

BLUE CIRCLE SERVICES LIMITED

38th Annual Report
2013-2014



BLUE CIRCLE SERVICES LIMITED**BOARD OF DIRECTORS**

Anil Purohit	Chairman & Managing Director
Dhruva Narayan Jha	Non-Executive Director
Kashi Prasad Bajaj	Independent Director
Chandresh N Shah	Independent Director

COMPLIANCE OFFICER

Ms. Chandrakala Purohit

AUDITORS

M/s.Pradeep Gupta
Chartered Accountants

BANKERS

Axis Bank Ltd.
Kotak Mahindra Bank

REGISTERED OFFICE

Office No. 33, Basement,
Mona Shopping Centre
J. P. Road, Near Navrang Cinema,
Andheri (West), Mumbai-400 058

Corporate Identification No. : L74140MH1983PLC029378

REGISTRAR & SHARETRANSFER AGENT**Purva Sharegistry (India) Pvt. Ltd.**

No. 9, Shiv Shakti Ind. Estate
Gr. Floor, J. R. Boricha Marg
Lower Parel, Mumbai-400 011

ANNUAL GENERAL MEETING

Date : 22nd September, 2014
Time : 3.00 P.M.
Venue : Unit No. 323 & 324, 3rd Floor,
Building No. 9, Laxmi Plaza,
New Link Road, Andheri (West),
Mumbai-400 058

38th
Annual
Report
2013 - 2014

C O N T E N T S

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Members are requested to bring their copy of Annual Report at the time of Meeting

NOTICE

Notice is hereby given that the 38th Annual General Meeting of the members of **BLUE CIRCLE SERVICES LIMITED** will be held on Monday, 22nd September, 2014 at 3.00 P.M. at Unit No. 323 & 324, 3rd Floor, Building No. 9, Laxmi Plaza, New Link Road, Andheri (West), Mumbai-400 058 to transact following business as:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Directors' Report and Audited Statement of Accounts for the year ended 31st March 2014.
2. To appoint a Director in place of Mr. Dhruva Narayan Jha (DIN : 01286654), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and 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, 142 and other applicable provisions, if any, of the Companies Act, 2013 and their corresponding rules and based on the recommendations of the Audit Committee, M/s. Pradeep Gupta, Chartered Accountants, Mumbai (Membership No. 048979), who have offered themselves for re-appointment and have confirmed their eligibility in terms of the provisions of Section 141 of the Companies Act, 2013 and Rule 4 of Companies (Audit and Auditors) Rules, 2014, be and are hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of the 38th Annual General Meeting up to the conclusion of the 43rd consecutive Annual General Meeting (subject to ratification by the members at every subsequent AGM) at a remuneration as may be decided by the Board of Directors of the Company."

SPECIAL BUSINESS :

4. To consider and if thought fit to pass with or without modifications the following resolution as an ordinary resolution :

"RESOLVED THAT Pursuant to the provisions of Section 149 and all other applicable provisions of the Companies Act, 2013 (the Act) and in terms of Article 145 of the Articles of Association of the Company, Mr. Kashi Prasad Bajaj (DIN : 00559830), who was appointed as an Additional Director of the Company at the Board meeting held on 9th October 2013 and who holds the office up to the date of this Annual General Meeting in terms of provision of section 161 of the Act, and in whose respect the Company has received a notice from a member under Section 160 of the Act, together with necessary deposit as mentioned in the said section, proposing the candidature of Mr. Kashi Prasad Bajaj for the office of Director of the Company be and is hereby appointed as Non-Executive, Independent Director of the Company for the period of 5 Years commencing from 9th October 2013."

5. To consider and if thought fit to pass with or without modifications the following resolution as an ordinary resolution :

"RESOLVED THAT Pursuant to the provisions of Section 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013, 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, Mr. Chandresh N. Shah (DIN: 02806462) an Independent Director and in respect of whom the Company has received notice under Section 160 of the Companies Act, 2013, from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years up to the conclusion of the 43rd AGM of the Company."

Notes:

1. The Statement pursuant to Section 102 of the Companies Act, 2013 with respect to the Special Business set out in the Notice is annexed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. Proxies, in order to be effective, must be received at the Registered Office of the Company, not less than 48 hours before the commencement of the Annual General Meeting.
4. The Register of Member and the Share Transfer Books of the Company will remain closed from 15th September 2014 to 22nd September 2014 (both days inclusive).
5. The Register of Directors and key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting.
6. Shareholders/Investors are advised to send their queries/complaints through the dedicated e-mail Id blue.circl@gmail.com for quick and prompt redressal of their grievances.
7. The Shares of the Company are mandated by the Securities & Exchange Board of India (SEBI) for trading in dematerialized form by all investors.
8. The identity/signature of Members holding shares in electronic/demat form is liable for verification with the specimen signatures furnished by NSDL/CDSL. Such Members are advised to bring the relevant identity card issued by competent authorities to the Annual General Meeting.
9. Members desirous of getting any information about the accounts of the Company, are requested to send their queries so as to reach at-least ten days before the meeting at the Registered Office of the Company, so that the information required can be made readily available at the meeting.
10. Members are requested to intimate change in their address immediately to M/s Purva Sharegistry (India) Pvt. Ltd., the Company's Registrar and Share Transfer Agents, at their office at 9, Shiv Shakti Ind. Estate, Ground Floor, J. R. Boricha Marg, Lower Parel, Mumbai-400 011.
11. Members holding shares in physical form in the same set of names under different folios are requested to apply for consolidation of such folios along with relevant Share Certificates to M/s Purva Sharegistry (India) Pvt. Ltd., Registrar and Share Transfer Agents of the Company, at their address given above.
12. Pursuant to SEBI Circular, the Shareholders holding shares in physical form are requested to submit self attested copy of PAN at the time of sending their request for share transfer/transmission of name/transposition of name.
13. Members holding shares in physical form and desirous of making a nomination in respect of their shareholdings in the Company, as permitted under Section 72 of the Companies Act, 2013 read with Rule 19 of Companies (Share Capital and Debentures) Rules, 2014, may fill SH-13 and send the same to the office of RTA of the Company. In case of shares held in dematerialized form, the nomination/change in nomination should be lodged with their DPs.
14. Shareholders who have not en-cashed their dividend warrants for the dividends declared for the financial years 2011-12 are requested to send a letter along with unclaimed dividend warrant, if any or letter of undertaking for issue of duplicate dividend warrant/ demand draft. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company is uploading the details of unpaid and unclaimed amounts

lying with the Company as on September 20, 2013 (date of last Annual General Meeting) on the website of the Company (www.bluecircleservices.com), as also on the website of the Ministry of Corporate Affairs.

In terms of Section 205A and 205C of the Companies Act, 1956, any dividend remaining unpaid for a period of seven years from the due date of payment is required to be transferred to the "Investor Education & Protection Fund" (IEPF). Members are requested to en-cash their Dividend Warrants promptly. It may be noted that once the unclaimed dividend is transferred to the IEPF as above, no claim shall lie with the Company in respect of such amount.

15. The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request you to update your email address with your Depository Participants to enable us to send you're the quarterly reports and other communication via email.
16. Copies of Annual Report 2014 are being sent by electronic mode only to all the members whose email address are registered with the Company's Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the Annual Report. The Members who have not registered their email address, physical copies of Annual Report 2014 are being sent by the permitted mode.
17. The Notice for the 38th AGM and instructions for e-voting, along with Attendance Slip and Proxy Form, is being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s) unless a member has requested for a hard copy of the same. Members are requested to bring copies of Annual Report to the Annual General Meeting. For members who have not registered their email address, physical copies of aforesaid documents are being sent by the permitted mode.
18. Members can opt for one mode of voting i.e. either by physical ballot or through e-voting. If Members opt for e-voting then do not vote by Physical Ballot or vice-a-versa. However, in case Members cast their vote both by Physical Ballot and e-voting, then voting done through e-voting shall prevail and voting done by Physical Ballot will be treated as invalid.
19. In terms of the provisions of Section 107 of the Companies Act, 2013, since the resolutions as set out in this Notice are being conducted through e-voting or physical Ballot, the said resolutions will not be decided on a show of hands at the AGM. **The voting right of all shareholders shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date i.e. August 29, 2014.**
20. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to the members facility to exercise their votes at the 38th AGM by electronic means and the business may be transacted through e-voting as per details below:-
 - a) Date and time of commencement of voting through electronic means: **Tuesday, September 15, 2014 at 9.30 a.m.**
 - b) Date and time of end of voting through electronic means beyond which voting will not be allowed : **Thursday, September 17, 2014 at 5.30 p.m.**
 - c) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **August 29, 2014**, may cast their vote electronically irrespective of mode of receipt of notice by the shareholder. **The e-voting module shall be disabled by CDSL for voting thereafter.**
 - d) Details of Website: www.evotingindia.com
 - e) Details of Scrutinizer: Gayatri Bhide, Practising Company Secretary (ACS No. 31886), Prop., M/s. G. S. Bhide & Associates, Vapi (Gujarat). E-mail: gayatribhideandco@gmail.com.

f) **Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change/ modify the vote subsequently.**

21. **The instructions for Members for e-voting are as under:**

Applicable in all cases whether NOTICE is received by e-mail or in physical form:

- i Log on to the e-voting website www.evotingindia.com during the voting period
- ii Click on "Shareholders" tab
- iii Now, select the BLUE CIRCLE SERVICES LIMITED from the drop down menu and click on "SUBMIT"
- iv Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v Next enter the ImageVerification as displayed and Click on Login.
- vi If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vii If you are a first time user follow the steps given below:

For Members holding Shares in Demat Form and Physical Form

PAN Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

- Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/ folio number in the PAN field.
- In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. e.g. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.

DOB Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

- viii After entering these details appropriately, click on "SUBMIT" tab.
- ix Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi Click on the EVSN for BLUE CIRCLE SERVICES LIMITED on which you choose to vote.

- xii On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xv Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvii If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

- 22. In terms of Clause 35B of the Listing Agreement, in order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, a Proxy cum Ballot Form is attached. Members desiring to exercise vote by Ballot are requested to carefully read the instructions printed in the form, to complete the Ballot Form with assent (for) or dissent (against) and send it to Ms. Gayatri Bhide, Scrutinizer, C/o Purva Sharegistry (India) Private Limited, Unit: Blue Circle Services Limited, No. 9, Shiv Shakti Industrial Estate, Ground Floor, J. R. Boricha Marg, Opposite Kasturba Hospital, Lower Parel, Mumbai-400 011, Tel. No: +91 22-2301 8261, Fax No : +91 22- 2301 2517, E-mail : purvashr@mtnl.net.in so as to reach him on or before September 18, 2014 by 5.30 p.m. Any Ballot Form received after the said date shall be treated as if the reply from the Members has not been received.
- 23. In light of the recent judgment of the Bombay High Court, until clarity is available members who have not voted electronically or through ballot, will be permitted to deposit the filled in Ballot Forms, physically at the AGM to enable them to exercise their vote.
- 24. (i) Members who have registered their e-mail addresses with the depositories or with the Company's RTA are being sent Notice of ballot by e-mail and members who have not registered their e-mail addresses will receive Ballot Form along with the Notice through Courier / Post.

