mr. A.B. Kalyani in other companies are as under:

Name of the Company	Board position held	Name of the Committees	Chairman/ Member
Bharat Forge Limited	Executive Director	-	-
Kalyani Steels Limited	Director	-	-
BF Utilities Limited	Director	Audit Committee	Member
Kalyani Investment Co. Limited	Chairman	-	-
BF-NTPC Energy Systems Limited	Director	-	-
Hikal Limited	Director	-	-
BF Elbit Advanced systems Private Limited	Director	-	-

Mr. A.B. Kalyani is holding 28,270 equity shares of 5/- each of the Company. He is not related to any other Director who is presently on the Board of the Company.

Save and except, Mr. A.B. Kalyani, to the extent of his shareholding interest, if any, in the Company, none of other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, in the said resolution.

The Board recommends the Ordinary Resolution set out at Item No. 2 of the Notice for approval by the shareholders.

18. Disclosure of Shareholding of Directors recommended by the Board of Directors for Appointment / Re-appointment at the Annual General Meeting pursuant to Clause 49 of the Listing Agreement :

Sr.No.	Name of Director	No. of Shares held
1	Mr. A. B. Kalyani	28270
2	Ms. Aarti A. Sathe	Nil

By Order of the Board of Directors  
For BF Investment Limited

Pune 411036  
22<sup>nd</sup> July, 2015

S. R. Kshirsagar  
Company Secretary  
Membership No. A23653

Registrar and Transfer Agent

LINK INTIME INDIA PRIVATE LIMITED  
Block No.202, 2<sup>nd</sup> Floor, Akshay Complex, Off Dhole Patil Road,  
Near Ganesh Mandir, Pune - 411 001  
Tel-020 2616 1629 / 26160084, E-mail: pune@linkintime.co.in

## ANNEXURE TO THE NOTICE

### Explanatory Statement as required by Section 102 of the Companies Act, 2013

As required by Section 102 (1) of the Companies Act, 2013 and pursuant to Clause 49 of the Listing Agreement, the following Statement sets out all material facts relating to Item No. 4 in the accompanying Notice dated 22<sup>nd</sup> July, 2015 of Annual General Meeting of the Company to be held on Saturday, the 19<sup>th</sup> day of September, 2015 at 11.30 a.m. at Kalyani Steels Ltd., at Mundhwa, Pune 411 036.

#### ITEM NO. 4 OF THE NOTICE:

The Board of Directors of the Company in its meeting held on 31<sup>st</sup> March, 2015 had appointed Ms. Aarti Sathe as an additional director on the Board of the Company to hold office upto the conclusion of the ensuing Annual General Meeting.

Ms. Sathe has submitted a declaration that she meets the criteria for independence as prescribed in Section 149(6) of the Act and Clause 49 of the Listing Agreement and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, is proposed to be appointed as an Independent Director on the Board of the Company.

Ms. Aarti A. Sathe, is a Master in Laws in Constitutional & Administrative Laws from University of Mumbai. She is presently an Independent Counsel and appears before various quasi judicial bodies such as Income Tax Appellate Tribunal, Customs, Excise and Service Tax Appellate Tribunal, etc. She also appears as a Counsel in Bombay High Court before the tax bench for tax Appeals, writs, etc., before Authority of Advance Rulings in International tax matters and also before the Supreme Court in tax matters.

Ms. Sathe has wide experience in direct and indirect taxation, international taxation, FEMA, etc.

Her articles and case law updates are published in the Income Tax Review, a publication of the Chamber of Tax Consultants, Mumbai. Earlier, she was a visiting Faculty on Direct Taxes in Mergers & Acquisitions at Symbiosis Institute of Management Pune.

Directorships / Committee memberships / Chairmanships of Ms. Aarti Sathe in other companies are as under:

Name of the Company	Board position held	Name of the Committees	Chairman/ Member
BF Utilities Limited	Director	NIL	NA

Ms. Sathe does not hold any shares of the Company. She is not related to any other Director on the Board of the Company.

Save and except, Ms. Sathe, to the extent of her shareholding interest, if any, in the Company, none of other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, in the said resolution.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

By Order of the Board of Directors  
For BF Investment Limited

Pune 411036  
22<sup>nd</sup> July, 2015

S. R. Kshirsagar  
Company Secretary  
Membership No. A23653

## REPORT ON CORPORATE GOVERNANCE *(Pursuant to Clause 49 of the Listing Agreement)*

### 1. The Company's philosophy on Code of Corporate Governance

The Securities and Exchange Board of India (SEBI) has prescribed a set of standards on corporate governance for the listed companies.

The Company has included a compliance report on Corporate Governance in its Annual Report in the spirit of transparency in management and best board practices. This Chapter of the report, plus the information given under 'Management Discussion and Analysis' and 'Shareholder Information' constitute such a compliance report on corporate governance during 2014-2015.

### 2. Board of Directors

#### a. Composition of the Board

As at 31<sup>st</sup> March 2015, the Board comprised of five Directors. The Composition of the Board is as under:

Category of Directors	No. of Directors
Executive	Nil
Non-Executive and Independent	3
Non-Executive and Non-Independent	2
Total	5

#### b. Number of Board Meetings

During the Financial Year under review, six Board Meetings were held on 29<sup>th</sup> May, 2014, 13<sup>th</sup> August, 2014, 20<sup>th</sup> October, 2014, 3<sup>rd</sup> February, 2015, 12<sup>th</sup> March, 2015 and 31<sup>st</sup> March, 2015.

#### c. Director's attendance record and directorships held

The information on composition and category of the Board of Directors as on 31<sup>st</sup> March, 2015, attendance of each Director at Board Meetings held during the Financial Year 2014-15 and the Annual General Meeting (AGM) held on 16<sup>th</sup> September, 2014, Directorships and Committee positions in other public companies of which the Director is a Member / Chairman and the shareholding of Non-Executive Directors is as follows:

Sr. No.	Name of Director	No. of shares held by Non-Executive Directors	No. of Directorships in other public companies #	No. of Committee positions held in other public companies***		No. of Board Meetings held	Attendance at the meetings	
				Chairman	Member		Board	AGM
	Executive Director	NA	NA	NA	NA	NA	NA	NA
	N.A.							
	Non-Executive Directors							
1	Mr. B. N. Kalyani * ®	7204	9	2	3	6	5	0
2	Mr. A. B. Kalyani ®	28270	7	0	1	6	3	1
	Independent and Non-Executive Directors							
3	Mr. B. B. Hattarki	0	8	4	3	6	5	1
4	Mr. M. U. Takale	0	3	0	0	6	5	1
5	Ms. A. A. Sathe **	0	1	0	0	6	0	0

Note:

® Promoters within the meaning of Securities Exchange Board of India (SEBI) (Substantial Acquisition of Shares & Takeover) Regulations, 2011.

# Other Directorships exclude directorships in private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013.

\*\*\* For this purpose only Audit and Stakeholders' Relationship Committees of the Public Limited Companies have been considered as per Clause 49 of the Listing Agreement.

\* Resigned as Director of the Company w.e.f. 12<sup>th</sup> May, 2015

\*\* Appointed as Additional Director w.e.f. 31<sup>st</sup> March, 2015

**d. Criteria for performance evaluation**

The Nomination and Remuneration Committee lays down the criteria for performance evaluation of all Directors. The annual evaluation of Directors is made on the following criteria:

- i. Attendance for the meetings and participation during the meetings;
- ii. Interaction with the Company's management team;
- iii. Area of expertise; and
- iv. Knowledge and proficiency in various subjects.

**e. Meeting of Independent Directors**

The meeting of Independent Directors' was held on Thursday, 12<sup>th</sup> March, 2015 to discuss, inter-alia the performance of the Company, the MIS provided to the Board from time-to-time.

**f. Familiarization program for Independent Directors**

The Independent Directors are given the MIS presentation on the operation of the Company. The quarterly and annual accounts are discussed and explained in details.

Information is given on regular basis concerning the areas of operation of the Company.

For details refer to our website at <http://kalyanigroup.com/BFI.asp>

**g. Code of Conduct**

The Company has laid down a Code of Conduct for all Board Members and Senior Management Personnel. The Code of Conduct is available on the Company's website viz., <http://kalyanigroup.com/BFI.asp>. All the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct. A declaration to this effect signed by the CEO forms part to this Report.

**h. Information supplied to the Board**

1. Annual operating plans and budgets, capital budgets, updates.
2. Quarterly results of the company.
3. Minutes of meetings of committees.
4. Compliance of any regulatory, statutory nature or listing requirements and shareholder services

The Board is presented with detailed notes along with the agenda papers.

**e. Directors with materially pecuniary or business relationship with the Company**

There has been no materially relevant pecuniary transaction or relationship between the Company and its non executive and / or independent Directors for the period under report.

**3. Audit Committee**

**a. Composition**

As at 31<sup>st</sup> March, 2015, the Audit Committee comprises of Three Non-Executive Directors, majority of whom are Independent. The Company Secretary acts as the Secretary to the Committee. The representatives of Statutory Auditors are also invited to the meetings.

During the Financial Year under review, Four meetings of the Committee were held on 29<sup>th</sup> May, 2014, 13<sup>th</sup> August, 2014, 20<sup>th</sup> October, 2014, 3<sup>rd</sup> February, 2015.

The composition of the Committee and attendance at its meetings is given below:

	Name of the Director	Category	Meetings attended
1.	Mr. B. B. Hattarki (Chairman)	Independent Director	3
2.	Mr. A. B. Kalyani	Non Executive Director	2
3.	Mr. M. U. Takale	Independent Director	4

**b. Terms of Reference**

The terms of reference of the Audit Committee include the matters specified under Clause 49 (III) of the Listing Agreement entered into with the stock exchanges as well as those in Section 177 of the Companies Act, 2013. Some of these are listed as under :

- i) recommendation for appointment, remuneration and terms of appointment of auditors of the company;

- ii) review and monitor the auditor's independence and performance, and effectiveness of audit process;
- iii) examination of the financial statements and the auditors' report thereon;
- iv) approval or any subsequent modification of transactions of the company with related parties;
- v) scrutiny of inter-corporate loans and investments;
- vi) valuation of undertakings or assets of the company, wherever it is necessary;
- vii) evaluation of internal financial controls and risk management systems;
- viii) monitoring the end use of funds raised through public offers and related matters
- ix) Reviewing of the Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible;
- x) Reviewing with management the annual financial statements before submission to the Board;
- xi) Reviewing with the management, external auditors and internal auditor, the adequacy of internal control systems;
- xii) Discussing with internal auditor any significant finding and follow up on such issues;
- xiii) Discussing with the external auditors before the audit commences on the nature and scope of audit, as well as having post audit discussion to ascertain any areas of concern;
- xiv) Reviewing any changes in accounting policies or practices as compared to last completed financial year and commenting on any deviation from accounting standards;
- xv) Reviewing details of related party transactions exceeding 1% of last year's turnover;
- xvi) Reviewing the Company's financial and risk management policies;

**c. Powers of Audit Committee**

- a. To investigate any activity within its terms of reference;
- b. To seek information from any employee;
- c. To obtain outside legal or other professional advice;
- d. To secure attendance of outsiders with relevant expertise, if it considers necessary.

**4. Nomination and Remuneration Committee**

**a. Composition**

The Nomination and Remuneration Committee comprises of three Non - Executive Directors, majority of whom are Independent. The composition is in conformity with the Companies Act, 2013 and Clause 49 of the Listing Agreement entered into with the stock exchanges in which the Company's Equity Shares are listed.

During the Financial Year under review, One meeting of the Committee was held on 31<sup>st</sup> March, 2015.

The composition of the Committee and attendance at its meetings is given below:

Sr. No.	Name of the Member	Category	Number of meetings attended
1.	Mr. B. B. Hattarki, Chairman	Independent Director	1
2.	Mr. A. B. Kalyani	Non Executive Director	1
3.	Mr. M. U. Takale	Independent Director	1

**b. Terms of Reference**

The terms of reference of the Nomination and Remuneration Committee include the matters specified under Clause 49 (IV) of the Listing Agreement entered into with the stock exchanges as well as those in Section 178 of the Companies Act, 2013 and *inter-alia* includes the following:

- i. Formulate the criteria for determining qualifications, positive attributes and independence of the director.
- ii. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management position in accordance with the criteria laid down in this Policy.
- iii. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

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**c. Remuneration to Directors**

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a Policy for selection and appointment of Directors, Key Managerial Personnels, Senior Management and their remuneration. The copy of the same has been attached as 'Annexure II' to the Directors' Report.

The members at the Annual General Meeting of the Company held on 16<sup>th</sup> September, 2014, approved the payment of commission to the Non-Executive Directors, at the rate of 1% of the net profits of the Company computed in the manner laid down in Sections 197 and 198 of the Companies Act, 2013.

**Details of the remuneration paid to the Directors during Financial Year 2014-15 :**

None of the directors of the Company is in receipt of any kind of remuneration.

**d. BOARD DIVERSITY AND REMUNERATION POLICY**

The Board on recommendation of the Nomination and Remuneration Committee, on 31<sup>st</sup> March, 2015, has approved Board Diversity and Remuneration Policy and the same is available on the Company's website <http://kalyanigroup.com/BFI.asp>. The Policy provides for criteria for determining qualifications, positive attributes & independence of director as well as remuneration policy for directors, key managerial personnel and other employees.

In terms of the said Policy, a director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the Company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the Company in implementing the best corporate governance practices. An Independent director should also meet the requirements of the Companies Act, 2013 and Clause 49 of the Listing Agreement concerning independence of directors.

**Remuneration to Non-Executive Directors**

The Non-Executive Directors draw remuneration in the form of commission, upto an aggregate amount not exceeding 1% of the net profits of the Company for the year, as may be decided by the Board of Directors from time to time.

**Remuneration to Key Managerial Personnel and other Employees**

Remuneration to Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals. The Remuneration will be such, so as to ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

**5. Share Transfers Cum Shareholders' / Investors' Grievance and Stake Holders' Relationship Committee**

The Share Transfer Cum Shareholders' / Investors' Grievance and Stake Holders' Relationship Committee has been constituted to look into investor's complaints like transfer of shares, non-receipt of Balance Sheet etc. and redressal thereof. The Committee is headed by Mr. B.B. Hattarki, Independent Director, with Mr. M.U. Takale, Independent Director and Mr. A.B. Kalyani, Director being the other Members of the Committee.

During the Financial Year under review, Nineteen Share Transfers Cum Shareholders' / Investors' Grievance and Stake Holders Relationship Committee Meetings were held. The present Committee members attended the said Meeting.

Mr. S.R. Kshirsagar, Company Secretary is the Compliance Officer.

The Compliance Officer can be contacted at:

**BF Investment Limited**

Cyber City, Tower 15, Level 6, Office 602,  
Magarpatta City, Hadapsar,  
Pune 411 013  
Tel.: (020) 66292550  
E-mail: [bfinvestment@vsnl.net](mailto:bfinvestment@vsnl.net)

With reference to Clause 47(f) of the Listing Agreement, the Company has designated exclusive e-mail id for the investors as [bfinvestment@vsnl.net](mailto:bfinvestment@vsnl.net) to register their grievances, if any. This has been initiated by the Company to resolve such Investors' Grievances immediately. The Company has displayed the said e-mail id on its website for the use of investors.

During the year ended 31<sup>st</sup> March 2015, three complaints were received and replied to the satisfaction of the shareholders and there were no complaints outstanding as on 31<sup>st</sup> March 2015.

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Considering the requirement of the Companies Act, 2013, the Board on 29<sup>th</sup> May, 2014 constituted 'Corporate Social Responsibility (CSR) Committee'. The Committee comprises of Mr. B. B. Hattarki, Chairman, Mr. B. N. Kalyani and Mr. A. B. Kalyani Non-Executive Directors. During the year 2014-15, the Corporate Social Responsibility Committee met on 20<sup>th</sup> October, 2014 and 31<sup>st</sup> March, 2015.

Role of CSR Committee :

Formulation and recommendation to the Board, Corporate Social Responsibility Policy, which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.

Recommend the amount of expenditure to be incurred on the activities referred above.

Monitor Corporate Social Responsibility Policy of the Company from time to time.

The Committee's core responsibility is to assist the Board in discharging its social responsibility by formulating and monitoring implementation of the framework of the CSR Policy. The Board on recommendation of the CSR Committee, on 20<sup>th</sup> October, 2014 has approved CSR Policy for the Company and the same is available on the Company's website <http://kalyanigroup.com/BFI.asp>

Particulars relating to the attendance at the CSR Committee meetings held during the year are given below :

Name of the Director	Category	No. of meetings held	No. of meetings attended
Mr. B. B. Hattarki	Independent	2	2
Mr. A. B. Kalyani	Non Executive	2	2
Mr. B. N. Kalyani	Non Executive	2	2

## RISK MANAGEMENT COMMITTEE

The Company recognises that risk is an integral and unavoidable component of business and is committed to managing the risk in a proactive and efficient manner. The Company has formulated Risk Management Policy to identify and then manage threats / risks that could have impact on the goals and objectives of the Company.

Considering the requirement of the Companies Act, 2013, the Board on 29<sup>th</sup> May, 2014, has also constituted 'Risk Management Committee' to identify, monitor and minimise risks as also identify business opportunities. Within the framework of the Risk Management Policy, the Committee shall review risks trends, exposure, potential impact analysis and mitigation plan. The Committee comprises of Mr. B. B. Hattarki, Mr. M. U. Takale and Mr. Amit B. Kalyani, Directors of the Company. No meeting of the Committee was held during the year.

## 6. General Body Meeting

Previous General Meetings of the shareholders of the Company were held as under:

Financial Year	Date	Type of Meeting	Venue	Time
2011-12	28 <sup>th</sup> July, 2012	Annual General Meeting	Kalyani Steels Ltd., Pune 411036	3.30 P.M.
2012-13	24 <sup>th</sup> July, 2013	Annual General Meeting	Kalyani Steels Ltd., Pune 411036	3.30 P.M.
2013-14	16 <sup>th</sup> September 2014	Annual General Meeting	Kalyani Steels Ltd., Pune 411036	3.30 P.M.

In the previous General Meetings, no Special Resolution was proposed for approval of shareholders.

No Resolutions passed at the above General Meetings were required to be passed through postal ballot.

During the year, Company has not conducted any Postal Ballot process.

At present, no resolution is proposed to be passed by postal ballot at the ensuing Annual General Meeting.

## 7. DISCLOSURES

### i. Mandatory Requirements

The Company has complied with the mandatory requirements of Clause 49 of the Listing Agreement.

### a. Related Party Transactions

During the Financial Year under review, there was no materially significant related party transaction made by the Company, as defined in Clause 49 of the Listing Agreement, that may have potential conflict with the interest of the Company at large. Transactions with the related parties are disclosed in Note no. 3.25 to the Financial Statements in the Annual Report.



**b. Details of capital market non-compliance, if any**

There have been no instances of non-compliances by the Company on any matters related to capital markets, during the last three years. Neither penalties have been imposed nor any strictures imposed on the Company by the Stock Exchanges, the Securities Exchange Board of India (SEBI) or any other statutory authority, on any matter related to capital markets.

**c. Whistle Blower Policy**

The Company has formulated and implemented the Whistle Blower Policy / Vigil Mechanism. This has provided a mechanism for Directors and Employees of the Company and other persons dealing with the Company to report to the Chairman of the Audit Committee; any instance of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct. The aforesaid policy has also been uploaded on the Company's website at <http://kalyanigroup.com/BFI.asp>.

**d. Policy for determining 'material' subsidiaries**

As required under Clause 49 (V) of the Listing Agreement, the Company has formulated a policy for determining 'material' subsidiaries, which has been put up on the website of the Company at <http://kalyanigroup.com/BFI.asp>.

**e. Related Party Transactions Policy**

As required under Clause 49 (VIII) of the Listing Agreement, the Company has formulated a Related Party Transactions Policy which has been put on the website of the Company at <http://kalyanigroup.com/BFI.asp>.

**f. Disclosure by Management to the Board**

All disclosures relating to financial and commercial transactions where Directors may have a potential interest are provided to the Board and the interested Directors do not participate in the discussions nor do they vote on such matters.

**ii. Non-Mandatory Requirements**

The extent of adoption of non-mandatory requirements is as follows:

**a. Shareholders' Rights**

Since the Company publishes its quarterly results in newspapers (English and Marathi) having wide circulation, and since the results are also displayed on the website of the Company and the Stock Exchanges, the Company does not send any communication of half yearly performance to the shareholders.

**b. Statutory Auditors qualifications**

There are no qualifications on the Financial Statements of the Company for the year ended 31 March 2015, made by the Statutory Auditor in their Audit Report.

**iii. Other Requirements**

**Disclosure under Clause 5A II of the Listing Agreement in respect of unclaimed shares**

The Company sends communications to shareholders to update their communication address with the company so as to dispatch the unclaimed share certificates.

As on 31<sup>st</sup> March, 2015, the total unclaimed equity shares are 146,805, the share certificates of which have been returned undelivered.

**8. PARTICULARS OF RE-APPOINTMENT OF DIRECTORS**

The brief resumes and other details relating to the Directors who are proposed to be re-appointed, as required to be disclosed under Clause 49 of the Listing Agreement, are as under :

In terms of Section 152 of the Companies Act, 2013, Mr. Amit B. Kalyani (DIN : 00089430) Director retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

Mr. A. B. Kalyani, aged 40 years, is a Mechanical Engineer from Bucknell University, Pennsylvania, USA and has been on the Board of BF Investment Limited since 2009. Mr. A.B. Kalyani is Executive Director of Bharat Forge Limited.

He initially worked with Kalyani Steels Ltd, followed by other companies within the group. He then joined Bharat Forge in 1999 as Vice President and Chief Technology Officer, where he played a critical role responsible for implementing Unified MIS System SAP R3.

He later took charge of investor relations & fund raising such as GDR, FCCB, Rights Issue & ECB's, He was also

instrumental in strategizing and execution of the several acquisitions that the group had in Germany.

Mr Kalyani is currently an Executive Director on the board of Bharat Forge Limited, the flagship company of the Kalyani Group. While he is involved in the company's strategic planning & global business development initiatives, Mr Kalyani also takes care of the overall group strategy and is responsible for the expansion of its steel business and driving the infrastructure business foray of the group.

Mr. A.B. Kalyani is a member of Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Share Transfer Cum Shareholders' / Investors' Grievance and Risk Management Committee.

Directorships / Committee memberships / Chairmanships of Mr. A.B. Kalyani in other companies are as under:

Name of the Company	Board position held	Name of the Committees	Chairman/ Member
Bharat Forge Limited	Executive Director	-	-
Kalyani Steels Limited	Director	-	-
BF Utilities Limited	Director	Audit Committee	Member
Kalyani Investment Co. Limited	Chairman	-	-
BF-NTPC Energy Systems Limited	Director	-	-
Hikal Limited	Director	-	-
BF Elbit Advanced systems Private Limited	Director	-	-

Mr. A.B. Kalyani is holding 28,270 equity shares of 5/- each of the Company. He is not related to any other Director who is presently on the Board of the Company.

The Board of Directors of the Company in its meeting held on 31<sup>st</sup> March, 2015 had appointed Ms. Aarti Sathe as an additional director on the Board of the Company to hold office upto the conclusion of the ensuing Annual General Meeting.

Ms. Sathe has submitted a declaration that she meets the criteria for independence as prescribed in Section 149(6) of the Act and Clause 49 of the Listing Agreement and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, is proposed to be appointed as an Independent Director on the Board of the Company.

Ms. Aarti A. Sathe, is a Master in Laws in Constitutional & Administrative Laws from University of Mumbai. She is presently an Independent Counsel and appears before various quasi judicial bodies such as Income Tax Appellate Tribunal, Customs, Excise and Service Tax Appellate Tribunal, etc. She also appears as a Counsel in Bombay High Court before the tax bench for tax Appeals, writs, etc., before Authority of Advance Rulings in International tax matters and also before the Supreme Court in tax matters.

Ms. Sathe has wide experience in direct and indirect taxation, international taxation, FEMA, etc.

Her articles and case law updates are published in the Income Tax Review, a publication of the Chamber of Tax Consultants, Mumbai. Earlier, she was a visiting Faculty on Direct Taxes in Mergers & Acquisitions at Symbiosis Institute of Management Pune.

Directorships / Committee memberships / Chairmanships of Ms. Aarti Sathe in other companies are as under:

Name of the Company	Board position held	Name of the Committees	Chairman/ Member
BF Utilities Limited	Director	NIL	NA

Ms. Sathe does not hold any shares of the Company. She is not related to any other Director on the Board of the Company.

## 9. MEANS OF COMMUNICATION

### a. Quarterly results

The Quarterly and Half Yearly and Annual Results are published in national and local newspapers, namely The Financial Express (English) and Loksatta (Marathi), having wide circulation. Since the Results of the Company are published in the newspapers, half yearly reports are not sent individually to the shareholders.

The Company's Results and official news releases are displayed on the Company's website namely <http://kalyanigroup.com/BFI.asp>.

### b. The NSE Electronic Application Processing System (NEAPS) of the National Stock Exchange of India Ltd. (NSE) and BSE Corporate Compliance and Listing Centre (the 'Listing Centre') of the BSE Ltd. (BSE)

The NEAPS and the Listing Centre of BSE are web based application designed by NSE and BSE respectively for corporates. All periodical compliance filings like Shareholding Pattern, Corporate Governance Report, Quarterly Results etc. are filed electronically on NEAPS and the Listing Centre of BSE.

### c. MANAGEMENT DISCUSSION AND ANALYSIS

The para on Management Discussion and Analysis in the Directors' Report forms part of this Report on Corporate Governance.

## 10. GENERAL SHAREHOLDER INFORMATION

### a. Annual General Meeting

Corporate Identification Number (CIN)	L65993PN2009PLC134021
Annual General Meeting	Date : Saturday, 19 <sup>th</sup> September, 2015, Time : 11.30 a.m.Venue : Kalyani Steels Ltd., Mundhwa, Pune - 411 036, Maharashtra, India
Book Closure	Saturday, 19 <sup>th</sup> September, 2015 as annual closure for the AGM.
Last date of receipt of proxy forms	17 <sup>th</sup> September, 2015
Financial Year 2014-15	During the year the financial results were announced as under: First quarter : 13 <sup>th</sup> August, 2014 Second quarter : 20 <sup>th</sup> October, 2014 Third quarter : 3 <sup>rd</sup> February, 2015 Annual : 21 <sup>st</sup> May, 2015
International Security Identification Number (ISIN)	INE878K01010
Bombay Stock Exchange Limited (BSE)	533303
National Stock Exchange of India Limited, (NSE)	BFINVEST
Designated E-mail address for investor services	bfinvestment@vsnl.net
Correspondence Address	Cyber City, Tower 15, Level 6, Office 602, Magarpatta City, Hadapsar Pune 411 013

### b. Shareholding Pattern as on 31<sup>st</sup> March 2015

	Category	No. of Shares	% of Shareholding
1.	Promoter and Promoter Group	27,386,976	72.71%
2.	Mutual Funds / UTI	296,735	0.79%
3.	Financial Institutions / Banks	20,871	0.06%
4.	Bodies Corporate	3,277,008	8.70%
5.	Foreign Institutional Investors	24,023	0.06%
6.	Clearing Members	199,599	0.53%
7.	Non Resident Indians	106,810	0.28%
8.	General Public	6,355,606	16.87
	<b>Total</b>	<b>37,667,628</b>	<b>100.00%</b>

c. Distribution of Shareholding as on 31<sup>st</sup> March 2015

Pattern of shareholding by share class as on 31 <sup>st</sup> March, 2015			
Shareholding class	No. of shareholders	No. of shares Held	Shareholding %
Up to 5000	23,860	4,023,980	10.69
5001 to 10000	99	693,716	1.84
10001 to 20000	39	524,410	1.39
20001 to 30000	5	133,884	0.36
30001 to 40000	7	233,741	0.62
40001 to 50000	4	178,500	0.47
50001 to 100000	17	1,236,336	3.28
100001 and above	21	30,643,064	81.35
<b>TOTAL</b>	<b>24,052</b>	<b>37,667,628</b>	<b>100.00</b>
Dematerialisation of shares and liquidity (as on 31 <sup>st</sup> March 2015)	<b>35,263,678</b> (representing 93.62% of the total issued share capital)		
Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity	The Company has not issued GDRs / ADRs / Warrants or any Convertible instruments.		

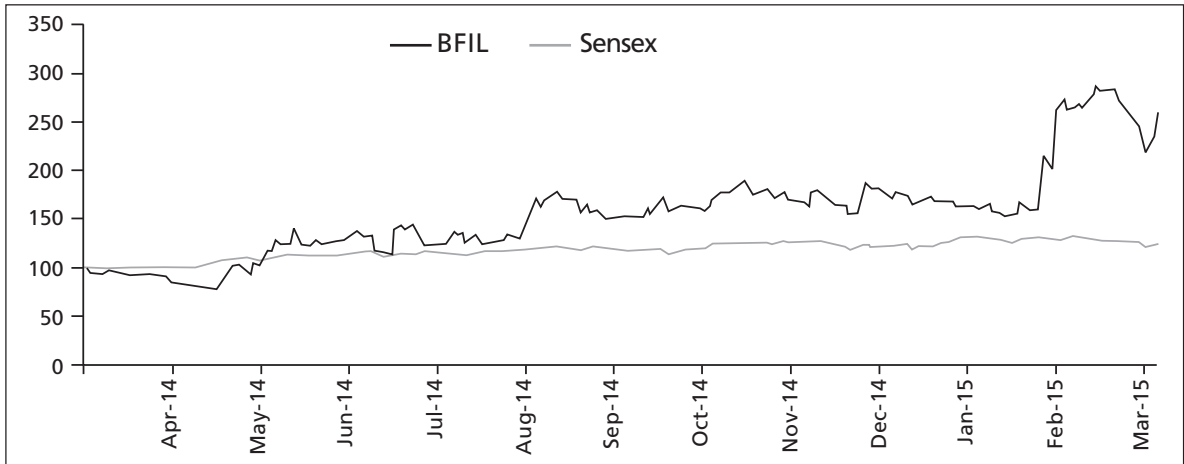
d. Market Price Data

Monthly high / low during the year 2014-15 on the BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE) are as under:

Stock Exchange	BSE			NSE		
	High	Low	Traded Volume	High	Low	Traded Volume
Apr-14	69.50	54.30	599,496	70.60	54.60	858,093
May-14	73.60	50.00	722,415	73.80	50.30	977,004
Jun-14	97.05	67.55	1,280,959	97.30	66.40	1,970,772
Jul-14	97.00	72.00	1,287,457	96.80	72.35	1,527,265
Aug-14	95.45	79.20	724,750	96.00	78.60	707,300
Sep-14	122.70	95.00	1,299,986	121.90	95.40	2,402,041
Oct-14	122.00	96.75	688,951	122.40	98.25	1,168,998
Nov-14	129.30	109.10	592,531	130.00	108.70	898,599
Dec-14	129.50	99.40	946,510	129.50	98.30	2,175,775
Jan-15	120.00	103.60	224,287	119.95	103.05	520,406
Feb-15	188.80	98.60	1,562,280	189.00	99.50	3,720,772
Mar-15	198.70	134.80	1,216,609	199.15	133.95	2,961,653

e. Performance in comparison to broad-based indices - BSE Sensex

Quotes on BSE Sensex Index



f. Share Transfer System

I. The applications for transfer of shares lodged at the Company's Registrar and Share Transfer Agents in physical form are processed within 15 days of receipt of valid and complete documents in all respects. After such processing, the Registrar and Share Transfer Agent will issue share certificate to the concerned shareholder within 15 days of receipt of certificate for transfer. Shares under objection are returned within a stipulated period of time. The transfer applications are approved periodically by the senior management of the Company.

II. Pursuant to the Listing Agreement, a certificate on half yearly basis is issued by the Practicing Company Secretary for compliance with share transfer formalities by the Company.

III. Registrar and Share Transfer Agent (R&T Agent)

The entire work of the Company, relating to processing of transfer of shares has been given to an outside agency i.e., Link Intime India Private Limited being a SEBI Registered R & T Agent. The contact details are as follows -

Link Intime India Private Limited  
Registrar & Transfer Agent  
Block No. 202, 2<sup>nd</sup> Floor, Akshay Complex,  
Off Dhole Patil Road, Pune 411 001.  
Phone No.: 020-26161629 Fax No.020-26163503  
Email : pune@linkintime.co.in

IV. Shareholder References

(a) Permanent Account Number (PAN)

Shareholders holding shares in the physical form are informed that as per SEBI's Guidelines, it is mandatory to furnish copy of PAN Card in the following cases:

- i. Transferees' PAN Cards for transfer of shares,
- ii. Surviving joint holders' PAN Cards for deletion of name of deceased shareholder,
- iii. Legal heirs' PAN Cards for transmission of shares,
- iv. Joint holders' PAN Cards for transposition of shares.