- (ii) Members can request for a Ballot Form at Purva Sharegistry (India) Private Limited, Unit: Blue Circle Services Limited, No. 9, Shiv Shakti Industrial Estate, Ground Floor, J. R. Boricha Marg, Opposite Kasturba Hospital, Lower Parel, Mumbai-400 011 or they may also address their request through e-mail to: purvashr@mtnl.net.in. Contact no +91 22 2301 8261.
- (iii) In case of voting by physical ballot, the institutional members (i. e. other than individuals, HUF, NRI, etc.) are required to send a copy 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 along with the Ballot Form so as to reach the Scrutinizer on or before 5.30 p.m. on Thursday, September 18, 2014.
- (iv) The Scrutinizer will scrutinize the voting process (both e-voting and voting by physical ballot) in a fair and transparent manner. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company. The results shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizer's Report shall be available on the Company's website within two (2) days of passing of the resolution at the AGM of the Company and communicated to the stock exchange.
25. The shareholders can also access the Annual Report 2013-14 of the Company circulated to the Members of the Company and other information about the Company on Company's website, i.e., www.bluecircleservices.com or on Stock Exchange websites, which is www.bseindia.com.
26. Additional Information pursuant to Clause 49 of Listing Agreement with Stock Exchanges in respect of the Directors seeking appointments at the AGM are furnished and forms a part of Notice. The Directors have furnished the requisite consents / declarations for their appointment.
27. Members/Proxies should bring the attendance slip duly filed in and signed for attending the meeting.
28. Members are requested to quote Folio Number / DP ID & Client ID in their correspondence.
29. The Equity shares of the Company are listed on BSE Limited and Listing Fees for the financial year 2014-2015 have been paid to BSE.

Mumbai, May 28, 2014

By order of the Board
For **BLUE CIRCLE SERVICES LIMITED**

Registered Office :

Office No. 33, Basement,
Mona Shopping Centre
J. P. Road, Near Navrang Cinema,
Andheri (West), Mumbai-400 058

ANIL PUROHIT
(DIN : 00082942)
Chairman & Managing Director

Explanatory Statement pursuant to Section 102 of the Companies Act 2013**Item No. 4**

The Board at its meeting held on 9th October 2013, appointed Mr. Kashi Prasad Bajaj as Additional Director of the Company with effect from 9th October 2013, pursuant to Section 161 of the Companies Act, 2013.

Pursuant to Section 161 of the Companies Act, 2013, Mr. Kashi Prasad Bajaj will hold the office up to the date of ensuring AGM. The Company has received Notice in writing under the Provisions of Section 160 of the Companies Act, 2013 from the Member along with a necessary deposit proposing the candidature of Mr. Kashi Prasad Bajaj for the office of the Director.

The Company has received from Mr. Kashi Prasad Bajaj –

- Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 and;
- Intimation in Form DIR-8 in terms of Companies Appointment & Qualification of Directors) Rules, 2014, to effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

Further, the Board at its meeting held on 28th May 2014, also appointed (subject to approval of Members in AGM), Mr. Kashi Prasad Bajaj as Non-Executive, Independent Director of the Company for a period of 5 Years commencing on following terms & conditions –

1. Remuneration – As provided in the Resolution
2. Period of Appointment – 5 Years commencing from 9th October 2013
3. The Appointment may be terminated by either party by giving one month notice in writing of such termination or as may be mutually agreed between the parties.

The Resolution seeks the approval of members in terms of Sections 149 and 152 and Schedule IV of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable provisions of the Companies Act, 2013 and the Rules made there under for the appointment of Mr. Kashi Prasad Bajaj a Non-Executive, Independent Director of the Company for a period of 5 years commencing from 9th October 2013.

No Director, Key Managerial Person or their Relatives, except Mr. Kashi Prasad Bajaj, to whom resolution relates, is interested or concerned in the resolution.

The Board recommends the Resolution set out forth in Item No. 4 for the approval of Members.

Item No. 5

The Board has appointed Mr. Chandresh N. Shah as Independent Director of the Company pursuant to Clause 49 of the Listing Agreement.

In accordance with Section 149 and 152 read with Schedule IV of the Companies Act, 2013 that have come into effect from 1 April 2014 and subsequent notification by the Ministry of Corporate Affairs vide its General circular no.14/2014 dated 9 June 2014, the Company is required to appoint its Independent Directors, including its existing Independent Directors in accordance with the provisions of the Companies Act, 2013 before 31 March 2015. Further, pursuant to the above provisions, the term of such Independent Directors is not liable to determination by rotation.

Accordingly, it is proposed to appoint Mr. Chandresh N. Shah as Independent Director of the Company in accordance with Section 149 of the Companies Act, 2013, not liable to retire by rotation and to hold office as under:

NAME	NO. OF YEARS	TERM
Mr. Chandresh N. Shah	5 Years	Up to the conclusion of 43rd Annual General Meeting

The Appointments may be terminated by either party by giving one month notice in writing of such termination or as may be mutually agreed between the parties.

The Company has received from Mr. Chandresh N. Shah -

- Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 and;
- Intimation in Form DIR-8 in terms of Companies Appointment & Qualification of Directors) Rules, 2014, to effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

The Company has also received notices from members along with the deposit of requisite amount under Section 160 of the Act proposing the candidatures of each of the above Directors for the office of Directors of the Company.

In the opinion of the Board, Mr. Chandresh N. Shah fulfills the conditions for their appointment as Independent Directors as specified in the Companies Act, 2013 and the Listing Agreement and is independent of the management.

A copy of the draft letter of appointment setting out the terms and conditions of appointments of Mr. Chandresh N. Shah is available for inspection, without any fee, by the members at the Company's registered office during normal hours on working days up to the date of the AGM.

Mr. Chandresh N. Shah is interested in the resolutions set out respectively at Item Nos. 5 of the Notice with regard to his respective appointment.

The relatives of Mr. Chandresh N. Shah may be deemed to be interested in the resolutions set out respectively at Item Nos. 5 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the resolutions set forth in the Item Nos. 5 of the Notice for approval of the members.

Details of Director seeking re-appointment in the 38th Annual General Meeting on 22nd September 2014 (in term of Clause 49 of the Listing Agreement)

Dhruva Narayan Jha	
Fathers' Name	Bhogendra Jha
Date of Birth	10th October 1959
Date of Appointment	10th August 2009
Expertise in specific functional areas	Financial & Income Tax related activities as well as expertise in Accounting & Taxation
Years of Experience	36 Years
Qualifications	B.Com.
List of outside Directorship held	1. Warner Multimedia Limited 2. Scan Infrastructure Limited 3. Denim Developers Limited
Member of Committee on the Board	Member – Investor Grievance Committee Member – Share Transfer Committee
Member/Chairman of Committee in other Companies	<ul style="list-style-type: none"> • Warner Multimedia Limited – Member of Audit Committee and Share Transfer Committee & Chairman Investor Grievance Committee. • Scan Infrastructure Limited – Member of Share Transfer Committee & Chairman Investor Grievance Committee. • Denim Developers Limited – None
No. of Shares held in own name or in the name of Relatives	Nil

Details of Director seeking appointment in the 38th Annual General Meeting on 22nd September 2014 (in term of Clause 49 of the Listing Agreement)

<p>Kashi Prasad Bajaj</p> <p>Fathers' Name Date of Birth Date of Appointment Expertise in specific functional areas Years of Experience Qualifications List of outside Directorship held Member of Committee on the Board Member/Chairman of Committee in other No. of Shares held in own name or in the name of Relatives</p>	<p>Banwarilal Bajaj 10th August 1953 9th October 2013 Vast knowledge and rich experience in Financing & Capital Market related activities 25 Years B.Com. 1. PS IT Infrastructure & Services Limited (Unlisted Co.) 2. Bajaj Pratisthan Private Limited Member – Audit Committee & Share Transfer Committee Chairman – Investor Grievance Committee Not Any Nil</p>
<p>Chandresh N. Shah</p> <p>Fathers' Name Date of Birth Date of Appointment Expertise in specific functional areas Years of Experience Qualifications List of outside Directorship held Member of Committee on the Board Member/Chairman of Committee in other companies No. of Shares held in own name or in the name of Relatives</p>	<p>Navnitlal Shah 14th July 1960 17th March 2010 Vast knowledge and rich experience in Capital Market related activities 32 Years B.Sc. Prime Capital Market Limited Chairman – Audit Committee & Share Transfer Committee Member – Investor Grievance Committee • Prime Capital Market Limited – Member of Audit Committee and Investor Grievance Committee & Chairman of Share Transfer Committee. Nil</p>

Mumbai, May 28, 2014

By order of the Board
For **BLUE CIRCLE SERVICES LIMITED**

Registered Office

Office No. 33, Basement,
Mona Shopping Centre
J. P. Road, Near Navrang Cinema,
Andheri (West), Mumbai-400 058

ANIL PUROHIT
(DIN : 00082942)
Chairman & Managing Director

Directors' Report

To The Members,

Your Directors have pleasure in presenting the 38th Annual Report of your Company together with the Audited Statements of Accounts for the year ended March 31, 2014.

(₹ in Lac)

Financial Results	Year Ended 31.03.2014	Year Ended 31.03.2013
Income	126.51	228.01
Profit before Tax & Extra-ordinary items	35.33	174.33
Less : Provision for Taxation	20.46	45.71
Profit after Tax	14.87	128.62
Less : Earlier Year Tax written off	0.00	5.42
Net Profit after Extra-Ordinary Items (Adjustments)	14.87	123.20
Add : Profit brought forward from Previous Year	214.51	91.31
Balance carried forward to Next Year	229.38	214.51

OVERVIEW OF ECONOMY

A survey by global consultancy firm Ernst & Young (E&Y) sees India as the world's most attractive investment destination. With the opening up of foreign direct investment (FDI) in several sectors, India is today an eye-catching destination for overseas investors. The relaxation of norms by the government has created a vast opportunity for foreign players, who are competing for a greater role in the Indian market. Sectors projected to do well in the coming years include automotive, technology, life sciences and consumer products.