(b) Email Address

In order to enable us to further extend our support towards paperless compliance as a part of Green Initiative in the Corporate Governance, which was introduced by the Ministry of Corporate Affairs (MCA) in the year 2011, the shareholders who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses.

In respect of shares held in physical form, shareholders are requested to register their e-mail addresses with the Company / R & T Agent (with Depository Participants in case of shares held in dematerialized form).

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**(c) Dematerialization of shares**

Shareholders are requested to dematerialize their physical share holdings through any of the nearest Depository Participants (DPs) in order to avoid hassles involved with physical shares such as possibility of loss / mutilation of share certificate(s), and to ensure safe and speedy transaction in securities.

**(d) Register Your National Electronic Clearing Services (NECS) Mandate**

The Reserve Bank of India (RBI) has initiated NECS for credit of Dividend directly to the Bank Account of shareholders. Shareholders holding shares in electronic mode are requested to register their latest Bank Account details with their Depository Participant and in physical form with the Company's R & T Agent viz. Link Intime India Private Limited.

**(e) Address for correspondence**

Shareholders' correspondence should be addressed to Link Intime India Private Limited, Registrar and Share Transfer Agent, at the address mentioned above. Shareholders can also email their queries / grievances to the following email address: bfinvestment@vsnl.net.

**(f) CEO / CFO Certification**

The CEO / CFO Certificate signed by Mr. J.G. Patwardhan, CEO & CFO was placed before the meeting of the Board of Directors held on 22<sup>nd</sup> July, 2015.

**CAUTIONARY STATEMENT**

Statements in this Report, particularly those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

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**DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT**

**To the members of BF Investment Limited**

Pursuant to Clause 49 (II) (E) of the Listing Agreement, I hereby declare that all the Board Members and Senior Management Personnel are aware of the provisions of the Code of Conduct laid down by the Board as made effective from 1<sup>st</sup> April, 2014.

All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct.

**For BF Investment Limited**

Sd/-

**J.G. Patwardhan**  
Chief Financial Officer  
DIN : 00089919

Pune : 22<sup>nd</sup> July, 2015

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## AUDITOR'S CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of BF Investment Limited

I have examined the compliance of conditions of corporate governance by **BF INVESTMENT LIMITED**("the Company") for the year ended 31<sup>st</sup> March, 2015, as stipulated in Clause 49 of the Listing Agreement(s) entered into by the Company with the Stock Exchanges in India.

The compliance of conditions of corporate governance is the responsibility of the Company's management. My examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of the Chartered Accountants of India and was limited to review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit, nor an expression of an opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given and the representations made to me by the management, I certify that, the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement(s).

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

Prashant V. Deo  
Chartered Accountant

Sd/-

P.V. Deo  
Partner

Membership No. 41609

Pune: 22<sup>nd</sup> July, 2015.

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## TO THE BOARD OF DIRECTORS OF BF INVESTMENT LIMITED

### CERTIFICATION BY DIRECTOR AND CHIEF FINANCIAL OFFICER OF THE COMPANY

We, the undersigned, in our respective capacities as Director, Chief Executive Officer and Chief Financial Officer, of BF Investment Limited, ("the Company") to the best of our knowledge and belief certify that:

- a) We have reviewed financial statements and the cash flow statement for 2014-15 and that to the best of our knowledge and belief:
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2014-15 which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
  - i) Significant changes in internal control over financial reporting during the year;
  - ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii) Instances of significant fraud of which we are aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Pune: 22<sup>nd</sup> July, 2015.

J. G. PATWARDHAN  
CEO & CFO

A. B. KALYANI  
Director

## DIRECTORS' REPORT

To,

The Members,

Your Directors have pleasure in presenting their Sixth Annual Report on the business and operations of the Company together with Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2015.

### FINANCIAL PERFORMANCE :

Particulars	(Rs. in Million)	
	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
Total Income	207.31	229.16
Total Expenditure	16.76	24.77
<b>Profit before taxation</b>	<b>190.56</b>	<b>214.25</b>
Provision for tax (including Deferred Tax)	3.05	14.79
<b>Net Profit</b>	<b>187.51</b>	<b>199.46</b>
Balance of Profit/(Loss) from previous year	3,259.24	3,099.67
Add Profit for the year	187.51	199.46
<b>Balance available for appropriation</b>	<b>3,446.75</b>	<b>3,299.13</b>
<b>Appropriations :</b>		
Transfer to Reserve Fund in terms of Section 45-IC of the Reserve Bank of India Act, 1934	37.50	39.89
<b>Balance carried to Balance Sheet</b>	<b>3,409.24</b>	<b>3,259.24</b>

### DIVIDEND :

Your Directors do not recommend any dividend on the equity shares for the year ended 31<sup>st</sup> March, 2015.

### MANAGEMENT DISCUSSION AND ANALYSIS

The main object of the Company is to make strategic investments in the Kalyani Group Companies. The Company is a Non Deposit taking Core Investment Company, as defined in the Core Investment Companies (Reserve Bank) Directions, 2011. Since the Company is not a Systemically Important Non Deposit taking Core Investment Company, it is not required to obtain Certificate of Registration under Sec. 45-IA of the Reserve Bank of India Act, 1934.

### COMPANY PERFORMANCE

During the Financial Year under review, your Company earned total income of 20.73 Crores (previous years 22.92 Crores). The net profit after tax is 18.75 Crores (previous years 19.95 Crores).

### OPERATIONS OF THE COMPANY

The main operations of the Company are that of investments and majority of the investments of the Company are in the nature of strategic investments in Kalyani Group Companies. The investment pattern of the Company also complies with the requirement for the Company continuing to qualify as a Non Deposit taking Core Investment Company. The main source of income for the Company is in the form of dividends as declared by these companies.

### HUMAN RESOURCES

As on 31<sup>st</sup> March 2015, the Company has 2 employees, including the CEO / CFO.

### CONCERNS AND THREATS

- Fluctuations in the securities market and global economic scenario, may pose a risk of devaluation of the investments made by the Company.
- Main source of income for the Company is dividend from the Kalyani Group Companies.
- The risks and concerns associated with the businesses / operations of these investee companies, which may impact the performance of these companies, could result in variation in dividends declared by these companies.
- Non recovery of principal of the amounts lent and interest thereon.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal control systems to ensure operational efficiency and accuracy in financial reporting and compliance of various laws and regulations.



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The internal control system is supported by the internal audit process. The internal audit is conducted in house. The Audit Committee of the Board reviews the Internal Audit process and the adequacy and effectiveness of internal audit and controls periodically.

#### **CAUTIONARY STATEMENT**

Statements in this Report, particularly those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

#### **LISTING FEES**

The annual listing fees for the year under review have been paid to the Stock Exchanges, where your Company's shares are listed.

#### **SUBSIDIARY COMPANIES**

The Company does not have any subsidiary company as on 31<sup>st</sup> March, 2015.

#### **PARTICULARS OF INFORMATION FORMING PART OF THE BOARD'S REPORT PURSUANT TO SECTION 134 OF THE COMPANIES ACT, 2013, RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014 AND RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

#### **EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of Annual Return in Form MGT - 9 is annexed herewith as 'Annexure I' to this Report.

#### **NUMBER OF MEETINGS OF THE BOARD**

During the year under review, six Board Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the Listing Agreement.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirements of Section 134(5) of the Companies Act, 2013, in respect of Directors' Responsibility Statement, your Directors' state that:

- a) in the preparation of the Annual Financial Statements for the year ended 31<sup>st</sup> March, 2015, the applicable accounting standards have been followed along with the proper explanation relating to material departures;
- b) accounting policies as mentioned in Note - 2 to the Financial Statements have been selected and applied consistently. Further judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2015 and of the profit of the Company for the year ended on that date;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Annual Financial Statements have been prepared on a going concern basis;
- e) proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and
- f) proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

#### **A STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS**

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

#### **COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

The Board had on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management Personnel and their remuneration. The policy is appended as 'Annexure II' to this Report.

## AUDITORS

### a. Statutory Auditors

The Board of Directors has recommended ratification of re-appointment of Mr. Prashant V. Deo, Chartered Accountant, Pune (Membership Number 041609), as Statutory Auditors of the Company from the conclusion of ensuing Annual General Meeting (AGM) to be held on 19<sup>th</sup> September, 2015 till the conclusion of next Annual General Meeting.

### b. Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. SVD & Associates, Company Secretaries, (Membership No. FCS 1321 CP No. 965), to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as 'Annexure III' to this Report.

## EXPLANATION ON COMMENTS ON STATUTORY AUDITORS' AND SECRETARIAL AUDITORS' REPORTS

There are no qualifications, reservations or adverse remarks or disclaimers made by Mr. Prashant V. Deo, Statutory Auditors, in his Audit Report. M/s. SVD & Associates, Practicing Company Secretary, in their Secretarial Audit Report have made certain qualifications. The auditors qualifications and Boards explanation thereto are summarized as under:

Auditors Qualifications	Boards' explanation
The Company has not filed Form MGT14 as required u/s 179 of the Companies Act, 2013 for the board resolutions as mentioned below: A) Disclosure of interest by Directors as required u/s 184 (1) of the Companies Act, 2013. B) Approval of Board's Report and Corporate Governance Report C) Appointment of Internal Auditor as required u/s 138 of the Companies Act, 2013	Company has initiated the process for filing of application of condonation of delay for the same.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186

During the year, the Company has not invested any funds in equity capital of any company. The closing balances of investments which would be covered under Section 186 of the Companies Act, 2013, are disclosed in the Schedule of Non-Current Investments in the Financial Statements. The company has granted short term and long term loans of Rs. 9.28 Cr. (net) and issued corporate guarantees of Rs. 76 Cr. (net) during the year.

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013

Pursuant to the provisions of Section 134 of the Companies Act, 2013, read with Rule 8 (2) of the Companies (Accounts) Rules, 2014, the particulars of contracts or arrangements entered into by the Company with Related Parties have been done at arm's length and are in the ordinary course of business. Hence, no particulars are being provided in Form AOC - 2. Related Party disclosures as per AS -18 have been provided in Note no. 3.25 to the Financial Statements.

## STATE OF COMPANY'S AFFAIRS

Discussion on state of Company's affairs has been covered in the Management Discussion and Analysis.

## AMOUNTS PROPOSED TO BE CARRIED TO RESERVES

Particulars of the amounts proposed to be carried to reserves have been covered as part of the financial performance of the Company.

## MATERIAL CHANGES AND COMMITMENTS BETWEEN THE DATE OF THE BALANCE SHEET AND THE DATE OF REPORT

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of the report, except as disclosed elsewhere in this report.

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

### A. Conservation of Energy and Technology Absorption

The Company has no particulars to report regarding conservation of energy, technology absorption as required under Section 134 (3) (m) of the Companies Act, 2013, read with Rules thereunder.

**B. Foreign exchange earnings and outgo**

Sr. No.	Particulars	Amount in ₹
i	Foreign Exchange earned in terms of actual inflows during the year	Nil
ii	Foreign Exchange outgo during the year in terms of actual outflows	Nil

**RISK MANAGEMENT POLICY**

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

**CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013. The details of the CSR Policy and initiatives taken by the Company towards CSR during the year are annexed as 'Annexure IV' to this Report.

**BOARD EVALUATION**

Pursuant to provisions of the Companies Act, 2013, Rules thereunder and Clause 49 of Listing Agreement, the Board has carried out evaluation of its own performance and that of its Committees and individual Directors.

**PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:**

This information is not required to be given since the Company is not required to prepare consolidated accounts for the year ended 31<sup>st</sup> March, 2015.

**CHANGE IN THE NATURE OF BUSINESS, IF ANY**

There has been no change in the nature of business during the Financial Year under review.

**DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR****Directors appointed during the year**

Name of Director	Designation	Term of appointment
Mr. B.B. Hattarki *	Independent Director	Five consecutive years commencing from 16 <sup>th</sup> September, 2014 up to 15 <sup>th</sup> September, 2019
Mr. M.U. Takale *	Independent Director	Five consecutive years commencing from 16 <sup>th</sup> September, 2014 up to 15 <sup>th</sup> September, 2019
Ms. A.A. Sathe	Additional Director	Upto the ensuing Annual General Meeting
Mr. B.N. Kalyani	Director	Re-appointed with effect from 16 <sup>th</sup> September, 2014, subject to retirement by rotation

\*Appointed as Independent Directors in accordance with Section 149 of Companies Act, 2013 and Clause 49 of the Listing Agreement.

**Employees designated as Key Managerial Personnel (KMP) during the year**

Name of the KMP	Designation
Mr. J.G. Patwardhan	CEO & CFO
Mr. S.R. Kshirsagar	Company Secretary

**Directors and KMP's resigned during the year**

Non of the directors or KMPs resigned during the year ended 31<sup>st</sup> March, 2015.

**Directors proposed to be re-appointed at the ensuing Annual General Meeting**

Mr. A.B. Kalyani retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Ms. A.A. Sathe was appointed as Additional Director on 31<sup>st</sup> March, 2015. Her term of office expires at the end of the ensuing Annual General Meeting. A proposal for her appointment of Independent Director is placed for the approval of members at the ensuing Annual General Meeting.

The brief resumes and other details relating to Directors who are proposed to be re-appointed, as required to be disclosed under Clause 49 of the Listing Agreement, form part of the Notes and Statement setting out material facts

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annexed to the Notice of the Annual General Meeting.

**NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR**

None.

**DETAILS OF DEPOSITS WHICH ARE NOT IN COMPLIANCE WITH THE REQUIREMENTS OF CHAPTER V OF THE COMPANIES ACT, 2013**

None.

**DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

The Company has neither received nor is aware of any such order from Regulators, Courts or Tribunals during the year.

**DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

The Company has suitable internal control system comprising of proper checks and balances, policies and procedures. This includes code of conduct, whistle blower policy, MIS and internal audit mechanism.

The Audit Committee along with Management review the internal audit and internal controls on a regular basis.

**COMPOSITION OF AUDIT COMMITTEE**

The composition of the Audit Committee has been mentioned in the Corporate Governance Report annexed to this Report.

**INFORMATION FORMING PART OF THE DIRECTORS' REPORT PURSUANT TO RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

The relevant information pursuant to Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed at 'Annexure V' to this Report.

**PARTICULARS OF EMPLOYEES**

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

During the year, no employee was in receipt of remuneration in excess of the limits prescribed under Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, requiring disclosures prescribed thereunder, in this report.

**VIGIL MECHANISM**

The Company has formulated and implemented the Whistle Blower Policy / Vigil Mechanism. This has provided a mechanism for directors and employees of the Company and other persons dealing with the Company to report to the Chairman of the Audit Committee; any instance of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct. The aforesaid policy has also been uploaded on the Company's website.

**CASH FLOW**

A Cash Flow Statement for the year ended 31<sup>st</sup> March 2015 is attached to the Balance Sheet.

**CORPORATE GOVERNANCE**

A report on the Corporate Governance, along with the certificate of compliance from the Auditors, forms part of the Annual Report.

**ACKNOWLEDGMENTS**

Your Directors wish to place on record, their appreciation for the contribution made and support provided to the Company by the shareholders, employees and bankers, during the year under the report.

For and on behalf of the Board of Directors

**B.B. Hattarki**  
Director  
DIN:00145710

**A.B. Kalyani**  
Director  
DIN:00089430

Pune: 22<sup>nd</sup> July, 2015

## ANNEXURE I TO THE DIRECTORS' REPORT

Form No. MGT - 9

(as at Financial Year ended 31<sup>st</sup> March, 2015)

### EXTRACT OF ANNUAL RETURN

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

#### I. REGISTRATION AND OTHER DETAILS

i	CIN	L65993PN2009PLC134021
ii	Registration Date	26 <sup>th</sup> May, 2009
iii	Name of the Company	BF Investment Limited
iv	Category / Sub-Category of the Company	Company limited by shares
v	Address of the Registered Office and contact details	Mundhwa, Pune Cantonment, Pune 411 036, Maharashtra, India.  Correspondence address: Cyber City, Tower 15, Level 6, Office 602, Magarpatta City, Hadapsar, Pune- 411 013 Phone : (020) 66292550 E-mail : bfinvestment@vsnl.net Website : <a href="http://kalyanigroup.com/BFI.asp">http://kalyanigroup.com/BFI.asp</a>
vi	Whether listed company	Yes
vii	Name, address and contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited 'Akshay' Complex, Block No. 202, 2 <sup>nd</sup> Floor, Near Ganesh Temple, Off. Dhole Patil Road, Pune 411 001 Tel: +91(20) 2616 1629 / 2616 0084 Fax: +91(20) 2616 3503 Email: <a href="mailto:pune@linkintime.co.in">pune@linkintime.co.in</a>

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

All the business activities contributing 10% or more of the total turnover of the Company stated below:

Sr. No.	Name and description of main products / services	NIC code of the product / service	% to total turnover of the Company
1	Loans and investments	-	100%

#### III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1.	Kalyani Steel Ltd. Pune Cantonment, Mundhwa, Pune - 411 036	L27104MH1973PLC016350	Associates	39.06	2(6)
2.	Epicenter Technologies Pvt. Ltd. Salasar Business Park, Off 150 ft. Flyover Road, Near Maxus Mall, Bhayander (West) Thane - 401 101	U72900MH2000PTC140702	Associates	27.72	2(6)
3.	Kalyani Financial Services Ltd. Industry House, S.No.49,Opp.Kalyani Steels Ltd , Pune - 411 036	U65910PN1986PLC039645	Associates	49.99	2(6)
4.	Nandi Engineering Ltd. No. 1, Midford House, Midford Garden Off M.G Road, Bangalore - 560 001	U85110KA1996PLC019618	Associates	40.00	2(6)
5	Meritor HVS (India) Ltd. Hootagalli Indl. Area off. Hunsur Road, Mysore - 570018	U29221KA1998PLC023383	Joint Venture	48.99	2(6)
6	Automotive Axles Ltd. Hootagalli Indl. Area off. Hunsur Road, Mysore - 570018	L51909KA1981PLC004198	Joint Venture	35.52	2(6)
7	Sundaram Enterprises Industry House, Mundhwa, Pune - 411036	NA	Partnership firm	60	NA

#### 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 (1/4/2014)				No. of shares held at the end of the year (31/3/2015)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
(1) Indian									
a. Individual									
a) Individuals / Hindu Undivided Family	102934	8	102942	0.27	102934	8	102942	0.27	0.00
b) Central Government / State government(s)	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	27284034	0	27284034	72.43	27284034	0	27284034	72.43	0.00
d) Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Others (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub Total (A)(1)</b>	<b>27386968</b>	<b>8</b>	<b>27386976</b>	<b>72.71</b>	<b>27386968</b>	<b>8</b>	<b>27386976</b>	<b>72.71</b>	<b>0.00</b>
(2) Foreign									
a) Individuals (Non-Residents Individuals/ Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
b) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
c) Institutions	0	0	0	0.00	0	0	0	0.00	0.00
d) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Others(Specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub Total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>27386968</b>	<b>8</b>	<b>27386976</b>	<b>72.71</b>	<b>27386968</b>	<b>8</b>	<b>27386976</b>	<b>72.71</b>	<b>0.00</b>
<b>(B) Public Shareholding</b>									
(1) Institutions									
a) Mutual Funds / UTI	1719	190	1909	0.01	296545	190	296735	0.79	0.78
b) Financial Institutions / Banks	1728	1704	3432	0.01	19167	1704	20871	0.06	0.05
c) Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
e) Insurance Companies	160127	0	160127	0.43	160127	0	160127	0.43	0.00
f) Foreign Institutional Investors	712388	50	712438	1.89	23973	50	24023	0.06	-1.83
g) Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
h) Qualified Foreign Investors	0	0	0	0.00	0	0	0	0.00	0.00
i) Any other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-Total (B)(1)</b>	<b>875962</b>	<b>1944</b>	<b>877906</b>	<b>2.33</b>	<b>499812</b>	<b>1944</b>	<b>501756</b>	<b>1.33</b>	<b>-1.00</b>
B(2) Non-Institutions									
a) Bodies Corporate	1303748	1580388	2884136	7.66	1696761	1580247	3277008	8.70	1.04
b) Individuals									
i) Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh	4167739	856169	5023908	13.34	3858539	816756	4675295	12.41	-0.93
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	838002	0	838002	2.22	934702	0	934702	2.48	0.26
c) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
d) Any Others (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
i) Clearing Members	133450	0	133450	0.35	199599	0	199599	0.53	0.18
ii) Foreign Portfolio Investor ( Corporate)	0	0	0	0.00	240545	0	240545	0.64	0.64
iii) Non Resident Indian (Repat)	136423	1841	138264	0.37	55114	1841	56955	0.15	-0.22
iv) Non Resident Indian (Non Repat)	37045	3154	40199	0.11	46701	3154	49855	0.13	0.02
v) Overseas Bodies Corporates	350	0	350	0.00	350	0	350	0.00	0.00
vi) Trusts	344437	0	344437	0.91	344587	0	344587	0.91	0.00
<b>Sub-Total (B)(2)</b>	<b>6961194</b>	<b>2441552</b>	<b>9402746</b>	<b>24.96</b>	<b>7376898</b>	<b>2401998</b>	<b>9778896</b>	<b>25.96</b>	<b>1.00</b>
<b>(B) Total</b>	<b>7837156</b>	<b>2443496</b>	<b>10280652</b>	<b>27.29</b>	<b>7876710</b>	<b>2403942</b>	<b>10280652</b>	<b>27.29</b>	<b>0.00</b>
<b>Public Shareholding (B)= (B)(1)+(B)(2)</b>									
<b>Total (A)+(B)</b>	<b>35224124</b>	<b>2443504</b>	<b>37667628</b>	<b>100.00</b>	<b>35263678</b>	<b>2403950</b>	<b>37667628</b>	<b>100.00</b>	<b>0.00</b>
(C) Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0.00	0	0	0	0	0.00
(1) Promoter and Promoter Group	0	0	0	0.00	0	0	0	0	0.00
(2) Public	0	0	0	0.00	0	0	0	0	0.00
<b>Sub-Total (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>35224124</b>	<b>2443504</b>	<b>37667628</b>	<b>100.00</b>	<b>35263678</b>	<b>2403950</b>	<b>37667628</b>	<b>100.00</b>	<b>0.00</b>

**(ii) Shareholding of Promoters**

Sr. No	Shareholder's Name	Shareholding at the beginning of the year (1/4/2014)			Shareholding at the end of the year (31/3/2015)			% change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of Shares pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares pledged / encumbered to total shares	
1	Babasaheb Neelkanth Kalyani - Promoter	7204	0.02	0.00	7204	0.02	0.00	0.00
2	Ajinkya Investment & Trading Company	10292103	27.32	0.00	10292103	27.32	0.00	0.00
3	Sundaram Trading & Investment Pvt Ltd	9543068	25.33	0.00	9543068	25.33	0.00	0.00
4	KSL Holdings Pvt Ltd	5054091	13.42	0.00	5054091	13.42	0.00	0.00
5	PIH Finvest Co Ltd	1424885	3.78	0.00	1424885	3.78	0.00	0.00
6	Jannhavi Investment Pvt Ltd	458514	1.22	0.00	458514	1.22	0.00	0.00
7	Rajgad Trading Co Pvt Ltd	151674	0.40	0.00	151674	0.40	0.00	0.00
8	Kalyani Consultants Pvt Ltd	149500	0.40	0.00	149500	0.40	0.00	0.00
9	Dandakaranya Investment & Trading Pvt Ltd	95000	0.25	0.00	95000	0.25	0.00	0.00
10	Campanula Investment & Finance Pvt Ltd	61389	0.16	0.00	61389	0.16	0.00	0.00
11	Cornflower Investment & Finance Pvt Ltd	41900	0.11	0.00	41900	0.11	0.00	0.00
12	Hastinapur Investment & Trading Pvt Ltd	6267	0.02	0.00	6267	0.02	0.00	0.00
13	Dronacharya Investment & Trading Pvt Ltd	5643	0.01	0.00	5643	0.01	0.00	0.00
14	Gaurishankar Neelkanth Kalyani	63779	0.17	0.00	63779	0.17	0.00	0.00
15	Amit Babasaheb Kalyani	28270	0.08	0.00	28270	0.08	0.00	0.00
16	Rohini Gaurishankar Kalyani	2000	0.01	0.00	2000	0.01	0.00	0.00
17	Dr Meera Kheny	700	0.00	0.00	700	0.00	0.00	0.00
18	Ashok Kumar Kheny	581	0.00	0.00	581	0.00	0.00	0.00
19	Sugandha Jai Hiremath	400	0.00	0.00	400	0.00	0.00	0.00
20	Sulochana Neelkanth Kalyani Jointly with Mr.B. N. Kalyani	8	0.00	0.00	8	0.00	0.00	0.00
		<b>27386976</b>	<b>72.71</b>	<b>0.00</b>	<b>27386976</b>	<b>72.71</b>	<b>0.00</b>	<b>0.00</b>

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

Sr. No.	Particulars	Shareholding at the beginning of the year i.e.01/04/2014		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
There was no change in Promoters' shareholding during the year.					

**(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDR and ADRs)**

Sr. No.	Particulars	Shareholding at the beginning of the year i.e.01/04/2014		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	<b>At the Beginning of the year</b>	<b>3334072</b>	<b>8.86</b>		
1	Krutadnya Management and Trading Services LLP	1568600	4.16	-	-
2	T. Rowe Price International Stock Fund	599095	1.59	-	-
3	Elan Power Development Private Limited	249340	0.66	-	-
4	Finolex Cables Limited	168750	0.45	-	-
5	The Oriental Insurance Company Limited	160127	0.43	-	-
6	Kalyani Exports & Investments Pvt. Ltd.	145250	0.39	-	-
7	Aboli Investment Pvt. Ltd.	136900	0.36	-	-
8	Nitinbhai Raojibhai Desai	103679	0.28	-	-
9	Desai Sanjaybhai Jasubhai	101586	0.27	-	-
10	Sahana Bimal Desai	100745	0.27	-	-

Sr. No.	Particulars	Shareholding at the beginning of the year i.e. 01/04/2014		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the end of the year (or on the date of separation, if separated during the year)				
1	Krutadnya Management And Trading Services LLP	-	-	1568600	4.16
2	Reliance Capital Trustee Co. Ltd -A/C Reliance Capital Builder Fund - Sr A	-	-	294826	0.78
3	Elan Power Development Private Limited	-	-	249340	0.66
4	Acacia Institutional Partners, LP	-	-	230545	0.61
5	Kotak Mahindra Investments Ltd	-	-	188024	0.50
6	Finolex Cables Limited	-	-	168750	0.45
7	The Oriental Insurance Company Limited	-	-	160127	0.43
8	Kalyani Exports & Investments Pvt.Ltd.	-	-	145250	0.39
9	Aboli Investment Pvt Ltd	-	-	136900	0.36
10	Maverick Share Brokers Limited	-	-	120663	0.32
	At the end of the year			3263025	8.66

Note:

- In case of joint holding, the names of first holder is considered.
- The shareholding details given above are based on the legal ownership and not beneficial ownership and is derived on the folio number listing provided by the Registrar and share Transfer agent of the Company.
- Since the shareholding of top ten shareholders are held in electronic form, it is not feasible to provide date-wise increase or decrease in the shareholding pattern of top ten shareholders during the Financial Year.

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year i.e. 01/04/2014		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the Beginning of the year	35487	0.10		
1	Mr. B. N. Kalyani	7204	0.02	-	-
2	Mr. A. B. Kalyani	28270	0.08	-	-
3	Mr. B. B. Hattarki	0	0.00	-	-
4	Mr. M. U. Takale	0	0.00	-	-
5	Ms. A. A. Sathe @	0	0.00	-	-
6	Mr. J. G. Patwardhan *	0	0.00	-	-
7	Mr. S. R. Kshirsagar **	13	0.00	-	-
	At the end of the year				
1	Mr. B. N. Kalyani			7204	0.02
2	Mr. A. B. Kalyani			28270	0.08
3	Mr. B. B. Hattarki			0	0.00
4	Mr. M. U. Takale			0	0.00
5	Ms. A. A. Sathe @			0	0.00
6	Mr. J. G. Patwardhan *			0	0.00
7	Mr. S. R. Kshirsagar **			13	0.00
	At the end of the year			35487	0.10

\* Appointed as Key Managerial Personnel on 31<sup>st</sup> March, 2015

\*\* Appointed as Key Managerial Personnel on 3<sup>rd</sup> February, 2015

@ Appointed as Director of the Company with effect from 31<sup>st</sup> March, 2015.



## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment:  
None.

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration of Managing Director, Whole-time Directors and / or Manager:

N.A.

B. Remuneration to other Directors:

Nil

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MANAGING DIRECTOR / MANAGER / WHOLE TIME DIRECTOR

Amount in ₹

Particulars of Remuneration	Mr. S.R. Kshirsagar* Company Secretary	Mr. J.G. Patwardhan # CEO & CFO	Total Amount
Gross Salary			
Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	98,123	NIL	98,123
Value of perquisites under Section 17(2) of the Income Tax Act, 1961	19,971	NIL	19,971
Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	NIL	NIL	-
Stock Option	NIL	NIL	-
Sweat Equity	NIL	NIL	-
1. Commission			
- As % profit	NIL	NIL	-
- Others, specify	NIL	NIL	-
2. Others, please specify (Company's contribution towards Provident Fund and Superannuation)	3,480	NIL	3,480
Total	121,574	NIL	121,574

\* appointed as Key Managerial Personnel from 3<sup>rd</sup> February, 2015.

# appointed as Key Managerial Personnel w.e.f. 31<sup>st</sup> March, 2015.

## VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

1. Company - None
2. Directors - None
3. Other officers in Default - None

For and on behalf of the Board of Directors

B.B. Hattarki  
Director  
DIN:00145710

A.B. Kalyani  
Director  
DIN:00089430

Pune: 22<sup>nd</sup> July, 2015

## ANNEXURE II TO THE DIRECTORS' REPORT

### THE NOMINATION AND REMUNERATION POLICY

(As recommended by Nomination and Remuneration Committee and approved by Board)

The Board of Directors of BF Investment Limited ("the Company") constituted the "Nomination and Remuneration Committee" ("Committee") at the Meeting held on 29<sup>th</sup> May, 2014 with immediate effect, consisting of Three (3) Non-Executive Directors of which majority are Independent Directors.

#### 1. OBJECTIVE

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013, as amended from time to time, read along with the applicable rules thereto and Clause 49 under the Listing Agreement. The Key Objectives of the Committee would be:

- 1.1. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel (hereinafter referred to as "KMP") and Senior Management.
- 1.2. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board,
- 1.3. To recommend to the Board on Remuneration payable to the Directors, KMP and Senior Management.
- 1.4. To provide to KMP and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- 1.5. To retain, motivate the promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- 1.6. To devise a policy on Board diversity.
- 1.7. To develop a succession plan for the Board and to regularly review the plan;

#### 2. DEFINITIONS

- 2.1. Act means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- 2.2. Board means Board of Directors of the Company.
- 2.3. Directors means Directors of the Company.
- 2.4. Key Managerial Personnel (KMP) means
  - 2.4.1. Any Director
  - 2.4.2. CEO;
  - 2.4.3. Chief Financial Officer; and
  - 2.4.4. Company Secretary;
- 2.5. Listing Agreement means Agreement, as amended from time to time, executed with Stock Exchanges for Listing of Securities of the Company.
- 2.6. Senior Management means personnel of the Company who are members of its core management team being functional heads,

#### 3. ROLE OF COMMITTEE

- 3.1. Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee.

The Committee Shall;

- 3.1.1. Formulate the criteria for determining qualifications, positive attributes and independence of the director.
- 3.1.2. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management position in accordance with the criteria laid down in this Policy.
- 3.1.3. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.
- 3.2. Policy for appointment and removal of Director, KMP and Senior Management
  - 3.2.1. Appointment criteria and qualifications
    - a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
    - b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification,

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expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

#### **3.2.2. Term / Tenure**

- a) **Managing Director / Whole-time Director :**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

- b) **Independent Director :**

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

#### **3.2.3. Evaluation**

The Committee shall carry out yearly evaluation of performance of every Director, KMP and Senior Management Personnel.