India has also become a hotbed for research and development (R&D) and the country is now a preferred destination for automotive R&D, as per a study on the Global Top 500 R&D spenders by globalization advisory and market expansion firm, Zinnov. The study noted that there was strong potential for growth in areas such as engineering analytics and that significant talent could be found in 'Deccan Triangle' region, which encompasses Pune, Bangalore and Hyderabad.

The World Bank has projected an economic growth rate of 5.7 per cent in FY15 for India, due to a more competitive exchange rate and several significant investments going forward.

India is the third biggest economy in the world in terms of purchasing power parity (PPP), according to a World Bank report. The country was ranked 10th in the previous survey conducted in 2005.

The stakes held by foreign institutional investors (FII) in Indian companies touched a record high in the fourth quarter of FY 14. The estimated value of FII holdings in India stands at US\$ 279 billion.

OVERALL PERFORMANCE & OUTLOOK

The Business environment remains extremely challenging and the recessionary economic conditions leading to slowdown in demand and inflation pushed scale up of input costs left its adverse imprint on overall performance for 2013-2014 and due to these reasons, the Company could not do well in the financial year 2013-2014. Gross income from operations remained at ₹ 126.51 Lac in comparison to last years' figure of ₹ 228.01 Lac. In term of Net Profit, the same was of ₹ 14.87 Lac in comparison to last years' net profit of ₹ 123.20 Lac. (after considering Extra-Ordinary Items).

The Company is in to the Business of lending its surplus fund in to the Capital and Money Market as well as lending money to Corporate and HNIs. Beside above, your Company is also into the profession of advisory services for needs of financial assistance.

The outlook for the current year is challenging mainly due to sluggish economy. However, your Company expects to grow despite the adverse environment due to its commitment to clients of the Company.

DIVIDEND

Due to lack of appropriate profit and looking to the future challenges, Your Directors do not recommend any Dividend for the year under review.

SUBSIDIARY COMPANY

The Company does not have any subsidiary.

MANAGEMENT DISCUSSION & ANALYSIS

As required by Clause 49 of Listing Agreement, the Management Discussion and Analysis is annexed and forms part of the Directors' Report.

MANAGEMENT

There is no Change in Management of the Company during the year under review.

DIRECTORS

During the Year, Mr. Rajkumar Mall has resigned from the Board due to his personal commitments. Your Directors wish to place on record their appreciation for the guidance and inputs provided by Mr. Rajkumar Mall during their tenure as Directors of your Company. Further, your Board has appointed Mr. Kashi Prasad Bajaj as Additional, Independent Director of the Company to fulfill the vacancy caused due to the resignation of Mr. Rajkumar Mall.

In accordance with the provisions of Act and Articles of Association of your Company, Mr. Dhruva Narayan Jha, Director of your Company, retires by rotation and are eligible, offering himself for re-appointment at the ensuring Annual General Meeting.

Further, none of the Directors of the Company are disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act, 2000 the Directors confirm that:

1. In the preparation of the annual accounts, for the year ended 31st March 2014, all the applicable accounting standards prescribed by the Institute of Chartered Accountants of India have been followed;
2. The Directors had adopted such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
3. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
4. The Directors had prepared the annual accounts on a going concern basis.

STATUTORY INFORMATION

The Company being basically in the business of Capital & Money Market, as well as into the Advisory Services requirement regarding and disclosures of Particulars of conservation of energy and technology absorption prescribed by the rule is not applicable to us.

INFORMATION TECHNOLOGY

Your Company believes that in addition to progressive thought, it is imperative to invest in information and technology to ascertain future exposure and prepare for challenges. In its endeavor to obtain and deliver the best, your Company has tie-ups with an IT solution Company to harness and tap the latest and the best of technology in the world and deploy/absorb technology wherever feasible, relevant and appropriate.

RESEARCH & DEVELOPMENT

The Company believes that technological obsolescence is a reality. Only progressive research and development will help us to measure up to future challenges and opportunities. We invest in and encourage continuous

innovation. During the year under review, expenditure on research and development is not significant in relation to the nature size of operations of your Company.

AUDITORS

The Auditors M/s Pradeep Gupta, Chartered Accountants, Mumbai who are Statutory Auditors of the Company and holds the office until the conclusion of ensuing Annual General Meeting and are recommended for re-appointment to audit the accounts of the Company from the conclusion of the 38th Annual General Meeting up to the conclusion of the 43rd consecutive Annual General Meeting (subject to ratification by the members at every subsequent AGM). As required under the provisions of Section 139 & 142 of the Companies Act, 2013 the Company has obtained written confirmation from M/s. Pradeep Gupta; that their appointment, if made, would be in conformity with the limits specified in the said Section.

COMMENTS ON AUDITOR'S REPORT :

The notes referred to in the Auditor's Report are self explanatory and as such they do not call for any further explanation as required under section 217(3) of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES

People are the backbone of our operations. It is a matter of great satisfaction for our Company that our employees have been very supportive of the Company's plan. By far the employee's relations have been cordial throughout the year.

The information as required by provisions of section 217(2A) of the Companies Act, 1956 read with the companies (Particular of employees) amendments rules, 1975 is reported to be NIL.

PARTICULARS UNDER SECTION 217 (1) (e) OF THE COMPANIES ACT, 1956

The Company is having into the business of Investing in Securities Market as well as to lend money to Corporate and HNIs apart from providing Advisory Services during the year under review and hence the information regarding conservation of energy, Technology Absorption, Adoption and innovation, the information required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988, is reported to be NIL.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has not earned or used foreign exchange earnings / outgoings during the year under review.

PUBLIC DEPOSITS

During the year under review, your Company has not accepted any deposits from the public within the meaning of section 58A of the Companies Act 1956 and the rules there under.

REPORT ON CORPORATE GOVERNANCE

The Company conforms to the norms of Corporate Governance as envisaged in the Companies Act, 1956 and the Listing Agreement with the BSE Limited. Pursuant to Clause 49 of the Listing Agreement, a Report on the Corporate Governance and the Auditors Certificate on Corporate Governance are annexed to this report.

APPRECIATION

Your Directors wish to place on record their appreciation towards the contribution of all the employees of the Company and their gratitude to the Company's valued customers, bankers, vendors and members for their continued support and confidence in the Company.

Mumbai, May 28, 2014

Registered Office

Office No. 33, Basement,
Mona Shopping Centre
J. P. Road, Near Navrang Cinema,
Andheri (West), Mumbai-400 058

By order of the Board
For **BLUE CIRCLE SERVICES LIMITED**

ANIL PUROHIT
(DIN : 00082942)
Chairman & Managing Director

Management Discussion & Analysis

MACRO ECONOMIC ENVIRONMENT

In the recent past, the Indian economy has had to overcome varied challenges in its resolve to sustain its economic success. The major challenges included: unsupportive external environment, domestic structural constraints, growth slowdown and inflationary pressures. The slowdown manifested in the decline in the growth of Gross Domestic Product (at factor cost at constant 2004-05 prices) from 8.9 per cent in 2010-11 to 6.7 per cent in 2011-12 and 4.5 per cent in 2012-13. With the economy projected to have registered a growth rate of 4.9 per cent in 2013-14, the declining trend in growth seems to have reversed. The growth slowdown in India is broadly in sync with trends in similar emerging economies. The sharp downturn in growth owes to the interface of domestic factors with the global economic environment of uncertainties and slow growth in many advanced economies. The growth of real GDP has generally shown a declining trend since the first quarter (Q1) of 2011-12, and is characterized by a moderation in services growth and a protracted slowdown in industry. The revival in agriculture on the back of a steady monsoon and robust growth in financial and business services led to a modest uptick in growth in 2013-14.

The policy response of the Government to the present growth slowdown has been in the form of structural reforms aimed at reducing entry-barriers and boosting competition and productivity in various sectors; fiscal consolidation and reforms in administered prices; further strengthening of financial/banking sectors; introduction of instruments to encourage financial savings of households; measures to restart the investment cycle through support to infrastructure financing and encouragement to micro, small and medium enterprises (MSMEs); steps to revive growth in manufacturing and reforms in energy pricing. These policies have gone hand-in-hand with macroeconomic stabilization that has had to balance the concerns of inflation and growth recovery, while managing a volatile external situation characterized by a sharp depreciation of the Rupee witnessed till the second quarter (Q2) of 2013-14.

The monetary policy stance of the Reserve Bank of India has been driven by the imperatives of keeping inflation in check and supporting growth revival while managing a complex external economic situation. With moderation in overall headline inflation, as per the Wholesale Price Index (WPI), during 2012-13 and during the first two quarters of 2013-14, there was a reduction in the repo rate by 25 basis points in May 2013. Headline WPI inflation averaged 6.16 per cent during 2013-14 (April-December) as compared to 7.56 per cent in the corresponding period of the previous year. Despite easing, the level of inflation is high, especially in terms of consumer price indices.

In the face of growing uncertainties in global financial conditions, monetary easing was paused in June 2013. However, there has been significant improvement in the external situation. With acceleration in the growth of exports and decline in imports, the trade deficit for 2013-14 (April-December) has narrowed considerably. Reduction in the trade deficit, complemented by a rise in net invisibles receipts, resulted in significant reduction in the current account deficit (CAD) in the first half (H1) of 2013-14. In response to these developments, and due to steps undertaken to moderate the CAD, the exchange rate, that breached the level of 68 per US\$ in August 2013, recovered to 61.16 per US\$ on October 11, 2013. The exchange rate of the rupee averaged 61.91 per US\$ in December 2013.

On the fiscal front, the slowdown in growth affected tax collections and receipts from disinvestment of Public Sector Undertakings. However, the Government is on track to achieve the fiscal deficit to GDP target envisaged for 2013-14

REVIEW OF OPERATIONS

During Financial Year 2013-2014, the Company registered a gross income of ₹ 126.51 Lac in comparison to last years' figure of ₹ 228.01 Lac. PBT Margin during the year remains ₹ 35.33 Lac in comparison to last years' figure of ₹ 174.33 Lac whereas Net Profit after Tax remains at ₹ 14.87 Lac in comparison to last years' figure of ₹ 123.20 Lac. (after considering Extra-Ordinary Items).

BUSINESS SEGMENT

The Company is in to the Business of lending its surplus fund in to the Capital and Money Market as well as lending money to Corporate and HNIs. Apart from above activities, your Company is also into the Business of Advisory Services in accordance with the Accounting Standard 17 notified by Companies (Accounting Standards) Rules 2006.

OPPORTUNITIES

The Indian money market is "a market for short-term and Long term funds with maturity ranging from overnight to one year and includes financial instruments that are deemed to be close substitutes of money. It is diversified and has evolved through many stages, from the conventional platform of treasury bills and call money to commercial paper, certificates of deposit,

repos, FRAs and IRS more recently.

The Indian money market consists of diverse sub-markets, each dealing in a particular type of short-term credit. The money market fulfills the borrowing and investment requirements of providers and users of short-term funds, and balances the demand for and supply of short-term funds by providing an equilibrium mechanism.

Despite the recent headwinds India has faced, its fundamentals remain solid. The economy is slowly regaining momentum, with both domestic and external conditions starting to improve. Favorable demographics and recent government reforms are expected to accelerate expansion over the medium term, making India the world's fifth-fastest growing economy by 2015. Recent reforms in support of growth include the raised FDI ceilings for the retail, airline, telecoms, financial and defense sectors. To support future growth, the Government should focus on infrastructure investment and increased efficiency in delivery mechanisms. The monetary policy might remain tight in the near future, triggered by the US Federal Reserve's remarks in May about potentially scaling back its quantitative easing program. Consequently, to support the rupee, the Central Bank has announced a window in which foreign currency non-resident US dollar fund swaps will be allowed, enabling banks to convert US dollar deposits by Indians abroad. India saw tepid GDP growth in 2012, as it grappled with a challenging investment climate. Recently, the economy has been hampered by high fiscal deficit and low investment growth. The Government aims to bring down the fiscal deficit from 4.9% in 2012-13, to 3% by 2016-17.

In 2013, equity markets remained tame due to slowing economy, bonds lost value as interest rates rose and physical assets such as real estate and gold also started feeling the effect of economic slowdown.

THREATS & CONCERNS

Many developing countries including India have reaped handsome rewards from surging capital inflows in recent years. This is widely regarded as a very welcome phenomenon, raising levels of investment and encouraging economic growth. But surging capital inflows can also be something of a double-edged sword, inflicting rather less welcome and destabilizing side effects, including a tendency for the local currency to gain in value, undermining the competitiveness of export industries, and potentially giving rise to inflation. Why inflation? Capital inflows result in a buildup of foreign exchange reserves. As these reserves are used to buy domestic currency, the domestic monetary base expands without a corresponding increase in production: too much money begins to chase too few goods and services.

To ease the threat of currency appreciation or inflation, central banks often attempt what is known as the "sterilization" of capital flows. In a successful sterilization operation, the domestic component of the monetary base (bank reserves plus currency) is reduced to offset the reserve inflow, at least temporarily. In theory, this can be achieved in several ways, such as by encouraging private investment overseas, or allowing foreigners to borrow from the local market. The classical form of sterilization, however, has been through the use of open market operations, that is, selling Treasury bills and other instruments to reduce the domestic component of the monetary base. The problem is that, in practice, such sterilization can be difficult to execute and sometimes even self-defeating, as an apparently successful operation may raise domestic interest rates and stimulate even greater capital inflows. Unfortunately, many developing countries also lack the tools available to run a classical sterilization policy, or find it simply too costly to do so. This is often the case wherever the financial system is not fully liberalized.

RISK MANAGEMENT

The Company has aligned its policy on risk assessment in line with global approach and risk assessment reports are reviewed on regular intervals. The Company has adopted a focused approach towards risk management in the form of a corporate insurance program which has the goal of optimizing the financing of insurable risks by using a combination of risk retention and risk transfer. The program covers all potential risks relating to business operations of the Company.

The Company's business critical software is operated on a server with regular maintenance and back-up of data. The system's parallel architecture overcomes failures and breakdowns. Reliable and permanently updated tools guard against virus attacks. Updated tools are regularly loaded to ensure a virus free environment.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has implemented a comprehensive system of internal controls and risk management systems for achieving operational efficiency, optimal utilisation of resources, credible financial reporting and compliance with local laws. These controls are regularly reviewed by both internal and external agencies for its efficiency and effectiveness. Management information and reporting system for key operational activities form part of overall control mechanism.

The Company has retained the services of independent firms of professionals to function as internal auditors and provide reports on various activities covering observations on adequacy of internal controls and their recommendations. Findings of internal audit reports and effectiveness of internal control measures are reviewed by top management and audit committee

of the Board. During the year, internal audit team of Company performed audits of major operational areas of the Company and carried out elaborate checks and verification and shared their findings with top management for remediation of minor gaps wherever required.

HUMAN RESOURCES

The Company recognizes that its success is deeply embedded in the success of its human capital. During 2013-2014, the Company continued to strengthen its HR processes in line with its objective of creating an inspired workforce. The employee engagement initiatives included placing greater emphasis on learning and development, launching leadership development programme, introducing internal communication, providing opportunities to staff to seek inspirational roles through internal job postings, streamlining the Performance Management System, making the compensation structure more competitive and streamlining the performance-link rewards and incentives.

The Company believes that learning is an ongoing process. Towards this end, the Company has built a training infrastructure which seeks to upgrade skill levels across grades and functions through a combination of in-house and external programme.

CORPORATE SUSTAINABILITY AND SOCIAL RESPONSIBILITY

The Company constantly strives to meet and exceed expectations in terms of the quality of its business and services. The Company commits itself to ethical and sustainable operation and development of all business activities according to responsible care and its own code of conduct. Corporate Social Responsibility is an integral part of the Company's philosophy and participates in activities in the area of education and health.

DELISTING OF SECURITIES FROM AHMEDABAD STOCK EXCHANGE LTD. (ASE)

During the year, the Company has opted to de-list its securities from Ahmedabad Stock Exchange due to lack turnover and volatility on this exchange, absence of liquidity in the scrip as well as almost Nil volume during the year under review. However, Equity Shares of Company will continue to list on remaining Exchange i.e. on BSE Ltd. (BSE).

CAUTIONARY STATEMENT

Certain statements under "Management Discussion & Analysis" describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statement within the meaning of applicable securities laws and regulations. Although the expectations are based on reasonable assumptions, the actual results could materially differ from those expressed or implied, since the Company's operations are influenced by many external and internal factors beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

COMPLIANCE

The Compliance function of the Company is responsible for independently ensuring that operating and business units comply with regulatory and internal guidelines. The Compliance Department of the Company is continued to play a pivotal role in ensuring implementation of compliance functions in accordance with the directives issued by regulators, the Company's Board of Directors and the Company's Compliance Policy. The Audit Committee of the Board reviews the performance of the Compliance Department and the status of compliance with regulatory/internal guidelines on a periodic basis.

New Instructions/Guidelines issued by the regulatory authorities were disseminated across the Company to ensure that the business and functional units operate within the boundaries set by regulators and that compliance risks are suitably monitored and mitigated in course of their activities and processes. New products and process launched during the year were subjected to scrutiny from the Compliance Standpoint and proposals of financial services were screened from risk control prospective.

The Company has complied with all requirements of regulatory authorities. No penalties/strictures were imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years .

Mumbai, May 28, 2014

By order of the Board
For **BLUE CIRCLE SERVICES LIMITED**

Registered Office

Office No. 33, Basement,
Mona Shopping Centre
J. P. Road, Near Navrang Cinema,
Andheri (West), Mumbai-400 058

ANIL PUROHIT
(DIN : 00082942)
Chairman & Managing Director

Annexure to the Directors' Report

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance for the Company means achieving high level of accountability, efficiency, responsibility and fairness in all areas of operation. Our Employees are committed towards the protection of the interest of the Stakeholders viz. Shareholders, creditors, investors, clients etc. Our policies consistently undergo improvements keeping in mind our goal i.e. maximization of value of all the stakeholders.

The goal is achieved through -

- Infusion of best expertise in the Board;
- Consistent monitoring and improvement of the human and physical resources;
- Board/Committee meetings at regular intervals to keep the Board informed of the recent happenings.

GOVERNANCE STRUCTURE

The Corporate Governance Structure at Blue Circle Services Ltd. (BCSL) is as under :-

1. Board of Directors : The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosure.
2. Committees of the Board : The Board has constituted the following committees viz. Audit Committee, Share Transfer Committee and Investors' Grievance Committee. Each of said Committee has been managed to operate within a given framework.

BOARD OF DIRECTORS

Composition of Directors

The Board has four members with an executive Chairman. The Independent Directors on the Board are competent and highly respected professionals from their respective fields and have vast experience in general corporate management, finance, banking and other allied fields which enable them to contribute effectively to the Company in their capacity as members of the Board. The day to day management of the Company is conducted by Managing Director subject to supervisions and control of the Board.

The Board of Directors met 5 times on 29th May, 13th August, 9th October and 8th November in year 2013 and on 14th February in the year 2014 during the financial year 2013-2014.

The composition and category of the Board of Directors as at March 31, 2014 as well as the details of Board Members are as under:

Name	Designation	DIN	Date of Joining	Board Meetings Attended	Committee Membership in other Public Ltd. Cos.	Committee Chairman-ship in other Public Ltd. Cos.	No. of Directorship in other Public Ltd. Cos.
Anil Purohit*	Managing Director	00082942	2nd March 2010	5	2	Nil	1
Dhruva Narayan Jha	Whole time Director	01286654	10th Aug 2009	5	5	3	3
Kashi Prasad Bajaj	Independent Director	00559830	9th October 2013	3	Nil	Nil	Nil
Chandresh N. Shah	Independent Director	02806462	17th March 2010	5	2	1	1

*Chairman of the Board

AUDIT COMMITTEE

The Audit Committee consists of two Independent Directors & the Managing Director. All members of the Audit Committee are financially literate and they have accounting or related financial management expertise.

The primary purpose of the Audit Committee is to assist the Board of Directors (the "Board") of Blue Circle Services Ltd., (the "Company") in fulfilling its oversight responsibilities with respect to (a) the accounting and financial reporting processes of the Company, including the integrity of the audited financial results and other financial information provided by the Company to its stockholders, the public, stock exchanges and others, (b) the Company's compliances with legal and regulatory requirements, (c) the Company's independent auditors' qualification and independence, (d) the audit of the Company's Financial statements, and the performance of the Company's internal audit function and its Independent Auditors.