#### **3.2.4. Removal**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

#### **3.2.5. Retirement**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

### **3.3. Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel**

#### **3.3.1. General :**

- a) The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required.
- b) The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.
- c) Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.
- d) Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employee for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such reason is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.
- e) In case any difficulty or doubt arises in the interpretation or implementation of this Policy, the decision of the Chairman of the Company shall be final. In exceptional circumstances, the Chairman shall be authorised to exercise functions vested in the committee in so far as these relate to Key Managerial Personnel covered under clauses 2.4.3, 2.4.4 and the Senior Management; provided however that such actions taken by the Chairman shall be placed before the Committee for ratification in the succeeding meeting.

### **3.3.2. Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel :**

#### **a) Fixed pay :**

The Whole-time Director / KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F., pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board / the Person authorised by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

#### **b) Minimum Remuneration :**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, approval of the Central Government.

#### **c) Provisions for excess remuneration :**

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

### **3.3.3. Remuneration to Non-Executive / Independent Director;**

#### **a) Remuneration / Commission :**

The remuneration / Commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.

#### **b) Sitting Fees :**

The Non-Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs.1,00,000/- (Rupees One Lac only) per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

#### **c) Commission :**

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

## **4. MEMBERSHIP**

- 4.1. The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.
- 4.2. Minimum two (2) members shall constitute a quorum for the Committee Meeting.
- 4.3. Membership of the Committee shall be disclosed in the Annual Report.
- 4.4. Term of the Committee shall be continued unless terminated by the Board of Directors.

## **5. CHAIRPERSON**

- 5.1. Chairperson of the Committee shall be an Independent Director.
- 5.2. Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- 5.3. In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- 5.4. Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

## **6. FREQUENCY OF MEETINGS**

The meeting of the Committee shall be held at such regular intervals as may be required.

## **7. COMMITTEE MEMBERS' INTERESTS**

- 7.1. A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

7.2. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

## 8. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

## 9. VOTING

9.1. Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

9.2. In the case of equality of votes, the Chairman of the meeting will have a casting vote.

## 10. NOMINATION DUTIES

The duties of the Committee in relation to nomination matters include :

10.1. Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;

10.2. Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;

10.3. Identifying and recommending directors who are to be put forward for retirement by rotation.

10.4. Determining the appropriate size, diversity and composition of the Board;

10.5. Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;

10.6. Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;

10.7. Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;

10.8. Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.

10.9. Delegating any of its powers to one or more of its members or the Secretary of the Committee;

10.10. Recommend any necessary changes to the Board; and

10.11. Considering any other matters, as may be requested by the Board.

## 11. REMUNERATION DUTIES

The duties of the Committee in relation to remuneration matters include :

11.1. To consider and determine the Remuneration Policy, based on the Performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

11.2. To approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.

11.3. To delegate any of its powers to one or more of its members or the Secretary of the Committee.

11.4. To consider any other matters as may be requested by the Board.

11.5. Professional indemnity and liability insurance for Directors and Senior Management.

## 12. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee Meeting.

For and on behalf of the Board of Directors

B.B. Hattarki  
Director  
DIN:00145710

A.B. Kalyani  
Director  
DIN:00089430

Pune: 22<sup>nd</sup> July, 2015

## ANNEXURE III TO THE DIRECTORS' REPORT

Form No. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2015

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

To,

The Members,  
BF Investment Limited,  
Mundhwa, Pune Cantonment  
Pune-411036

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BF Investment 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 our opinion thereon.

Based on our verification of the Company'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, 2015** 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, 2015** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder (in so far as they are made applicable);
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (not applicable to the company during the audit period);
- (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, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (not applicable to the Company during the Audit Period);
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (not applicable to the Company during the Audit Period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (not applicable to the Company during the Audit Period)
  - (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 (not applicable to the Company during the Audit Period); and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not applicable to the Company during the Audit Period);

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (not applicable during the Audit Period).
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges.

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:

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The Company has not filed Form MGT 14 as required u/s 179 of the Companies Act, 2013 for the board resolutions as mentioned below:

- A) Disclosure of interest by Directors as required u/s 184(1) of the Companies Act, 2013
- B) Approval of Board's Report and Corporate Governance Report.
- C) Appointment of Internal Auditor as required u/s 138 of the Companies Act, 2013

However, the Company has initiated the process for filing an application of condonation of delay for the same.

**We further report that**, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- (a) The Reserve Bank of India Act, 1934 (applicable to the extent being a Core Investment Company)

**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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

**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.

For SVD & Associates  
Company Secretaries

S. V. Deulkar  
Partner  
FCS No: 1321  
C P No: 965

Place: Pune  
Date: 22<sup>nd</sup> July, 2015

## ANNEXURE IV TO THE DIRECTORS' REPORT

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

(Pursuant to Section 135 of the Companies Act, 2013 and Rule 8(1) of the Companies (CSR Policy) Rules, 2014)

1. A brief outline of the Company's Corporate Social Responsibility (CSR) policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

Corporate Social Responsibility (CSR) activities are based on the CSR Policy. The Company's main focus is on provision of educational facilities.

CSR policy is available on the website of the Company <http://kalyanigroup.com/BFI.asp>

2. The Composition of the CSR Committee:

Mr. B. B. Hattarki - Chairman

Mr. A. B. Kalyani - Committee Member

Mr. B. N. Kalyani - Committee Member

3. Average net profit of the company for last three financial years : Rs. 218,368,339.
4. Prescribed CSR Expenditure (two percentage of the amount as in item 3 above) : Rs. 4,368,000.
5. Details of CSR spent during the Financial Year:
- (a) Total amount to be spent for the financial year : Rs. 4,368,000.
- (b) Amount unspent, if any; : Rs. 4,368,000.
- (c) Manner in which the amount spent during the Financial Year is detailed below:

(Amount in Rs.)

1	2	3	4	5	6	7	8
Sr. No.	CSR Project or activity Identified	Sector in which the Project is covered	Projects or Programme (1) Local area of other (2) Specify the State and district where project or programme was undertaken	Amount outlay (budget) Project or program wise	Amount spent on the projects or programme sub heads L (1) Direct expenditure on projects or programmes (2) overheads	Cumulative expenditure upto the reporting period	Amount spent direct or through implementing agency
N.A.							

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report : *The Company has identified the areas and the projects for spending the amounts allocated for CSR activities. The same will be spent in due course of time.*
7. CSR Committee has hereby confirmed that the implementation and monitoring of CSR activities, is in compliance with CSR objectives and Policy of the Company.

For and on behalf of the Board of Directors

B.B. Hattarki  
Chairman, CSR Committee  
DIN:00145710

A.B. Kalyani  
Director  
DIN:00089430

Pune: 22<sup>nd</sup> July, 2015



## ANNEXURE V TO THE DIRECTORS' REPORT

### INFORMATION FORMING PART OF THE DIRECTORS' REPORT PURSUANT TO RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Sr. No.	Particulars	Name of Director	Ratio	
I.	The ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year	N.A. as no remuneration is paid to any Director		
II.	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any,	Name of Director / KMP * Mr. J.G. Patwardhan - CEO & CFO ** Mr. S.R. Kshirsagar - Company Secretary	Percentage +/- in the remuneration N.A. N.A.	
III.	The percentage increase in the median remuneration of employees in the financial year	N.A.		
IV.	The number of permanent employees on the rolls of Company	NIL		
V.	The Explanation on the relationship between average increase in remuneration and company performance	N.A.		
VI.	Comparison on the remuneration of the Key Managerial Personnel against the performance of the Company	The remuneration is not solely based on company performance but also includes various other factors like individual performance, industry trends, economic situation, future growth prospects, etc. The Board believes that the remuneration is in line with the industry.		
VII.	Variation in the market capitalizations of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies	As on 31 <sup>st</sup> March 2015	As on 31 <sup>st</sup> March 2014	
		Market Capitalisation * (Rs. in Lakhs)	63,394.61	25,218.47
		PE Ratio *	33.79	12.63
		* Source NSE The Company had not made any public offer.		
VIII.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and	N.A.		
	its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	N.A.		
IX.	Comparison of the each remuneration of the KMP against the performance of the Company	The remuneration is not solely based on company performance but also includes various other factors like individual performance, industry trends, economic situation, future growth prospects, etc. The Board believes that the increase is in line with the industry.		
X.	The key parameters for any variable component of remuneration availed by the Directors	N.A.		
XI.	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	N.A.		
XII.	Affirmation	The Board affirms that the remuneration is as per the Nomination and Remuneration policy of the Company.		

\* Appointed on 31<sup>st</sup> March, 2015

\*\* Appointed on 3<sup>rd</sup> February, 2015

For and on behalf of the Board of Directors

**B.B. Hattarki**  
Director  
DIN:00145710

**A.B. Kalyani**  
Director  
DIN:00089430

Pune: 22<sup>nd</sup> July, 2015

## INDEPENDENT AUDITORS' REPORT

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To the Members of BF Investment Limited

### Report on the Financial Statements

I have audited the accompanying financial statements of BF Investment Limited ("the Company") which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, 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 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 of these 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting the 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 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

My responsibility is to express an opinion on these financial statements based on my audit.

I 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 thereunder.

I conducted my audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that I 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 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 true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the financial statements.

### Opinion

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid 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 31<sup>st</sup> March, 2015, and its profit and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, I give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.

As required by section 143(3) of the Act, I report that:

- a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit;
- b) In my opinion, proper books of account as required by law have been kept by the Company so far as appears from my 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 my opinion, the aforesaid 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 written representations received from the directors as at 31<sup>st</sup> March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as at 31<sup>st</sup> March, 2015, from being appointed as a director in terms of Section 164(2) of the Act; and
- f) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in my opinion and to the best of my information and according to the explanations given to me :
- i. The Company does not have any pending litigations which would impact its financial position;
  - ii. The Company did not have any long-term contracts including derivatives 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.

Place : Pune  
Date : 21<sup>st</sup> May, 2015.

P. V. Deo  
Chartered Accountant  
Membership No. 41609

## ANNEXURE TO AUDITORS' REPORT

Annexure referred to in the Independent Auditor's Report on the financial statements of BF Investment Limited for the year ended 31<sup>st</sup> March, 2015.

On the basis of such checks as were considered appropriate and in accordance with the information and explanations given to me, I report as under:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to me, the fixed assets have been physically verified by the Management at reasonable intervals, during the financial year. According to the information and explanations given to me, no discrepancies were noticed on physical verification of the fixed assets.
- (ii) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act.
- (iii) In my opinion and according to the information and explanations given to me, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for purchases of fixed assets. The Company is a Core Investment Company and does not sell any goods or services. During the course of my audit I have not observed any continuing failure to correct major weaknesses in internal control system.
- (iv) The Company has not accepted deposits from the public within the meaning of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed, thereunder.
- (v) The Central Government has not prescribed maintenance of cost records under Section 148 (1) of the Companies Act, 2013 for the business in which the Company is engaged.
- (vi) (a) According to the records of the Company, the Company is regular in depositing with appropriate authorities, undisputed statutory dues including income tax, wealth tax, other taxes, cess and statutory dues applicable to it. As explained to me by the Management, the provisions of the Employees' State Insurance Act, 1948 and the Employees' Provident Fund and Miscellaneous Provisions Act 1952 and other indirect taxes do not apply to the Company. According to the information and explanations given to me, no undisputed amounts payable in respect of income tax, wealth tax, other taxes, cess and statutory dues applicable to it were outstanding as at 31<sup>st</sup> March, 2015 for a period of more than six months from the date those became payable.
- (b) According to the records of the Company, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs or Duty of excise, Value Added Tax, cess which have not been deposited on account of any dispute.
- (c) According to the records of the Company, there are no dues which required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- (vii) The Company does not have any accumulated losses as at 31<sup>st</sup> March, 2015. The Company has not incurred any cash loss during the financial year covered by this report and also in the preceding financial year.
- (viii) The Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders.
- (ix) The terms and conditions of the guarantees given by the Company in respect of the loans borrowed by others from banks or financial institutions are not found prima facie prejudicial to the interest of the Company.
- (x) Based upon the audit procedures performed and having regard to the information and explanations given by the Management, I report that no fraud on or by the Company has been noticed or reported during the course of my audit.
- (xi) Provisions of sub-clause No.s (ii) and (xi) of Clause 3 of the said Order do not apply to the Company.

Place : Pune  
Date : 21<sup>st</sup> May, 2015.

P. V. Deo  
Chartered Accountant  
Membership No. 41609

## Balance Sheet as at 31<sup>st</sup> March, 2015

	Note No.	Amount ₹	As at 31 <sup>st</sup> March, 2014 Amount ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' funds</b>			
(a) Share Capital	3.1	188,338,140	188,338,140
(b) Reserves and Surplus	3.2	6,643,755,784	6,456,249,298
		<u>6,832,093,924</u>	<u>6,644,587,438</u>
<b>2. Current liabilities</b>			
(a) Trade payables	3.3	124,231	14,157
(b) Other current liabilities	3.4	1,646,658	1,736,241
(c) Short-term provisions	3.5	6,026,906	8,281,068
		<u>7,797,795</u>	<u>10,031,466</u>
<b>TOTAL</b>		<u><u>6,839,891,719</u></u>	<u><u>6,654,618,904</u></u>
<b>II. ASSETS</b>			
<b>1. Non-current assets</b>			
<b>(a) Fixed assets</b>			
Tangible assets	3.6	22,261,182	17,152,375
(b) Non-current investments	3.7	4,957,804,871	4,957,936,698
(c) Deferred Tax Asset (Net)	3.8	2,384,000	-
(d) Long-term loans and advances	3.9	1,161,859,252	1,161,979,252
		<u>6,144,309,305</u>	<u>6,137,068,325</u>
<b>2. Current assets</b>			
(a) Current investments	3.10	194,345,770	103,189,595
(b) Cash and Cash Equivalents	3.11	194,622,171	208,152,473
(c) Short-term loans and advances	3.12	297,141,775	204,265,633
(d) Other current assets	3.13	9,472,698	1,942,878
		<u>695,582,414</u>	<u>517,550,579</u>
<b>TOTAL</b>		<u><u>6,839,891,719</u></u>	<u><u>6,654,618,904</u></u>
Significant Accounting Policies and Notes forming an integral part of the Financial Statements	1,2,3		

As per my attached report of even date,

**P. V. Deo**  
Chartered Accountant

Place : Pune  
Date : 21<sup>st</sup> May, 2015.

On behalf of the Board of Directors,

**A. B. Kalyani**  
Director

**J. G. Patwardhan**  
Chief Executive Officer &  
Chief Financial Officer

Place : Pune  
Date : 21<sup>st</sup> May, 2015.

**B. B. Hattarki**  
Director

**S. R. Kshirsagar**  
Company Secretary

## Statement of Profit And Loss for the Year Ended 31<sup>st</sup> March, 2015

		Note No.	Amount ₹	Year ended 31 <sup>st</sup> March, 2014 Amount ₹
I	Revenue from operations	3.14	27,496,231	66,887,535
II	Other income	3.15	179,819,345	162,280,780
III	<b>Total revenue (I+II)</b>		<u>207,315,576</u>	<u>229,168,315</u>
IV	<b>Expenses</b>			
	(a) Employee benefits expenses	3.16	121,574	-
	(b) Finance costs	3.17	490,333	1,024,000
	(c) Depreciation	3.18	5,937,101	4,892,105
	(d) Other expenses	3.19	10,211,123	18,858,365
	<b>Total expenses</b>		<u>16,760,131</u>	<u>24,774,470</u>
V	<b>Profit before exceptional items and tax (III - IV)</b>		190,555,445	204,393,845
VI	Exceptional items	3.20	-	9,859,395
VII	<b>Profit before tax (V + VI)</b>		190,555,445	214,253,240
VIII	<b>Tax expense:</b>			
	(a) Current tax expense		(5,436,000)	(14,793,000)
	(b) Tax saving for earlier years		3,041	2,625
	(c) Deferred Tax Savings		2,384,000	-
			<u>(3,048,959)</u>	<u>(14,790,375)</u>
IX	<b>Profit for the year (VII + VIII)</b>		<u>187,506,486</u>	<u>199,462,865</u>
X	<b>Earnings per share (of ₹ 5/- each):</b>			
	(a) Basic	3.23	4.98	5.30
	(b) Diluted	3.23	4.98	5.30
	<b>Significant Accounting Policies and Notes forming an integral part of the Financial Statements</b>	1,2,3		

As per my attached report of even date,

**P. V. Deo**  
Chartered Accountant

Place : Pune  
Date : 21<sup>st</sup> May, 2015.