Terms of Reference

The Audit Committee inter alia performs the functions of approving Annual Internal Audit Plan, review of financial reporting System, internal control system, discussion on quarterly, half-yearly and annual financial results, interaction with Statutory & Internal Auditors, one-on-one meeting with Statutory and Internal Auditors, recommendation for the appointment of Statutory and fixing their remuneration, appointment and remuneration of Internal Auditors, Review of Business Risk Management Plan, Management Discussions & Analysis, Review of Internal Audit Reports, significant related party transactions. The Company has framed the Audit Committee Charter for the purpose of effective compliance of Clause 49 of the Listing Agreement. In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

Additionally, the following terms of reference were issued to the Audit Committee by the Board of Directors:

- a) to consider and recommend to the Board the investment guidelines for Capital and Money Market operations;
- b) to review the Annual Budget;
- c) to take note of the significant decisions taken or important developments considered at the Management Committee/Working Board Meetings; and
- e) to carry out any other duties that may be delegated to the Audit Committee by the Board of Directors from time-to-time.

Authority and Responsibilities

The Audit Committee has power to investigate any activity within its terms of reference, call upon any of the Employees of the Company, to obtain outside legal or other professional advice as and when the same is being required and to secure attendance of outsiders with relevant expertise, if it considers necessary.

Following are the Role of Audit Committee -

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
 - b. Changes, if any, in accounting policies and practices and reasons for the same

- c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
 6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
 7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
 8. Approval or any subsequent modification of transactions of the company with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 14. Discussion with internal auditors of any significant findings and follow up there on;
 15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 18. To review the functioning of the Whistle Blower mechanism;
 19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
 20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

In addition to the above, Audit Committee reviews the followings :

- I Management discussion and analysis of financial condition and results of operations;
- ii Statement of significant related party transactions submitted by management;
- iii Management letters / letters of internal control weaknesses issued by the statutory auditors and qualification in draft audit report;
- iv Internal audit reports relating to internal control weaknesses;

- v To The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The members of Audit Committee met four times on 29th May, 13th August & 8th November in year 2013 and on 14th February in year 2014 during the financial year ended on 31st March 2014.

Name	Number of Meetings Held	Meetings Attended
Mr. Anil Purohit	4	4
Mr. Rajkumar Mall#	2	2
Mr. Kashi Prasad Bajaj#	2	2
Mr. Chandresh N Shah*	4	4

*Chairman of Committee, #Appointed and Resigned w.e.f. 9th October 2013.

REMUNERATION COMMITTEE

Since the Company does not have remuneration Committee (constitution of which is a non-mandatory requirement), the details pertaining to the same are not provided.

Details of Remuneration paid to Directors

No Remuneration has been paid to Mr. Anil Kumar Purohit, Managing Director, during the financial year 2013-2014 and also no Fees has been paid to any of other Directors of the Company for attending Board & Committee Meetings.

No Stock option has been allotted to any of the Directors during the financial year 2013-2014.

None of the Independent Directors holds any shares in their name or in the name of their relatives.

SHARETRANSFER COMMITTEE

The members of Share Transfer Committee met 4 times on 29th May, 13th August & 8th November in year 2013 and on 14th February in year 2014 during the financial year ended on 31st March 2014.

Name	Number of Meetings Held	Meetings Attended
Mr. Chandresh N Shah*	4	4
Mr. Anil Purohit	4	4
Mr. Dhruva Narayan Jha	4	4

*Chairman of Committee

INVESTOR GRIEVANCE COMMITTEE

The Board of Blue Circle Services Limited has constituted a Committee of Directors, which inter-alia also functions as "Shareholders/Investors" Grievance Committee, consisting of three members, chaired by a Non-Executive, Independent Director. The Committee meets once a month and inter-alia, deals with various matter relating to:

- Transfer/transmission/transposition of shares;
- Consolidation/splitting of shares/folios;
- Issue of Share Certificates for lost, sub-divided, consolidated, rematerialize, defaced etc;
- Review of Shares dematerialized and all other related matters; and
- Investors' grievances and redressal mechanism and recommend measures to improve the level of Investor Services.

The Share Department of the Company and the Registrar and Share Transfer Agent, Purva Sharegistry India Pvt. Ltd. attend to all grievances of the shareholders and investors received directly or through SEBI, Stock Exchanges and Registrar of Companies etc.

The Minutes of Shareholders'/Grievances Committee are noted by the Board of Directors at the Board Meetings.

There was a change in composition of Investor Grievance Committee due to retirement of Mr. Rajkumar Mall from Directorship in the recently concluded Annual General Meeting. The Board has appointed Mr. Kashi Prasad Bajaj as member of Committee in place of Mr. Rajkumar Mall in the meeting of Board of Directors held on 29th October 2013. Further, Share Transfer Committee is continued to work under the Chairmanship of Mr. Rajkumar Mall till 29th October 2013 and thereafter, under the Chairmanship of Mr. Kashi Prasad Bajaj with other Member Mr. Chandresh N. Shah. and Mr. Dhruva Narayan Jha

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their telephone numbers and email addresses to facilitate prompt action.

COMPLIANCE OFFICER

The Company has appointed Ms. Chandrakala Purohit as a Compliance Officer within the meaning of Listing Agreement.

COMPOSITION OF COMMITTEE AND MEETINGS ATTENDED

During the year, twelve meetings of the Committee of Directors were held on April 2, May 2, June 4, July 2, August 1, September 3, October 1, November 1 and December 3 in year 2013 and on January 2, February 1 and March 1 in year 2014.

Brief Details of Names, Position, Category and meeting attended by Members of Committee is as follows:

Name	Position	Category	Meetings Attended
Mr. Rajkumar Mall*	Chairman	Independent, Non-Executive	7
Mr. Kashi Prasad Bajaj	Chairman	Independent, Non-Executive	5
Mr. Chandresh N Shah	Member	Independent, Non-Executive	12
Mr. Dhruva Narayan Jha	Member	Executive - Whole time	12

*Chairman of Committee, Appointed and Resigned w.e.f. 29th October 2013

DETAILS OF SHAREHOLDERS' COMPLAINTS DURING THE YEAR

There was Nil Complaint at the beginning of Financial Year, and the Company did not receive any complaint from any of its Members and thus there were Nil Complaints at the end of Financial Year ending on 31st March 2014.

Further, as required under Clause 47C of the Listing Agreement, a Certificate on half-yearly basis confirming due compliance of share transfer formalities by the Company from Practicing Company Secretary has been submitted to the Stock Exchanges within stipulated time.

The Company has designated email ID under Clause 47(f) of Listing Agreement and the same is blue.circl@gmail.com to lodge Investor complaints. Apart from this, the SEBI has also facilitated Investors to lodge complaints directly on SCORES section on SEBI website for faster addressing and resolutions of Investor Complaints.

GENERAL BODY MEETINGS

Location & time for the last three Annual General Meetings :

Annual General Meeting	Date & Time	Venue
37 th Annual General Meeting	20 th September 2013, 3.00 PM	Jaisingh Business Centre, Gr. Floor, CTS No. 119, Parsiwada, Sahar Road, Andheri (East), Mumbai-400 099
36 th Annual General Meeting	25 th September 2012, 3.30 PM	Jaisingh Business Centre, Gr. Floor, CTS No. 119, Parsiwada, Sahar Road, Andheri (East), Mumbai-400 099
35 th Annual General Meeting	21 st September 2011, 2.30 PM	106, Sagar Shopping Centre, J. P. Road, Andheri (W), Mumbai-400 058

LOCATION AND TIME OF LAST TWO EXTRA-ORDINARY GENERAL MEETINGS :

Details of Extra-Ordinary General Meetings held during last three financial years are as under :-

During Financial Year 2010-2011, Extra Ordinary General Meeting (EOGM) was held on 30th day of August 2010 at 10.30 AM at Registered Office of the Company for Issue and Allotment of 1.21 Crore Equity Shares on preferential basis at a price of ₹ 15/- per Share to Promoters & Non-Promoters Group to meet the Working Capital requirements of the Company. Also the Authorized Capital of the Company was increased from ₹ 10.00 Crore to ₹ 15.00 Crore to enable Company to issue and allot further shares as proposed in said EOGM.

During Financial Year 2010-2011, another Extra Ordinary General Meeting (EOGM) was held on 14th day of March 2011 at 10.30 AM at Registered Office of the Company for Issue and Allotment of 75.00 Lac Equity Shares on preferential basis at a price of ₹ 10/- per Share to Non-Promoters Group to meet the Working Capital requirements of the Company. Also the Authorized Capital of the Company was increased from ₹ 15.00 Crore to ₹ 25.00 Crore to enable Company to issue and allot further shares as proposed in said EOGM.

During Financial Year 2011-2012, Extra Ordinary General Meeting (EOGM) was held on 30th day of September 2011 at 10.30 AM at Registered Office of the Company for Sub-division in face value of Equity Shares; from ₹ 10/- to ₹ 1/- per Equity Share and accordingly Resolutions for changes in Capital Clauses of Memorandum & Articles of Association were passed to give the effect of sub-division in face value of Equity Shares.

POSTAL BALLOT

No Resolution has been passed during last three financial years through Postal Ballot Rules 2011.

At the forthcoming Annual General Meeting, there is no item on the agenda that needs approval by Postal Ballot.

SPECIAL RESOLUTION PASSED IN LAST THREE ANNUAL GENERAL MEETINGS:

No Special Resolution has been proposed or passed during last three Annual General Meetings.

No Special Resolutions have been proposed or passed during last financial year 2013-2014.

BOARD DISCLOSURES

Compliance with Governance Framework

The Company is in compliance with all mandatory requirements of Clause 49 of Listing Agreement. In addition, the Company has also adopted the non-mandatory requirements of constitution of Remuneration and Nomination Committee and tenure of office of Independent Directors. i.e. in financial year 2014-2015.

Disclosure on materially significant related parties transactions that may have potential conflict of interests of the Company at large

There are no materially significant related party transactions made by the Company with its Promoters, their subsidiaries, Directors, Senior Management or relatives etc., which may have potential conflict with the interest of the Company at large.

Disclosure of Accounting Treatment

In the preparation of financial statements, the Company has followed the Accounting Standards referred to in Section 211(3)© of the Companies Act, 1956. The Significant Accounting Policies which are consistently applied are set out in the Notes to the Financial Statements.

Risk Management

The Company has a Risk Management Policy which has been adopted by the Board of Directors, currently, the Company's risk management approach comprises of the following :-

- Governance of Risk
- Identification of Risk
- Assessment of Control of Risk

The risks have been prioritized through a companywide exercise. Members of Senior Management have undertaken the ownership and are working on mitigating the same through co-ordination among the various departments, insurance coverage, security policy and personal accident coverage for lives of all employees.

The Company has appointed a Risk Officer and also put in place the risk management framework, which helps to identify various risks cutting across its business lines. The risks are identified and are discussed by the representatives from various functions.

Risk Officer will make a presentation periodically on risk management to the Board of Directors and the Audit Committee. The Board and the Audit Committee provide oversight and review the risk management policy periodically.

Insider Trading

The Securities and Exchange Board of India (SEBI) has over the years introduced various amendments to the Insider Trading Regulations of 1992 which ordain new action steps by corporate and other market intermediaries for the purposes of prevention of Insider Trading.

Pursuant to the above requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended, the Company has adopted a 'Code of Conduct' for Prevention of Insider Trading (The Code) with effect from October 1, 2002. The Code is applicable to all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Compliance Officer has been appointed for monitoring adherence to the said Regulations.

DISCLOSURES

- (a) There were no transactions with related party i.e. with Promoters, Directors, Management, Subsidiaries or Relatives that may have potential conflict of interest with the Company at large. The details of the related Party transactions are disclosed under the notes on accounts, as required under the Accounting Standard 18 issued by the Institute of Chartered Accountants of India.
- (b) There has been no instance of non-compliance by the Company on any matter related to Capital Markets and hence the question of penalties or strictures being imposed on the Company by the Stock Exchange or SEBI or any Statutory Authority does not arise.
- (c) In Compliance with the Securities & Exchange Board of India (Prohibition of Insider Trading Regulations, 1992) as amended till date, on Prohibition of Insider Trading, the Company has a comprehensive Code of Conduct and the same is being strictly adhered to by its management, staff and relevant business associates. The code expressly lays down the guidelines and the procedure to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them on the consequences of non-compliance thereof.

- (d) Reconciliation of Share Capital : A qualified Practicing Company Secretary carried out Reconciliation of Share Capital on quarterly basis to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The "Reconciliation of Share Capital Audit Report" confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

CODE OF BUSINESS CONDUCT & ETHICS

The Company has adopted Code of Business Conduct and Ethics ("the Code") which is applicable to the Board of Directors and Senior Management Team (one level below the Board of Directors) of the Company. The Board of Directors and the members of Senior Management Team are required to affirm semi-annual compliance of this Code. The Code requires Directors and Employees to act honestly, fairly, ethically and with integrity, conduct themselves in professional, courteous and respectful manner. The Code is displayed on the Company website.

CONFLICT OF INTEREST

Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other companies including Chairmanships and notifies changes during the year. Members of Board while discharging their duties, avoid conflict of interest in the decision making process. The members of Board restrict themselves from any discussions and voting in transactions that they have concern or interest.

DISCLOSURES ON NON-MANDATORY REQUIREMENTS

The Company has adopted/complied with the following non-mandatory requirements as prescribed in Annexure ID to Clause 49 of Listing Agreement with the Stock Exchange :-

- a) None of the Independent Directors on the Board of the Company has served for the tenure of exceeding nine years. The Company has ensured that the person who is being appointed as an Independent Director has the requisite qualifications and experience which would be of use to the Company and which in the opinion of the Company would enable him to contribute effectively to the Company in his capacity as an Independent Director.
- b) The Company has not setup Compensation and Remuneration Committee.
- c) There was no case of Non-Compliance during financial year 2013-2014 in term of provisions of Listing Agreement entered into with BSE by the Company. Further, no penalties have been levied or actions have been taken by BSE or SEBI during last three years.
- d) The Company has complied with all mandatory provisions of listing agreement.
- e) The financial statements of the Company are unqualified.
- f) The Board of Directors of the Company have adopted the Whistle Blower Policy and appointed on ombudsperson. Employees can report to the Management concerned unethical behavior, act or suspected fraud or violation of the Company's Code of Conduct Policy. No Employee has been denied access to the Audit Committee.

MEANS OF COMMUNICATIONS

- The Company regularly provides information to the Stock Exchanges as per the requirements of the listing Agreement.
- The Quarterly/Half Yearly/Nine Months & Annual Results have been submitted to BSE Limited and published in the leading English Newspapers and in vernacular language Newspaper.
- Company posts its Quarterly Results/Half Yearly/Nine Months & Annual Results on its website www.bluecircleservices.com.

- Official News releases have been posted on its web portal www.bluecircleservices.com.
- No formal representations were made to Institutional Investors or Analysts during the year under review.
- Management Discussion and Analysis forms part of the Annual Report is available on its website www.bluecircleservices.com and also on BSE website www.bseindia.com. Further, if Investor is desirous of getting physical copy of Annual Report, Investor can send their request to M/s. Purva Shareregistry (India) Pvt. Ltd., Registrar & Share Transfer Agent, by sending request letter or by sending email to them.

GENERAL SHAREHOLDER INFORMATION

Detailed information in this regard is provided in section "Shareholders Information" which forms part of this Annual Report.

SHAREHOLDERS' INFORMATION

a. Next Annual General Meeting

The information regarding 38th Annual General Meeting for the financial year ended on 31st March 2014 is as follows :-

Day & Date : Monday, 22nd September 2014
 Time : 3.00 P.M.
 Venue : Unit No. 323 & 324, 3rd Floor, Building No. 9,
 Laxmi Plaza, New Link Road, Andheri (West),
 Mumbai-400 058

b. **Financial Year** : 1st April to 31st March.

c. **Future Calendar** :

Subject Matter	Date
Financial Reporting of 1st Quarter ended on 30th June 2014	Mid of August, 2014
Financial Reporting of 2nd Quarter ended on 30th September 2014	Mid of November, 2014
Financial Reporting of 3rd Quarter ended on 31st December 2014	Mid of February 2015
Financial Reporting of 4th Quarter ended on 31st March 2015	During May 2015
Date of Annual General Meeting	During September 2015

- d. **Date of Book Closure** : September 15 to September 22, 2014. (Both days inclusive)
- e. **Dividend Payment Date** : No Dividend has been recommended during for the year.
- f. **Listing of Shares** : Bombay Stock Exchanges (BSE)
- g. **Listing Fees** : Company has paid Annual listing Fees to BSE and Annual Custodial Fees to NSDL & CDSL for year 2014-2015.
- h. **Stock Code & ISIN** : Scrip Code 508939 on BSE.
 ISIN INE526K01023 on both NSDL & CDSL

i. Market Price Data

Month	Price on BSE (₹) & Volume			S&P BSE Sensex	
	High	Low	Volume	High	Low
April 2013	12.34	8.92	1,24,32,834	19622.68	18144.22
May 2013	13.14	10.87	83,21,149	20443.62	19451.26
June 2013	10.84	5.59	56,23,622	19860.19	18467.16
July 2013	5.48	4.20	1,34,55,532	20351.06	19126.82
August 2013	6.24	5.00	31,59,547	19569.20	17448.71
September 2013	14.45	6.36	13,75,218	20739.69	18166.17
October 2013	15.02	10.52	5,87,515	21205.44	19264.72
November 2013	10.31	7.84	2,56,317	21321.53	20137.67
December 2013	9.80	7.45	8,47,448	21483.74	20568.70
January 2014	13.45	8.20	70,19,296	21409.66	20343.78
February 2014	12.18	9.93	34,71,819	21140.51	19963.12
March 2014	12.50	9.82	36,08,324	22467.21	20920.98

j. Registrar & Share Transfer Agent.

M/s. Purva Shareregistry (India) Pvt. Ltd. has been appointed as Registrar & Share Transfer Agent for all work relating to share registry in terms of physical. All transfer, transmission, request related to correspondence/queries, intimation of change of address etc. should be addressed to our RTA directly at the following Address:

M/s. Purva Shareregistry (India) Pvt. Ltd.

9, Shiv Shakti Ind. Estate, Ground Floor, J. R. Boricha Marg, Lower Parel, Mumbai-400 011
Tel : 022-2301 6761 / 2301 8261, Fax : 022-2301 2517, Email : purvashr@mtnl.net.in
Website : www.purvashare.com

k. Share Transfer Systems

The Share transfer is processed by the Registrar & Share Transfer Agent, Purva Shareregistry (India) Pvt. Ltd. and approved by Share Transfer Committee, if the documents are complete in all respects, within 21 days from the date of lodgment.

l. Distribution of Shareholding as on 31st March 2014

No. of Equity Shares	No. of Share Holders	% of Share Holders	Total No. of Shares Held	% of Share Holding
1-5000	378	60.67	270348	0.13
5001-10000	16	2.57	128790	0.06
10001-20000	23	3.69	355456	0.17
20001-30000	11	1.77	290978	0.14
30001-40000	9	1.44	324299	0.16
40001-50000	8	1.28	367105	0.18
50001-100000	38	6.10	2891506	1.42
100001 and Above	140	22.47	198841518	97.73
Total....	623	100.00	203470000	100.00

m. Shareholding Pattern as on 31st March 2014

Categories	No. of Shares	% of Shareholding
Promoters, Directors, Relatives & Person acting in concert	6842987	3.36
Indian Bank	0	0.00
Foreign Financial Institutions	0	0.00
Others (NRI)	71	0.00
Hindu Undivided Family (HUF)	38105	0.02
Private Corporate Bodies	153278083	75.33
Indian Public	42658476	20.97
Clearing Member	652278	0.32
Total	203470000	100.00

n. Categories of Shareholders as on 31st March 2014

Category	No. of Share Holding	% of Share Holding	No. of Shares Held	% of Share Holding
Individuals	396	63.56	42658476	20.97
Promoters, Directors & Relatives	2	0.32	6842987	3.36
Non-Resident Indians	2	0.32	71	0.00
FII's (Mauritius based)	Nil	Nil	Nil	Nil
FII's (Others)	Nil	Nil	Nil	Nil
Indian Bank	Nil	Nil	Nil	Nil
Body Corporate	207	33.23	153278083	75.33
Hindu Undivided Families	10	1.61	38105	0.02
Local Mutual Funds	Nil	Nil	Nil	Nil
Others (Clearing Members)	6	0.96	652278	0.32
Total	623	100.00	203470000	100.00

o. Dematerialization of Equity Shares & Liquidity

The Company's Equity Shares are in Demat trading segment and the Company had established connectivity with both NSDL & CDSL by signing the necessary agreements.

Procedures for dematerialization / rematerialization of Equity Shares:-

Shareholders seeking demat / remat of their shares need to approach their Depository Participants (DP) with whom they maintain a demat account. The DP will generate an electronic request and will send the physical share certificates to Registrar and Share Transfer Agents of the Company. Upon receipt of the request and share certificates, the Registrar will verify the same. Upon verification, the Registrar will request NSDL/CDSL to confirm the demat request. The demat account of the respective share holder will be credited with equivalent number of shares. In case of rejection of the request, the same shall be communicated to the shareholder.