On behalf of the Board of Directors,

**A. B. Kalyani**  
Director

**J. G. Patwardhan**  
Chief Executive Officer &  
Chief Financial Officer

Place : Pune  
Date : 21<sup>st</sup> May, 2015.

**B. B. Hattarki**  
Director

**S. R. Kshirsagar**  
Company Secretary

## Cash Flow Statement for the Year Ended 31<sup>st</sup> March, 2015

	Note No.	Amount ₹	Year ended 31 <sup>st</sup> March, 2014 Amount ₹
<b>A. Cash flow from operating activities :</b>			
Net Profit after tax and exceptional items		187,506,486	199,462,865
Adjusted for :			
Tax expense		3,048,959	14,790,375
Depreciation		5,937,101	4,892,105
Impairment Loss		853	-
Interest - Other		490,333	1,024,000
Profit on sale of investments		(7,036,257)	(328,138,214)
Dividend received on investments		(172,780,654)	(146,737,325)
Share in profit of partnership firm		(2,434)	(2,252)
		<u>(170,342,099)</u>	<u>(454,171,311)</u>
Operating Profit/(Loss) before working capital changes :		17,164,387	(254,708,446)
Changes in :			
Trade and other receivables		(102,669,962)	194,972,328
Liabilities and Provisions		4,353,348	1,357,307
		<u>(98,316,614)</u>	<u>196,329,635</u>
Cash generation from operations :		(81,152,227)	(58,378,811)
Direct Taxes paid		(9,635,978)	(27,091,977)
Net Cash used in operating activities :		<u>(90,788,205)</u>	<u>(85,470,788)</u>
<b>B. Cash flow from investing activities :</b>			
Purchase of Fixed Assets		(10,912,500)	(3,513,101)
Sale of Fixed Assets		-	3,393,866
Purchase of Investments		(349,650,390)	(1,268,324,084)
Sale of Investments		265,528,038	1,409,133,536
Share in profit of partnership firm		2,434	2,252
Net cash from / (used in) investing activities :		<u>(95,032,418)</u>	<u>140,692,469</u>
<b>C. Cash flow from financing activities :</b>			
Interest - Other		(490,333)	(1,024,000)
Dividend received on investments		172,780,654	146,737,325
Net cash from financing activities :		<u>172,290,321</u>	<u>145,713,325</u>
Net changes in cash and cash equivalents (A+B+C) :		(13,530,302)	200,935,006
Cash and Cash Equivalents, at the beginning :		203,152,473	2,217,467
Cash and Cash Equivalents, at the close :		189,622,171	203,152,473
Reconciliation of Cash and Cash Equivalents :			
Cash and Bank Equivalents as per Balance Sheet:		194,622,171	208,152,473
Less : Deposits with original maturity of more than 3 months but less than 12 months		5,000,000	5,000,000
Cash and Cash Equivalents as per Cash Flow Statement :		<u>189,622,171</u>	<u>203,152,473</u>
Significant Accounting Policies and Notes forming an integral part of the Financial Statements	1,2,3		

As per my attached report of even date,

P. V. Deo  
Chartered Accountant

On behalf of the Board of Directors,

A. B. Kalyani  
Director

B. B. Hattarki  
Director

J. G. Patwardhan  
Chief Executive Officer &  
Chief Financial Officer

S. R. Kshirsagar  
Company Secretary

Place : Pune  
Date : 21<sup>st</sup> May, 2015.

Place : Pune  
Date : 21<sup>st</sup> May, 2015.

## Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2015.

### 1. Company Overview :

The Company is a Non Deposit taking Core Investment Company, as defined in the Core Investment Companies (Reserve Bank) Directions, 2011. Since the Company is not a Systemically Important Non Deposit taking Core Investment Company, it is not required to obtain Certificate of Registration under Sec. 45-IA of the Reserve Bank of India Act, 1934.

Operating Cycle of the Company is considered to be of 12 months.

### 2. Statement of Significant Accounting Policies :

#### 2.1 Basis of accounting and preparation of financial statements :

These accounts have been prepared under historical cost convention and comply with the Accounting Standards, specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. All income and expenses having a material bearing on the financial statements are recognized on accrual basis.

#### 2.2 Change in accounting policy :

Depreciation on fixed assets and investment properties

Till the year ended 31<sup>st</sup> March 2014, Schedule XIV to the Companies Act, 1956, prescribed requirements concerning depreciation of fixed assets and investment properties. From the current year, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013. The applicability of Schedule II has resulted in the following changes related to depreciation of fixed assets and investment properties. Unless stated otherwise, the impact mentioned for the current year is likely to hold good for future years also.

##### a) Useful lives/ depreciation rates

Till the year ended 31<sup>st</sup> March 2014, depreciation rates prescribed under Schedule XIV to the Companies Act, 1956 were treated as minimum rates and the company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II to the Companies Act, 2013 prescribes useful lives for fixed assets which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.

Considering the applicability of Schedule II, the management has re-estimated useful lives and residual values of all its fixed assets. The useful lives estimated by the Management are in line with the useful lives of various categories of assets specified in the Schedule II to the Companies Act, 2013.

##### b) Depreciation on assets costing less than ₹ 5,000/-

Till year ended 31<sup>st</sup> March, 2014, to comply with the requirements of Schedule XIV to the Companies Act, 1956, the Company was charging 100% depreciation on assets costing less than ₹ 5,000/- in the year of purchase. However, Schedule II to the Companies Act 2013, applicable from the current year, does not recognize such practice. Hence, to comply with the requirement of Schedule II to the Companies Act, 2013, the company has changed its accounting policy for depreciations of assets costing less than ₹ 5,000/-. As per the revised policy, the company is depreciating such assets over their useful life as assessed by the management. The management has decided to apply the revised accounting policy prospectively from accounting periods commencing on or after 1<sup>st</sup> April, 2014.

The change in accounting for depreciation of assets costing less than ₹ 5,000/- did not have any material impact on financial statements of the company for the current year.

#### 2.3 Use of Estimates :

The preparation of the financial statements in conformity with the GAAP requires that the Management makes estimates and assumptions, which affect the reported amounts of assets and liabilities, disclosure of contingent liabilities, as at the date of the financial statements, and the reported amounts of revenue and expenses during the year under report. Contingencies are recorded, when it is probable that a liability will be incurred and the amount can be reasonably estimated. Actual results could differ from those estimates.

#### 2.4 Fixed Assets and Depreciation :

##### a) Fixed Assets :

Fixed Assets are stated at their original cost of acquisition including incidental expenses related to acquisition and installation of the concerned assets. Fixed Assets are shown net of accumulated depreciation, wherever applicable and amortization.

##### b) Depreciation and Amortisation :

i) Depreciation on fixed assets other than vehicles, is calculated on straight-line basis using the rates



arrived at based on the useful lives estimated by the management. Depreciation on vehicles, is calculated on written down value basis using the rates arrived at based on the useful lives estimated by the management.

Depreciation is charged on pro-rata basis for assets purchased/sold during the year.

The Management's estimate of the useful lives of various fixed assets which is in line with the provisions of Schedule II to the Companies Act, 2013 is given below.

	Nature of the Asset	Estimated Useful Life
i)	Furnitures and Fixtures	10 years
ii)	Office Equipments	5 years
iii)	Vehicles (Written Down Value Method)	8 years

## 2.5 Investments :

- a) Long Term Investments are carried at cost. Provision for diminution is made to recognize a decline other than temporary, in value of investments.
- b) Short Term Investments are carried at lower of cost and fair value.

## 2.6 Investment Property :

Investment Properties are carried at cost less depreciation and impairment, if any. Investment properties are capitalised and depreciated (where applicable) in accordance with the policy stated for fixed assets. Impairment of investment property is determined in accordance with the policy stated for impairment of assets.

The Management's estimate of the useful lives of investment properties is given below.

	Nature of the Asset	Estimated Useful Life
i)	Buildings	60 years

## 2.7 Revenue Recognition :

- a) The Company recognises income on accrual basis. However, revenue recognition is postponed in respect of specific items of income, where the ultimate collection, thereof is uncertain.
- b) Interest income is accrued over the period of the loan / investment.
- c) Dividend is accrued in the year in which it is declared whereby a right to receive is established.
- d) Profit / loss on sale of investments is recognised on the contract date.

## 2.8 Employee Benefits :

Employee benefits comprise amounts paid for the services of the Key Management Personnel on deputation. No separate provisions of retirement benefits or privilege leave benefits of such employees are recognized in the books of the Company.

## 2.9 Taxation :

- a) Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
- b) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such

deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

- c) Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the guidance note on 'Accounting for Credit Available in respect of Minimum Alternative Tax' under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as 'MAT Credit Entitlement.' The Company reviews the 'MAT credit entitlement' asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

#### **2.10 Impairment :**

The management has a policy to review at each balance sheet date, the carrying amounts of its assets to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risk specific to the asset. Reversal of impairment loss is recognized immediately as income in the statement of profit and loss.

#### **2.11 Earnings per share :**

In determining earnings per share, the Company considers the net profit after tax and includes the post tax effect of any extra-ordinary / exceptional item, if any. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

#### **2.12 Provisions, Contingent Liabilities and Contingent Assets :**

Provisions are made for present obligations arising out of past events, which are likely to result in an outflow of resources embodying economic benefits at an amount, which can be reliably estimated.

Items not classified as provisions as envisaged above are treated as contingent liabilities, which are disclosed by way of a note and are not provided for in the books of account.

Contingent assets are neither recognized nor disclosed.

#### **2.13 Cash flow statement :**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

#### **2.14 Cash and cash equivalents :**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

	As at 31 <sup>st</sup> March, 2015 Amount ₹	As at 31 <sup>st</sup> March, 2014 Amount ₹
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### 3. Other Notes :

#### 3.1 SHARE CAPITAL :

##### Authorised :

40,000,000 (40,000,000) Equity Shares of ₹ 5/-, each	200,000,000	200,000,000
<b>TOTAL :</b>	<b>200,000,000</b>	<b>200,000,000</b>

##### Issued, Subscribed and Paid up :

37,667,628 (37,667,628) Equity Shares of ₹ 5/-, each, fully paid up	188,338,140	188,338,140
<b>TOTAL :</b>	<b>188,338,140</b>	<b>188,338,140</b>

- (a) These shares have been allotted to the shareholders of BF Utilities Limited, on 15<sup>th</sup> March, 2010, without payment being received in cash, in terms of the Composite Scheme of Arrangement sanctioned by the Honourable High Court of judicature at Bombay on 5<sup>th</sup> February, 2010.
- (b) The Company has only one class of shares referred to as equity shares having a par value of ₹ 5/-. Each holder of equity shares is entitled to one vote per share.
- (c) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive surplus assets of the Company, remaining after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.
- (d) The reconciliation of the number of shares outstanding and the amount of share capital as at 31<sup>st</sup> March, 2015 and 31<sup>st</sup> March, 2014 is set out below.

	As at 31 <sup>st</sup> March, 2015		As at 31 <sup>st</sup> March, 2014	
	No. of Shares	Amount in ₹	No. of Shares	Amount in ₹
Balance at the beginning of the year	37,667,628	188,338,140	37,667,628	188,338,140
Add: Shares issued during the year	-	-	-	-
Balance at the close of the year	37,667,628	188,338,140	37,667,628	188,338,140

#### (e) Details of shareholders holding more than 5% of the aggregate issued and subscribed shares

Name of the shareholders	As at 31 <sup>st</sup> March, 2015		As at 31 <sup>st</sup> March, 2014	
	No. of Shares	%	No. of Shares	%
Ajinkya Investment and Trading Company	10,292,103	27.32	10,292,103	27.32
KSL Holdings Pvt. Ltd.	5,054,091	13.42	5,054,091	13.42
Sundaram Trading and Investment Pvt. Ltd.	9,543,068	25.33	9,543,068	25.33

	As at 31 <sup>st</sup> March, 2015 Amount ₹	As at 31 <sup>st</sup> March, 2014 Amount ₹
<b>3.2 RESERVES AND SURPLUS :</b>		
<b>Capital Reserve :</b>		
As per last account	2,367,523,376	2,367,523,376
<b>Capital Redemption Reserve :</b>		
As per last account	1,340	1,340
<b>Reserve Fund [Under Sec. 45IC(1) of the Reserve Bank of India Act, 1934] :</b>		
As per last account	828,612,339	788,719,339
Add : Set aside this financial year	37,502,000	39,893,000
	<u>866,114,339</u>	<u>828,612,339</u>
<b>General Reserve :</b>		
As per last account	870,000	870,000
<b>Surplus in the Statement of Profit and Loss :</b>		
As per last account	3,259,242,243	3,099,672,378
Add : Profit for the year transferred from the Statement of Profit and Loss	187,506,486	199,462,865
Amount available for appropriation	<u>3,446,748,729</u>	<u>3,299,135,243</u>
Less : Appropriations		
Amount transferred to Reserve Fund	<u>37,502,000</u>	<u>39,893,000</u>
	<u>3,409,246,729</u>	<u>3,259,242,243</u>
<b>TOTAL :</b>	<u><u>6,643,755,784</u></u>	<u><u>6,456,249,298</u></u>
<b>3.3 Trade Payables :</b>		
Dues to Micro and Small Enterprises	-	-
Others	124,231	14,157
<b>TOTAL :</b>	<u><u>124,231</u></u>	<u><u>14,157</u></u>
<b>3.4 Other Current Liabilities :</b>		
Statutory liabilities	12,230	433,276
Accrued expenses	1,634,428	1,302,965
<b>TOTAL :</b>	<u><u>1,646,658</u></u>	<u><u>1,736,241</u></u>
<b>3.5 Short Term Provisions :</b>		
Provision for Taxation, net of advance tax paid	6,026,906	8,281,068
<b>TOTAL :</b>	<u><u>6,026,906</u></u>	<u><u>8,281,068</u></u>

### 3.6 FIXED ASSETS

	Tangible Assets			Total ₹	As at 31 <sup>st</sup> March, 2014 ₹
	Office Equipments	Vehicles	Furniture and Fittings		
	₹	₹	₹		
<b>GROSS BLOCK, AT COST :</b>					
As at 31 <sup>st</sup> March, 2014.	15,282	22,259,655	-	22,274,937	14,712,809
Additions	-	-	10,912,500	10,912,500	16,759,655
Adjustment	(15,282)	-	-	(15,282)	-
Disposals	-	-	-	-	(9,197,527)
<b>As at 31<sup>st</sup> March, 2015.</b>	<b>-</b>	<b>22,259,655</b>	<b>10,912,500</b>	<b>33,172,155</b>	<b>22,274,937</b>
<b>DEPRECIATION AND AMORTIZATION :</b>					
As at 31 <sup>st</sup> March, 2014.	14,429	5,108,133	-	5,122,562	6,535,646
For the year <sup>#</sup>	-	5,692,071	110,769	5,802,840	4,767,673
In respect of disposals	(14,429)	-	-	(14,429)	(6,180,757)
<b>As at 31<sup>st</sup> March, 2015.</b>	<b>-</b>	<b>10,800,204</b>	<b>110,769</b>	<b>10,910,973</b>	<b>5,122,562</b>
<b>NET BLOCK :</b>					
As at 31 <sup>st</sup> March, 2014.	853	17,151,522	-	17,152,375	
<b>As at 31<sup>st</sup> March, 2015.</b>	<b>-</b>	<b>11,459,451</b>	<b>10,801,731</b>	<b>22,261,182</b>	

# Had the Company continued with the previously assessed useful lives, charge for depreciation for the year ended 31<sup>st</sup> March, 2015 would have been lower by ₹ 1,361,970 for assets held at 1<sup>st</sup> April, 2014.