In case of remat, upon receipt of the request from the shareholder, the DP generates a request and verification of the same is done by the Registrar. The Registrar then requests NSDL or CDSL to confirm the same. Approval of the Company is being sought and equivalent numbers of shares are issued in physical form to the shareholder. The share certificates are dispatched within 21 days from the date of issue of Shares.

As on 31st March 2014, 98.99% Equity Shares of the Company are in dematerialized form.

p. Nomination

Individual Shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the depository participants as per the by-laws and business rules applicable to NSDL and CDSL. Nomination form SH-13 ([Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014] can be obtained from the Company's Registrar and Share Transfer Agent. It is also available on Public domain.

q. Requirement of PAN Card in case of Transfer of Shares in Physical Form

Pursuant to SEBI Circular, the shareholders holding shares in physical form are requested to submit self certified copy of PAN at the time of sending their request for share transfer/transmission of name/transposition of name.

r. For the Attention of Shareholders holding shares in electronic form

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants (DPs).

s. Electronic Clearing Service

The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the Depositories for depositing dividends. Dividend will be credited to the Members' bank account through NECS wherever complete core banking details are available with the Company. In case where the core banking details are not available, dividend warrants will be issued to the Members with bank details printed thereon as available in the Company's records. This ensures that the dividend warrants, even if lost or stolen, cannot be used for any purpose other than for depositing the money in the accounts specified on the dividend warrants and ensures safety for the investors. The Company complies with the SEBI requirement.

t. Service of Documents through Electronic Mode

As a part of Green Initiatives, the members who wish to receive the notice/documents through e-mail, may kindly intimate their e-mail address to the Company's Registrar and Share Transfer Agent, Purva Sharegistry (India) Pvt. Ltd. to their dedicated e-mail id i.e., "purvashr@mtnl.net.in."

u. Details on use of Public Funds Obtained in the last three years :

Particulars of Utilization	Amount (₹ in Lac)
Investment in Shares, Securities & Mutual Funds	1252.85
Loans to Others	1737.15
Total	2990.00

v. Green initiatives in Corporate Governance to receive documents through email by registering your email address :

The Ministry of Corporate Affairs (MCA) has taken a "Green initiative in the Corporate Governance" by providing an opportunity to the shareholders to register their email address with Company and changes therein from time to time.

The Company is sending notices/documents such as Annual Reports and notices by email to the shareholders who have registered their email address with DP/RTA. To support this laudable move of the Government, the members who have not registered their email address, so far, are requested to do so at the earliest, in respect of demat holding through the respective Depository Participant (DP) and in respect of physical holding through the Registrar and Share Transfer Agent (RTA) M/s. Purva Shareregistry (India) Pvt. Ltd.

While every notice/document will be sent through email address registered with the Company /RTA/DP, in case you desire to receive any notice /document in physical form, please intimate by email and the same shall be sent to your address registered with the Company/DP.

We solicit your patronage and support in joining hands with the Company to implement the e-governance initiative.

w. Outstanding GDRs./ADRs/Warrants or any convertible instruments, conversion data likely impact on Equity :

NotAny.

x. Investors' Correspondence

Shareholders can contact the following Officials for secretarial matters of the Company :-

Ms. Chandrakala Purohit - blue.circl@gmail.com

y. Code of Conduct

The Board of Directors of the Company has laid down Code of Conduct for Directors and for Senior Management & Employees. All Board Members and Senior Management have affirmed compliance with the Code of Conduct for the year under review. Declaration to this effect signed by the Managing Director & Chief Executive Officer is annexed to this report.

z. Address for Correspondence

BLUE CIRCLE SERVICES LIMITED

Office No. 33, Basement, Mona Shopping Centre, J. P. Road,

Near Navrang Cinema, Andheri (West), Mumbai-400 058

Email : blue.circl@gmail.com, URL : www.bluecircleservices.com

CHAIRMAN & MANAGING DIRECTOR'S DECLARATION ON CODE OF CONDUCT

As required by Clause 49 of Listing Agreement, the Managing Director and CEO's Declaration for Code of Conduct is given below:

The Members of

BLUE CIRCLE SERVICES LIMITED

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief, we certify that:
- (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 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 internal control systems of the company pertaining to financial reporting and we 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 have become 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.

For **Blue Circle Services Limited**

Anil Purohit

(DIN : 00082942)

Chairman & Managing Director

ANNUAL CERTIFICATE UNDER CLAUSE 49(I)(D) OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES

I, Anil Purohit, Chairman & Managing Director of the M/s. Blue Circle Services Limited declare that all Board Members and Senior Management of the Company have affirmed compliance with the Code of Conduct during the year ended 31st March 2014.

For **Blue Circle Services Limited**

Mumbai, May 28, 2014

Anil Purohit

(DIN : 00082942)

Managing Director

Secretarial Compliance Report

The Board of Directors,

M/s. BLUE CIRCLE SERVICES LIMITED

We have examined the registers, records, books and papers of M/s. Blue Circle Services Limited as required to be maintained under the Companies Act, 1956, (hereinafter referred to as "The Act"), the rules made there under the Act and amended thereto from time to time and includes Companies Act, 2013 as applicable (hereinafter referred to as 2013 Act) and also the provisions contained in the Memorandum of Association and Articles of Association of the Company for the year ended 31st March 2014. In our opinion and to the best of our information and according to the examinations carried out by and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year -

1. The Company has kept and maintained all registers and records as per Annexure "A" to this certificate, as per the provisions of the Companies Act 1956 (the Act) and the rules made there under and all entries therein have been duly recorded during the year.
2. The Company has filed the forms and return as stated in Annexure "B" to this certificate, with the Registrar of Companies or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company has given proper notice along with the agenda for convening of Board Meeting, Committee Meetings and Annual General Meetings during the year.
4. The proceedings of the Meetings were properly recorded in the Minutes Books during the year.
5. The Board of Directors of the Company is duly constituted during the year.
6. The Company has obtained all the necessary approvals from the Board and Shareholders as required by the Act during the year.
7. The Company has not accepted any Deposit in terms of Section 58A of the Act read with Companies (Acceptance of Deposit) Rules, 1975 during the year.
8. The Company has not paid remuneration to the Managing Director of the Company during the year in terms of section 198, 269, 309 read with Schedule XIII of the Act.
9. The Company has not appointed any sole selling agent in terms of section 294 of the Act during the year.
10. The Company has not advanced any loans to its Directors or persons or firms or Companies referred to under section 295 of the Act during the year.
11. The Company has not entered into any transactions, which falls under section 297 of the Act during the year.
12. The Directors have disclosed their interest in other firms / Companies to the Board of Directors pursuant to the provisions section 184 of the Act.
13. The Company has not appointed any person as a place of profit in terms of section 188 of the Act during the year.
14. The Company has not issued any duplicate share certificate during the financial year.
15. The Company has complied with the provisions of section 186 of the Act.
16. The Company :
 - a) has delivered all the Share Certificates on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act;
 - b) was not required to deposit amount in a separate Bank Account as no Dividend was declared during the financial year.

- c) was not required to post warrants to any member of the Company as no Dividend was declared during the financial year.
 - d) was not required to transfer any amount to Investor Education and Protection Fund.
 - e) has duly complied with the requirement of section 134 of the Act.
17. The Board of Directors of the Company is duly constituted and there was no appointment of Additional Director/s alternate Director/s and Directors to fill the casual vacancy during the financial year.
 18. The Company was not required to obtain approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as prescribed under the various provisions of the Act.
 19. The Company has not issued any Shares, Debentures or other Securities during the financial year.
 20. The Company has not bought back any share during the financial year.
 21. There was no redemption of preference shares or debentures during the financial year.
 22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
 23. As per the information and explanation given, the Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 15A during the financial year.
 24. The Company has not borrowed fund from its Directors, members, public, financial institutions, banks and others during the financial year ending on 31st March 2014.
 25. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's Registered Office from one state to another during the year under scrutiny.
 26. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
 27. The Company has not altered the provisions of the Memorandum with respect to the name of the Company during the year under scrutiny.
 28. The Company has not altered its Memorandum of Association and Articles of Association with respect to the Share Capital of the Company.
 29. There was no prosecution initiated against the Company, or Show Cause Notices received by the Company, for offences under the Act.
 30. The Company has not received any money as security from its employees during the financial year 2013-2014.

For **G. S. Bhide & Associates**
Company Secretaries

Place : Mumbai

Date : May 28, 2014

Gayatri S. Bhide
Proprietor
C. P. No. 11816

Annexure "A"

Name of the Company : Blue Circle Services Limited

CIN : L74140MH1983PLC029378

Financial Year ended : 31st March, 2014

Register as maintained by the Company :-

Statutory Registers :

Sl. No.	Section under the Companies Act, 2013	Name of the Register
1.	88	Register of Members
2.	94	Copies of Annual Returns
3.	118	Minutes Books for Board / General Meetings
4.	189	Register of contracts, companies and firms in which directors are interested
5.	170	Register of Directors
6.	170	Register of Directors' Shareholding

Annexure "B"

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other Authorities during the financial year ending on 31st March 2014.

Sr. No.	Form N. / Return	Filed u/s	For	Whether filed within prescribed time Yes / No	If delay in filing whether requisite additional Fees paid Yes/No
1.	Form 23AC and ACA for the Financial Year ended on 31st March 2013	220	Annual Requirement	Yes	N. A.
2.	Form 20B for the Financial Year ended 31st March 2013	159	Annual Requirement	No	Yes
3.	Form 32	303(2) and 264(2)	Appointment & Resignation of Directors	No	Yes

b) Forms and Returns filed with Regional Director : Nil

c) Forms and Returns filed with Central Government or other Authorities : Nil

For **G. S. Bhide & Associates**
Company Secretaries

Place : Mumbai

Date : May 28, 2014

Gayatri S. Bhide
Proprietor
C. P. No. 11816

Auditors' Certificate on Corporate Governance

To the Members of **BLUE CIRCLE SERVICES LIMITED**

We have examined the compliance of the conditions of Corporate Governance by Blue Circle Services Ltd. (The Company) for the year ended 31st March 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with Bombay Stock Exchange Ltd.

The compliance of the conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors Grievances Committee.

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

Pradeep Gupta
Chartered Accountants

Place : Mumbai

Date : May 28, 2014

Proprietor
Membership No. 048979

Independent Auditors' Report

To the Members of

BLUE CIRCLE SERVICES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of M/s. Blue Circle Services Limited, which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for 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 Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date, and
- c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
 - (e) On the basis of the written representations received from the directors as on March 31, 2014, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of Section 274(1)(g) of the Act.