### 3.7 Non Current Investments, at Cost :

Other than trade :

(i) Investment Property :  
(At cost, less accumulated depreciation)

	Freehold Land	Buidings	Total ₹	As at 31 <sup>st</sup> March, 2014 ₹
	₹	₹		
	₹	₹		
<b>GROSS BLOCK, AT COST :</b>				
As at 31 <sup>st</sup> March, 2014.	125,847,833	7,664,341	133,512,174	133,512,174
Additions	-	-	-	-
Adjustments	-	-	-	-
<b>As at 31<sup>st</sup> March, 2015.</b>	<b>125,847,833</b>	<b>7,664,341</b>	<b>133,512,174</b>	<b>133,512,174</b>
<b>DEPRECIATION AND AMORTIZATION :</b>				
As at 31 <sup>st</sup> March, 2014	-	2,393,295	2,393,295	2,393,295
For the year <sup>#</sup>	-	134,261	134,261	-
Adjustments	-	-	-	-
<b>As at 31<sup>st</sup> March, 2015.</b>	<b>-</b>	<b>2,527,556</b>	<b>2,527,556</b>	<b>2,393,295</b>
<b>NET BLOCK :</b>				
As at 31 <sup>st</sup> March, 2014.	125,847,833	5,271,046	131,118,879	
<b>As at 31<sup>st</sup> March, 2015.</b>	<b>125,847,833</b>	<b>5,136,785</b>	<b>130,984,618</b>	

# Had the Company continued with the previously assessed useful lives, charge for depreciation for the year ended 31<sup>st</sup> March, 2015 would have been lower by ₹ 9,829 for assets held at 1<sup>st</sup> April, 2014.

		As at 31 <sup>st</sup> March, 2015 Amount ₹	As at 31 <sup>st</sup> March, 2014 Amount ₹
<b>3.7 NON-CURRENT INVESTMENTS, AT COST : (Contd.)</b>			
Other than trade :			
	Net Brought Over	130,984,618	131,118,879
<b>(ii) Equity Instruments, Quoted :</b>			
Investments in Associates :			
17,052,421 (17,052,421)	Equity Shares of ₹ 5/- each, fully paid in Kalyani Steels Ltd.	309,573,731	309,573,731
Investments in Joint Ventures :			
5,367,806 (5,367,806)	Equity Shares of ₹ 10/- each fully paid in Automotive Axles Ltd.	260,686,926	260,686,926
Investments in Other Companies :			
7,807,338 (7,807,338)	Equity Shares of ₹ 2/- each fully paid in Bharat Forge Ltd.	1,766,005,873	1,766,005,873
1,187,903 (1,187,903)	Equity Shares of ₹ 5/- each fully paid in BF Utilities Ltd.	643,064,202	643,064,202
2,182,250 (436,450)	Equity Shares of ₹ 2/- (Previous Year ₹ 10/-) each fully paid in Hikal Ltd.	15,868,800	15,868,800
569,600 (569,600)	Equity Shares of ₹ 10/- each fully paid in Kalyani Forge Ltd.	11,268,279	11,268,279
	Subtotal (ii) :	<u>3,006,467,811</u>	<u>3,006,467,811</u>
<b>(iii) Equity Instruments, Unquoted :</b>			
Investments in Associates :			
32,999,000 (32,999,000)	Equity Shares of ₹ 10/- each fully paid in KSL Holdings Pvt. Ltd.	329,990,000	329,990,000
16,183,636 (16,183,636)	Equity Shares of ₹ 10/- each fully paid in Epicenter Technologies Pvt. Ltd.	183,236,491	183,236,491
	Less : Provision for diminution in value	<u>(110,183,558)</u>	<u>(110,183,558)</u>
		73,052,933	73,052,933
579,000 (579,000)	Equity Shares of ₹ 10/- each fully paid in Kalyani Agro Corporation Ltd.	2	2
3,195,398 (3,195,398)	Equity Shares of ₹ 10/- each fully paid in Carpenter Kalyani Special Alloys Pvt. Ltd.	31,953,980	31,953,980
	Less : Provision for diminution in value	<u>(28,758,980)</u>	<u>(28,758,980)</u>
		3,195,000	3,195,000
2,940,000 (2,940,000)	Equity Shares of ₹ 10/- each fully paid in Kalyani Financial Services Ltd.	47,883,609	47,883,609
25,000 (25,000)	Equity Shares of ₹ 10/- each fully paid in Nandi Engineering Ltd. <sup>(a)</sup>	250,000	250,000
1,131,793 (1,131,793)	Equity Shares of ₹ 10/- each fully paid in Synise Technologies Ltd.	55,852,620	55,852,620
	Less : Provision for diminution in value	<u>(55,852,619)</u>	<u>(55,852,619)</u>
		1	1
Investments in Joint Ventures :			
1,190,694 (1,190,694)	Equity Shares of ₹ 10/- each fully paid in Meritor HVS India Ltd.	11,906,930	11,906,930
		<u>11,906,930</u>	<u>11,906,930</u>
Investments in Other Companies :			
61,532,490 (61,532,490)	Equity Shares of ₹ 10/- each fully paid in Khed Economic Infrastructure Pvt. Ltd.	615,324,900	615,324,900
500 (500)	Equity Shares of ₹ 10/- each fully paid in Kalyani Carpenter Special Steels Ltd.	11,800	11,800
2,399,998 (2,399,998)	Equity Shares of ₹ 10/- each fully paid in Kalyani Maxion Wheels Ltd. (Previously known as Kalyani Hayes Lemmerz Ltd.)	23,999,980	23,999,980
		<u>639,336,680</u>	<u>639,336,680</u>
	Subtotal (iii) :	<u>1,105,615,155</u>	<u>1,105,615,155</u>
<b>(iv) Preference Shares, Unquoted :</b>			
Investments in Associates :			
3,000,000 (3,000,000)	6 % Non-cumulative Redeemable Preference Shares of ₹ 10/- each, fully paid in Kalyani Financial Services Ltd.	30,000,000	30,000,000
3,500,000 (3,500,000)	11 % Non-cumulative Redeemable Preference Shares of ₹ 10/- each, fully paid in KSL Holdings Pvt. Ltd.	35,000,000	35,000,000
	Subtotal (iv) :	<u>65,000,000</u>	<u>65,000,000</u>
<b>(v) Debentures, Unquoted :</b>			
Investments in Associates :			
6,497,000 (6,497,000)	0% Fully Convertible Debentures of ₹ 100/- each fully paid of Kalyani Financial Services Ltd.	649,700,000	649,700,000
	Subtotal (v) :	<u>649,700,000</u>	<u>649,700,000</u>
<b>(vi) In a Partnership Firm :</b>			
M/s Sundaram Enterprises	(Refer Note No. 3.26)	37,287	34,853
	Subtotal (vi) :	<u>37,287</u>	<u>34,853</u>
	TOTAL :	<u><u>4,957,804,871</u></u>	<u><u>4,957,936,698</u></u>

	As at 31 <sup>st</sup> March, 2015 Amount ₹	As at 31 <sup>st</sup> March, 2014 Amount ₹
<b>3.7 NON-CURRENT INVESTMENTS, AT COST : (Contd.)</b>		
Book Value of Investments in Quoted Securities :	3,006,467,811	3,006,467,811
Book Value of Other Investments :	1,951,337,060	1,951,468,887
Market Value of Quoted Investments in securities :	18,043,299,401	7,539,422,148
Aggregate provision for diminution of in value of investments :	194,795,157	194,795,157

(a) Pledged for loan taken by another company

### 3.8 Deferred Tax Asset :

Deferred Tax Asset		
Timing difference in respect of depreciation	2,384,000	-
<b>TOTAL :</b>	<b>2,384,000</b>	<b>-</b>

### 3.9 Long Term Loans and Advances : (Unsecured, Good)

Intercorporate loans <small>(Refer Note No. 3.34)</small>	1,160,520,067	1,160,520,067
Security deposits	1,339,185	1,459,185
<b>TOTAL :</b>	<b>1,161,859,252</b>	<b>1,161,979,252</b>

### 3.10 Current Investments, at lower of Cost and Fair Value :

Other than trade :

In Units of Mutual Funds, Unquoted :

50,626	-	Units of ₹ 10/- each of ICICI Prudential Savings Fund Regular Plan Growth	10,000,000	-
-	93,658	Units of ₹ 100/- each of ICICI Prudential Liquid Regular Plan Growth	-	17,500,000
38,464	-	Units of ₹ 100/- each of ICICI Prudential Flexible Income Regular Plan Growth	10,000,000	-
-	57,015	Units of ₹ 100/- each of ICICI Prudential Money Market Fund Regular Plan Growth	-	10,000,000
7,707	-	Units of ₹ 1,000/- each of Indiabulls Liquid Fund - Existing Plan Growth	10,000,000	-
-	831,893	Units of ₹ 10/- each of JP Morgan India Liquid Fund - Super Institutional Growth	-	13,709,595
754,695	-	Units of ₹ 10/- each of Kotak Bond Scheme Plan A- Growth (Regular Plan)	30,000,000	-
-	4,367	Units of ₹ 1,000/- each of LIC Nomura Liquid Fund Growth Plan	-	10,000,000
-	428,967	Units of ₹ 10/- each of Peerless Liquid Fund Super Institutional Growth	-	6,000,000
3,524	-	Unit of ₹ 1,000/- each of Pramerica Liquid Fund - Growth Option	5,000,000	-
-	5,181	Units of ₹ 1,000/- each of Reliance Liquid Fund Cash Plan Growth Option Growth Plan	-	10,600,000
-	4,175	Units of ₹ 1,000/- each of Reliance Liquidity Fund Growth Plan - Growth Option	-	8,000,000
470,183	-	Units of ₹ 10/- each of Reliance Medium Term Fund-Growth Plan- Growth Option	13,500,000	-
7,897	-	Units of ₹ 1,000/- each of Reliance Money Manager Fund - Growth Plan Growth option	15,000,000	-
-	3,563	Units of ₹ 1,000/- each of SBI Magnun Insta Cash Fund Regular Plan Growth	-	10,000,000
5,642	-	Units of ₹ 1,000/- each of SBI Ultra Short Term Debt Fund - Regular Plan- Growth	10,000,000	-
-	4,290	Units of ₹ 1,000/- each of TATA Liquid Fund Plan A Growth	-	10,000,000
5,271	-	Units of ₹ 1,000/- each of TATA Floater Fund Plan A - Growth Plan	10,345,770	-
4,760	-	Units of ₹ 1,000/- each of TATA Money Market Fund Plan A - Growth	10,000,000	-
5,022	3,876	Units of ₹ 1,000/- each of Franklin India Treasury Management Account- Super Institutional Plan - Growth	10,000,000	7,380,000
2,290,975	-	Units of ₹ 10/- each of Franklin India Ultra Short Bond Fund - Super Institutional Plan - GROWTH	40,500,000	-
10,859	-	Units of ₹ 1,000/- each of UTI Treasury Advantage Fund Institutional Plan - Growth	20,000,000	-
<b>TOTAL :</b>			<b>194,345,770</b>	<b>103,189,595</b>

	As at 31 <sup>st</sup> March, 2015 Amount ₹	As at 31 <sup>st</sup> March, 2014 Amount ₹
<b>3.11 Cash and Cash Equivalents :</b>		
Balances with banks		
In current accounts	2,094,109	2,999,365
In term deposit accounts <sup>(a)</sup>	192,500,000	205,098,168
Cash on hand	28,062	54,940
<b>TOTAL :</b>	<u>194,622,171</u>	<u>208,152,473</u>
<b>(a) Term deposits include__</b>		
Deposits with original maturity of less than 3 months	187,500,000	200,098,168
Deposits with original maturity of more than 3 months but less than 12 months	5,000,000	5,000,000
<b>3.12 Short Term Loans and Advances :</b>		
<b>(Unsecured)</b>		
Intercompany loans		
Good	297,003,780	185,553,780
Doubtful	16,126,220	16,126,220
Less : Provision	<u>(16,126,220)</u>	<u>(16,126,220)</u>
	-	-
Other loans and advances		
Good	137,995	18,711,853
Doubtful	1,453,967	1,453,967
Less : Provision	<u>(1,453,967)</u>	<u>(1,453,967)</u>
	-	-
<b>TOTAL :</b>	<u>297,141,775</u>	<u>204,265,633</u>
<b>3.13 Other Current Assets :</b>		
Interest receivable, Good	9,472,698	1,942,878
<b>TOTAL :</b>	<u>9,472,698</u>	<u>1,942,878</u>



	Year ended 31 <sup>st</sup> March, 2015 ₹	Year ended 31 <sup>st</sup> March, 2014 ₹
<b>3.14 Revenue from Operations :</b>		
Interest received on loans	12,352,713	62,329,290
Interest received on bank deposits	15,143,518	4,558,245
<b>TOTAL :</b>	<u>27,496,231</u>	<u>66,887,535</u>
<b>3.15 Other Income :</b>		
Dividend received on long term investments	172,780,654	146,737,325
Dividend received on short term investments	-	-
Profit on sale of short term investments (Net)	7,036,257	15,519,647
Share in profit of partnership firm	2,434	2,252
Miscellaneous income	-	21,556
<b>TOTAL :</b>	<u>179,819,345</u>	<u>162,280,780</u>
<b>3.16 Employee Benefit Expenses :</b>		
Salaries and Wages <small>(Refer Note No. 2.8)</small>	121,574	-
<b>TOTAL :</b>	<u>121,574</u>	<u>-</u>
<b>3.17 Finance Costs :</b>		
Interest - Other	490,333	1,024,000
<b>TOTAL :</b>	<u>490,333</u>	<u>1,024,000</u>
<b>3.18 Depreciation and Amortization :</b>		
Tangible assets	5,802,840	4,767,673
Investment property	134,261	124,432
<b>TOTAL :</b>	<u>5,937,101</u>	<u>4,892,105</u>
<b>3.19 Other Expenses :</b>		
Rates and taxes	3,420,461	2,012,582
Professional fees	2,896,606	10,946,450
Brand fees	561,800	561,800
Repairs and Maintenance- Vehicle	543,148	366,835
Audit fees <small>(Refer Note No. 3.22)</small>	247,118	247,730
Donation	-	2,500,000
Sundry expenses	2,541,990	2,222,968
<b>TOTAL :</b>	<u>10,211,123</u>	<u>18,858,365</u>
<b>3.20 Exceptional Items :</b>		
Accrued interest written off <small>(Refer Note No. 3.28)</small>	-	(302,759,172)
Profit on sale of long term investments (Net)	-	312,618,567
<b>TOTAL :</b>	<u>-</u>	<u>9,859,395</u>

	As at 31 <sup>st</sup> March, 2015 Amount ₹	As at 31 <sup>st</sup> March, 2014 Amount ₹
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### 3.21 Contingent Liabilities not provided for :

i) Corporate Guarantees given, in respect of loans borrowed by other companies <sup>(a)</sup>		
Guarantee Amount	1,710,000,000	950,000,000
Balance outstanding	1,135,000,000	835,579,160
(a) Commitments of the Company under the Corporate Guarantee/s, inter alia, include undertaking not to dispose or encumber its present and future assets without the prior written consent of the lenders.		
ii) The Company has issued a Letter of Comfort not amounting to Corporate Guarantee, to Axis Bank Limited, UAE, in respect of non-fund based limits aggregating to Euro 7,500,000 sanctioned to Kenersys Europe GmbH, whereby the Company had undertaken to ensure that the borrower company would fulfill the debt service obligation, when due. Axis Bank Ltd., U.A.E. has since released the Company from the said Letter of Comfort during the financial year covered by these statements.		
iii) Conveyance deed of the ownership premises of the Company at Antariksha Bhawan, New Delhi has not been executed as yet. Liability, if any on that account has not been ascertained.	Unascertainable	Unascertainable

### 3.22 Payment to Auditor, inclusive of Service Tax :

As auditor	185,394	185,394
For tax audit	28,090	28,090
For certification	28,090	28,090
For reimbursement of expenses	5,544	6,156
<b>TOTAL :</b>	<u>247,118</u>	<u>247,730</u>

### 3.23 Earning per Share (Face Value of ₹ 5 each) :

Profit for the year after taxation	187,506,486	199,462,865
Weighted Average Number of Equity Shares, outstanding during the period	37,667,628	37,667,628
Basic Earning per Share in rupees	4.98	5.30
Diluted Earning per Share in rupees	4.98	5.30

### 3.24 Segment Reporting :

The Company is a Non Deposit taking Core Investment Company, as defined in the Core Investment Companies (Reserve Bank) Directions, 2011 and all activities of the Company revolve around this business. Hence no separate segment is considered reportable.

### 3.25 Related Party Disclosures :

#### a) Related Parties and their relationships, where there are related party transactions or balances :

i) Associates	Kalyani Steels Ltd. Epicenter Technologies Private Limited Kalyani Financial Services Limited Nandi Engineering Limited
ii) Joint Ventures	Automotive Axles Limited Meritor HVS India Limited M/s Sundaram Enterprises
iii) Investing enterprise in respect of which the Company is an associate	Sundaram Trading and Investment Pvt. Ltd.
iv) Key Management Personnel	Mr. Satish Kshirsagar, the Company Secretary Mr. Jeewanprasad Patwardhan, the Chief Executive Officer and Chief Financial Officer, appointed on 31 <sup>st</sup> March, 2015.

#### b) Transactions with Related Parties :

Particulars	Associates	Joint Venture	Investing enterprise in respect of which the Company is an associate	Key Management Personnel	Total
	₹	₹	₹	₹	₹
Dividend Received	51,157,263 (25,578,632)	75,930,950 (88,130,722)	- -	- -	127,088,213 (113,709,354)
Unsecured Loan given	- (300,000,000)	- -	- -	- -	- (300,000,000)
Unsecured Loan - Repayment received	- (290,000,000)	- -	- -	- -	- (290,000,000)
Interest Received	2,124,172 (2,949,337)	- -	- -	- -	2,124,172 (2,949,337)
Share in profit of partnership firm	- -	2,434 (2,252)	- -	- -	2,434 (2,252)
Remuneration to Key Management Personnel <sup>@</sup>	- -	- -	- -	121,574 -	121,574 -
Sale of investment	- -	- -	- (651,402,444)	- -	- (651,402,444)

(Figures in bracket indicate previous year)

@ Represents amounts paid to Key Management Personnel on deputation.

#### c) Balances with Related Parties :

Particulars	Associates	Joint Venture	Investing enterprise in respect of which the Company is an associate	Key Management Personnel	Total
	₹	₹	₹	₹	₹
Unsecured Loan given	37,700,000 (37,700,000)	- -	- -	- -	37,700,000 (37,700,000)
Balance on Capital with partnership firm	- -	37,287 (34,853)	- -	- -	37,287 (34,853)
Interest on Loan receivable <sup>#</sup>	1,638,986 (370,159)	- -	- -	- -	1,638,986 (370,159)
# Current	1,638,986 (370,159)	- -	- -	- -	1,638,986 (370,159)
# Non Current	- -	- -	- -	- -	- -

(Figures in bracket indicate previous year)

### 3.26 Investment in Capital of Partnership Firm :

The Company is a partner in M/s Sundaram Enterprises. The names of partners, their capital contributions and their respective profit/loss sharing ratios are as under :

Name of the Partner	Capital Contribution		Profit/Loss sharing ratio	
	31 <sup>st</sup> March, 2015 ₹	31 <sup>st</sup> March, 2014 ₹	31 <sup>st</sup> March, 2015 %	31 <sup>st</sup> March, 2014 %
BF Investment Ltd.	37,287	34,853	60%	60%
Kalyani Investment Company Ltd.	12,429	11,617	20%	20%
Sundaram Trading and Investment Pvt. Ltd.	6,215	5,809	10%	10%
Axiom Project Consultants Pvt. Ltd.	6,215	5,809	10%	10%
<b>TOTAL :</b>	<b>62,146</b>	<b>58,088</b>	<b>100%</b>	<b>100%</b>

### 3.27 Disclosure of Joint Ventures :

Name of the Joint Venture	Organizational Structure	Country of Incorporation	Proportion of Ownership Interest	
			Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
M/s Sundaram Enterprises	Partnership Firm	India	60.00%	60.00%
Meritor HVS (India) Ltd.	Company	India	48.99%	48.99%
Automotive Axles Ltd.	Company	India	35.52%	35.52%

The details of the aggregate amounts of the assets, liabilities, income and expenses of Joint Ventures, related to the Company's interest therein, based on the latest available annual accounts of the Joint Ventures are as under :

(a) M/s Sundaram Enterprises	Financial Year of JV ended 31 <sup>st</sup> March, 2015		Financial Year of JV ended 31 <sup>st</sup> March, 2014	
	Total ₹	Share of the Company ₹	Total ₹	Share of the Company ₹
Assets	168,826	101,296	162,958	97,775
Liabilities	106,680	64,008	104,870	62,922
Income	5,868	3,521	5,435	3,261
Expenses	1,810	1,086	1,680	1,008

(b) Meritor HVS (India) Ltd.	Financial Year of JV ended 31 <sup>st</sup> March, 2015		Financial Year of JV ended 30 <sup>th</sup> September, 2013	
	Total ₹	Share of the Company ₹	Total ₹	Share of the Company ₹
Assets	2,498,930,304	1,224,225,956	2,011,050,879	985,213,826
Liabilities	1,770,925,962	867,576,629	1,376,920,672	674,553,437
Income <sup>@</sup>	12,602,572,656	6,174,000,344	7,248,564,048	3,551,071,527
Expenses <sup>@</sup>	12,254,619,384	6,003,538,036	6,999,234,416	3,428,924,940

<sup>@</sup>Income and Expenses for the period of 18 months ended 31<sup>st</sup> March, 2015.

(c)	Automotive Axles Ltd.	Financial Year of JV ended 31 <sup>st</sup> March, 2015		Financial Year 12 months of JV ended 30 <sup>th</sup> September, 2013	
		Total ₹	Share of the Company ₹	Total ₹	Share of the Company ₹
	Assets	5,208,550,002	1,850,076,961	4,254,128,508	1,511,066,446
	Liabilities	2,184,210,641	775,831,620	1,449,292,607	514,788,734
	Income <sup>§</sup>	11,442,805,965	4,064,484,679	6,441,647,865	2,288,073,322
	Expenses <sup>§</sup>	11,155,593,348	3,962,466,757	6,314,670,736	2,242,971,045

§ Income and Expenses for the period of 18 months ended 31<sup>st</sup> March, 2015.

### 3.28 Exceptional Items :

- a) In view of the continued illiquid financial position of Nandi Economic Corridor Enterprises Ltd. (NECE) and the representation in that respect made by NECE, the Company has written off accrued interest aggregating to ₹ NIL (Previous Year : ₹ 302,137,802) charged to and receivable from NECE, on prudent basis. On similar considerations, interest aggregating to ₹ NIL (Previous Year : ₹ 621,370) charged to and receivable from Nandi Infrastructure Corridor Enterprise Ltd. (NICE) has also been written off. These amounts have been reflected as exceptional items in the Statement of Profit and Loss. The Principal amounts outstanding on the loans granted to the above companies are considered good and fully realizable by the Directors. The accrued interest written off comprised the following.

	Year ended 31 <sup>st</sup> March, 2015 ₹	Year ended 31 <sup>st</sup> March, 2014 ₹
Interest accrued during the current year written off	-	53,083,236
Interest accrued during the earlier years written off	-	249,675,936
<b>TOTAL :</b>	<u>-</u>	<u>302,759,172</u>

- b) Profit on sale of long term investments included profit of ₹ NIL (Previous Year ₹ 312,518,422) on sale of ₹ NIL (Previous Year : ₹ 1,705,242) Equity Shares of ₹ 10/- each of Kalyani Investment Co. Ltd., an associate of the Company.

3.29 Legal title to some of the assets vested and transferred to the Company in pursuance of the Composite Scheme of Arrangement approved by the Honourable High Court of judicature at Bombay, as per Order dated 5<sup>th</sup> February, 2010 as already reported could not be transferred in the name of the Company as at 31<sup>st</sup> March, 2015. The Company is in the process of completing the required legal processes.

3.30 3,000,000 6% Non-cumulative Redeemable Preference Shares of ₹10/- each, fully paid in Kalyani Financial Services Limited are redeemable on or before 30<sup>th</sup> December, 2016.

3.31 3,500,000 11% Non-cumulative Redeemable Preference Shares of ₹10/- each, fully paid in KSL Holdings Pvt. Ltd. are redeemable on the expiry of 10 years from the date of allotment, i.e. on 28<sup>th</sup> September, 2022, with an option to the said Company to redeem the said preference shares, in one or more tranches, at any time on or after 28<sup>th</sup> December, 2012.

3.32 Of the 6,497,000 0% Fully Convertible Debentures (FCD) of ₹ 100/- each fully paid of Kalyani Financial Services Limited, 1,227,000 FCDs are compulsorily convertible into Equity Shares of ₹ 10/- each fully paid up at a premium of ₹ 20/- per share on or before 31<sup>st</sup> March, 2021, while 5,270,000 FCDs are compulsorily convertible into such number of fully paid up Equity Shares of ₹ 10/- each at such a price as shall be fixed by the said Company on or before 27<sup>th</sup> September, 2022.

3.33 Deferred Tax asset in respect of unabsorbed depreciation and losses under the Income Tax Act, 1961 aggregating to ₹ 98,000 (Previous Year : ₹ 9,470,000) has not been recognized on considerations of prudence.

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### 3.34 Long term loans given :

The Company has given letter of subordination to Nandi Economic Corridor Enterprises Ltd. (NECE) and Airro (Mauritius) Holdings V, whereby the Company has agreed to subordinate the loan of ₹ 1,160,520,067 (Previous Year : ₹ 1,160,520,067) granted by it to NECE, until the entire stakeholding of Airro (Mauritius) Holdings V in NECE Ltd. is completely sold off or all the amounts payable by NECE Ltd. to Airro (Mauritius) Holdings V in terms of the Shareholders Agreement dated 24<sup>th</sup> December, 2010, between Airro (Mauritius) Holdings V and NECE Ltd. are fully paid off.

### 3.35 Corporate Social Responsibility :

The Company has formed Corporate Social Responsibility (CSR) Committee and has also adopted a CSR Policy in accordance with the provisions of section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Company recognizes CSR spends as and when incurred. Relevant details for the financial year covered by these statements are as under.

	Year ended 31 <sup>st</sup> March, 2015
	₹
Gross Amount required to be spent by the Company during the year	4,368,000
Amount spent during the year	-

3.36 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

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As per my attached report of even date,

**P. V. Deo**  
Chartered Accountant

Place : Pune  
Date : 21<sup>st</sup> May, 2015.

On behalf of the Board of Directors,

**A. B. Kalyani**  
Director

**J. G. Patwardhan**  
Chief Executive Officer &  
Chief Financial Officer

Place : Pune  
Date : 21<sup>st</sup> May, 2015.

**B. B. Hattarki**  
Director

**S. R. Kshirsagar**  
Company Secretary

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# BF INVESTMENT LIMITED

CIN : L65993PN2009PLC134021

Registered Office : Mundhwa, Pune Cantonment, Pune 411 036  
Correspondence Address : Cyber City, Tower 15, Level 6, Office 602,  
Magarpatta City, Hadapsar, Pune 411013  
Phone : +91 20 66292550

Email : bfinvestment@vsnl.net Website : <http://www.kalyanigroup.com/BFI.asp>

## PROXY FORM

[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)	
Registered Address	
E-mail Id	
Folio No. / DP ID & Client ID	

I/We, being the member (s) of \_\_\_\_\_ . shares of the above named Company, hereby appoint :

- (1) Name \_\_\_\_\_ Address \_\_\_\_\_  
E-mail ID \_\_\_\_\_ Signature \_\_\_\_\_ or failing him / her
- (2) Name \_\_\_\_\_ Address \_\_\_\_\_  
E-mail ID \_\_\_\_\_ Signature \_\_\_\_\_ or failing him / her
- (3) Name \_\_\_\_\_ Address \_\_\_\_\_  
E-mail ID \_\_\_\_\_ Signature \_\_\_\_\_

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Sixth Annual General Meeting of the Company, to be held on Saturday, the 19<sup>th</sup> day of September, 2015 at 11.30 a.m. (I.S.T.) at Kalyani Steels Limited at Mundhwa, Pune - 411 036 and at any adjournment thereof in respect of such resolutions as are indicated below :

Item No.	Resolution (For details, refer Notice of Sixth Annual General Meeting dated 22 <sup>nd</sup> July, 2015)	Vote *(For Options See Note 4)		
		For	Against	Abstain
1.	Adoption of the Financial Statements of the Company for the year ended 31 <sup>st</sup> March, 2015 and the reports of the Board of Directors and Auditors thereon.			
2.	Appointment of Mr.A. B.Kalyani, as a Director, who retires by rotation, and being eligible, offers himself for re-appointment			
3.	Appointment of Mr.P.V. Deo, Chartered Accountant, Pune as Auditor of the Company			
4.	Appointment of Ms.A.A. Sathe as an Independent Director			

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

Signature of member : \_\_\_\_\_

Signature of Proxy holder(s) : \_\_\_\_\_

Please affix  
Revenue  
Stamp

(Please refer notes overleaf)



Notes :

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. \* It is optional to indicate your preference by placing the tick (✓) mark at the appropriate box. If you leave the 'For', 'Against' or 'Abstain' column blank against any or all resolutions, your Proxy will be entitled to vote in the manner as he/she may deem appropriate.

# BF INVESTMENT LIMITED

CIN : L65993PN2009PLC134021

Registered Office : Mundhwa, Pune Cantonment, Pune 411 036  
Correspondence Address : Cyber City, Tower 15, Level 6, Office 602,  
Magarpatta City, Hadapsar, Pune 411013  
Phone : +91 20 66292550

Email : bfinvestment@vsnl.net Website : <http://www.kalyanigroup.com/BFI.asp>

## BALLOT PAPER

(In lieu of E-voting)

Sr. No.	Particulars	Details
1	Name of the First Named Shareholder	
2	Postal Address	
3	Registered Folio No. / * DP ID & Client ID	
4	Class of Shares	

(\*Applicable to investors holding shares in dematerialised form)

I / We hereby exercise my / our vote in respect of the Ordinary / Special Resolution(s) enumerated below, by recording my/our assent or dissent to the said Resolution(s) in the following manner :

No.	Item Description (For details, refer Notice of Sixth Annual General Meeting dated 22 <sup>nd</sup> July, 2015)	No. of Equity Shares held	I/We assent to the resolution (For)	I/We dissent to the resolution (Against)
1.	Adoption of the Financial Statements of the Company for the year ended 31 <sup>st</sup> March, 2015 and the reports of the Board of Directors and Auditors thereon.			
2.	Appointment of Mr.A. B.Kalyani, as a Director, who retires by rotation, and being eligible, offers himself for re-appointment			
3.	Appointment of Mr.P.V. Deo, Chartered Accountant, Pune as Auditor of the Company			
4.	Appointment of Ms.A.A. Sathe as an Independent Director			

Place :

Date :

Signature of the Shareholder(s)

## INSTRUCTIONS

1. Members may fill up the Ballot Paper by placing the tick (✓) mark at the appropriate box above and submit the same in a sealed envelope to the Scrutinizer, Mr.S.V. Deulkar of SVD & Associates, Company Secretaries, C/o BF Investment Limited, Secretarial Department, Cyber City, Tower 15, Level 6, Office 602, Magarpatta City, Hadapsar, Pune - 411 013 so as to reach not later than 18<sup>th</sup> September, 2015, by 6:00 p.m. Ballot Paper received thereafter will be treated as invalid.
2. The Company will not be responsible if the envelope containing the Ballot Paper is lost in transit.
3. Unsigned, incomplete or incorrectly ticked Ballot Papers are liable to be rejected and the decision of the Scrutinizer on the validity of the Ballot Papers will be final.
4. In the event member casts his votes through both the processes i.e. Remote E-Voting and Ballot Paper, the votes in the electronic system would be considered and the Ballot Paper would be ignored.
5. The right of voting by this Ballot Paper shall not be exercised by a proxy.
6. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the Registrar & Transfer Agent of the Company. Members are requested to keep the same updated.
7. There will be only one Ballot Paper for every Folio/ DP ID & Client ID irrespective of the number of joint members.
8. In case of joint holders, the Ballot Paper should be signed by the first named shareholder and in his/her absence by the next named shareholders. Ballot Paper signed by a joint holder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such Ballot Paper signed by other joint holders.
9. Where the Ballot Paper has been signed by an authorized representative of the body corporate/Trust/Society, etc. a certified copy of the relevant authorisation / Board resolution to vote should accompany the Ballot Paper.
10. Instructions for Remote E-Voting procedure are available in the Notice of Annual General Meeting and are also placed on the website of the Company.





**KALYANI**  
DRIVING INNOVATION

# **BF INVESTMENT LIMITED**

MUNDHWA, PUNE CANTONMENT, PUNE 411 036  
MAHARASHTRA, INDIA.

website : [www.kalyanigroup.com/BFI.asp](http://www.kalyanigroup.com/BFI.asp)