Pradeep Gupta
Chartered Accountants

Place : Mumbai

Date : May 28, 2014

Proprietor
Membership Number 048979

Annexure to the Auditors' Report

(Referred to in Paragraph 1 of our report of even date)

The Annexure referred to in paragraph 1 of the Report of even date to the members of Blue Circle Services Limited on the accounts of the company for the year ended 31st March, 2014.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- (i) In respect of Fixed Assets:
 - (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
 - (c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
- (ii) In respect of its Inventories:
 - (a) The inventory of shares held in demat form have been verified or confirmed with the statement of holdings provided by the Depository and in respect of securities not in demat form have been physically verified by the management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification.
- (iii) As informed to us, the Company the Company has not taken loans secured or unsecured to Companies, firms or other parties covered in the register maintained u/s 301 of the Companies Act, 1956. Accordingly clauses (e), (f) and (g) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase and for the sale of shares.
- (v) According to the information and explanation provided by the management, there have been no contracts or arrangements during the period that need to be entered into the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of clauses (v) (a) and (b) of the Companies (Auditors' Report) Order, 2003 (as amended) are not applicable.
- (vi) As the Company has not accepted or renewed any deposit from the public, the directives issued by the Reserve Bank of India and the provisions of sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under are not applicable. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
- (vii) In our opinion, the Company has adequate in house internal audit system commensurate with the size and nature of its business.
- (viii) The Company is not required to maintain any cost records under section 209(1)(d) of the Companies Act, 1956.
- (ix) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Income-tax, Wealth Tax, sale-tax, custom duty and any other statutory due applicable to it;

- (b) According to information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sale-tax, custom duty and excise duty etc. were outstanding as at 31st March 2014, for a period of more than six months from the date they became payable;
- (c) According to the records of the company, there are no dues of income tax, wealth tax, sale-tax, custom duty and excise duty, which have been deposited on account of any dispute.
- (x) The Company has no accumulated losses as at 31st March, 2014 after considering the balance in General Reserve account as on that date and has also not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- (xi) In our opinion and according to information and explanations given to us, the company not defaulted in repayment of dues to financial institution, bank or debenture holders.
- (xii) The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or a nidhi mutual benefit fund/society. Therefore the provisions of clause 4(xiii) of the Companies (Audit Report) order, 2003 are not applicable to the company.
- (xiv) According to the information and explanations given to us, the Company has maintained proper records of the transactions and contracts in respect of investment and timely entries have been made therein. All the investments have been held by the Company in its own name.
- (xv) According to information and explanations given to us, and the representations made by the management, the Company has not given any guarantee for loans taken by others from any bank or financial institution.
- (xvi) The Company has not taken any term loans during the year under audit.
- (xvii) According to information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short term basis have been used for long-term investment. Similarly, no funds raised on long term basis have been used for short-term investment.
- (xviii) According to information and explanations given to us, the company has not made any preferential allotment of shares to parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The company has not issued any debenture. Hence requirement of item (xix) of paragraph 4 of the order is not applicable to the Company.
- (xx) The company has not raised any money through public issue. Hence requirement of item (xx) of paragraph 4 of the order is not applicable to the Company.
- (xxi) According to the information and explanations provided to us, a fraud on or by the company has not been noticed or reported during the year.

Pradeep Gupta
Chartered Accountants

Place : Mumbai

Date : May 28, 2014

Proprietor
Membership Number 048979

BALANCE SHEET AS AT 31st MARCH, 2014

PARTICULARS	Note No.	31.03.2014 ₹	31.03.2013 ₹
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	2.1	203,470,000	203,470,000
Reserves and Surplus	2.2	83,438,222	72,491,763
		<u>286,908,222</u>	<u>275,961,763</u>
CURRENT LIABILITIES			
Trade Payable	2.3	15,500,655	339,848,289
Other Current Liabilities	2.4	253,135,892	21,080,533
Short-Term Provision	2.5	2,046,041	14,030,538
		<u>270,682,588</u>	<u>374,959,360</u>
TOTAL		<u>557,590,810</u>	<u>650,921,123</u>
ASSETS			
NON- CURRENT ASSETS			
Fixed Assets	2.6	10,577,056	15,639,772
Deferred Tax Assets	2.7	1,211,194	1,345,771
Non-Current Investments	2.8	352,573,554	202,512,929
		<u>364,361,804</u>	<u>219,498,472</u>
CURRENT ASSETS			
Trade Receivable	2.9	18,562,960	328,477,442
Cash and Bank Balances	2.10	950,654	547,073
Short-term loans and advances	2.11	173,715,392	102,398,136
		<u>193,229,006</u>	<u>431,422,651</u>
TOTAL		<u>557,590,810</u>	<u>650,921,123</u>
Significant Accounting Policies and Notes to accounts	2.18		

AS PER OUR REPORT OF EVEN DATE

Pradeep Gupta
Chartered Accountants

Proprietor
M. No.048979

Mumbai,
May 28, 2014

FOR AND ON BEHALF OF BOARD

Anil Purohit (DIN : 00082942)
Director

Dhruva Narayan Jha (DIN : 01286654)
Director

Kashi Prasad Bajaj (DIN : 00559830)
Director

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2014

PARTICULARS	Note No.	31.03.2014 ₹	31.03.2013 ₹
INCOME			
Revenue from operations	2.12	11,954,168	353,516,162
Other Revenue from Operations	2.13	12,609,101	21,302,610
TOTAL INCOME		24,563,269	374,818,772
EXPENSES			
Purchases	2.14	11,912,607	352,017,465
Employees Cost	2.15	2,560,155	2,481,621
Depreciation Expenses	2.6	5,212,716	1,431,078
Other expenses	2.16	1,344,407	1,455,124
TOTAL EXPENSES		21,029,885	357,385,288
PROFIT BEFORE TAXATION		3,533,384	17,433,484
Tax Expense:	2.17		
Current tax		2,046,041	4,571,421
Earlier year income tax		-	541,971
NET PROFIT FOR THE YEAR		1,487,343	12,320,092
Earnings per equity share:			
Basic and Diluted (Face Value of ₹ 1/- each, Previous Year ₹ 10/- each)		0.01	0.06

AS PER OUR REPORT OF EVEN DATE

2.18

FOR AND ON BEHALF OF BOARD

Pradeep Gupta
Chartered Accountants

Anil Purohit (DIN : 00082942)
Director

Proprietor
M. No.048979

Dhruva Narayan Jha (DIN : 01286654)
Director

Mumbai,
May 28, 2014

Kashi Prasad Bajaj (DIN : 00559830)
Director

Statement of Cash Flow Annexed to the Balance Sheet as at 31st March, 2014

(In ₹)

	31.03.2014	31.03.2013
A. Cash Flow from Operating Activities		
<i>Net Profit before tax and extraordinary Items</i>	3,533,384	17,433,484
<i>Adjustments for</i>		
Interest Received	3,030,862	3,987,697
Dividend	53,550	97,239
Depreciation	5,212,716	1,431,078
<i>Operating profit before working capital changes</i>	11,830,512	22,949,498
<i>Adjustments for Capital Changes</i>		
Inventories	-	-
Decrease (Increase) in Trade and other Receivables	309,914,482	(328,477,442)
Decrease (Increase) Loan & Advances	(71,317,256)	102,466,064
Trade Payable and Provisions	(104,276,773)	328,296,721
<i>Cash Generated from operations</i>	134,320,454	102,285,343
Income Tax Liability For The Year	(2,046,041)	(4,571,421)
Extraordinary Items	-	-
	<u>(2,046,041)</u>	<u>(4,571,421)</u>
<i>Net Cash From Operating Activities</i>	<u>144,104,924</u>	<u>120,663,420</u>
B. Cash Flow From Investing Activities		
Decrease / (Increase) in Fixed Assets	5,062,716	(15,615,272)
Decrease / (Increase) in Investments	(150,060,625)	(89,342,300)
Deferred tax assets	134,577	-
Interest Received	(3,030,862)	(3,987,697)
Dividend Received	(53,550)	(97,239)
Adjustments for Depreciation	(5,212,716)	(1,431,078)
<i>Net Cash from Investing Activities</i>	<u>(153,160,460)</u>	<u>(110,473,586)</u>
C. Cash Flow From Financing Activities		
Proceeds from further issue of Shares	-	-
Reversal of Proposed Dividend	8,138,800	(8,138,800)
Dividend Tax w/off	1,320,317	(1,320,317)
Extraordinary Items	-	(541,971)
	9,459,117	(10,001,088)
<i>Net Cash used in Financing Activities</i>	403,581	188,750
<i>Net Increase in Cash & Cash Equivalents</i>	(403,581)	(188,750)
<i>Opening Balance of Cash & Cash Equivalents</i>	547,073	358,323
<i>Closing Balance of Cash & Cash Equivalents</i>	<u>950,654</u>	<u>547,073</u>

For and on behalf of the Board

Anil Kr. Purohit (DIN : 00082942))

Chairman & Managing Director

Mumbai, May 28, 2014

We have verified the attached Cash Flow Statement of M/s. Blue Circle Services Limited, derived from Audited Financial Statements and the books and records maintained by the Company for the year ended on 31st March 2014 and found the same in agreement therewith.

Pradeep Gupta
Chartered Accountants

Mumbai, May 28, 2014

Proprietor
Membership No. 048979

Notes to Financial Statement for the year ended 31st March 2014

NOTE 1

ACCOUNTING POLICIES & NOTES FORMING PART OF THE ACCOUNTS

Significant Accounting Policies General

1.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

1.2 Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialised.

1.3 Inventories

Inventories are valued at the lower of cost (on FIFO basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary.

1.4 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

1.5 Cash Flow Statements

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.

1.6 Revenue Recognition

All incomes and expenditure are recognised as per 'Accounting Standard-9' accounted on accrual basis except where stated otherwise.

Dividends on investments are accounted for when the right to receive the dividend is established.

1.7 Employee Benefits

- a) P.F. and E.S.I.C Scheme is not applicable to the company.
- b) Gratuity is accounted when an employee works for more than 6 Months.

1.8 Segment Reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities"

1.9 Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

Current investments are carried individually, at the lower of cost and fair value. Costs of investments include acquisition charges such as brokerage, fees and duties.

1.10 Borrowing Cost

Borrowing costs directly attributable to the acquisition and construction of qualifying fixed assets are capitalized as part of the cost of the assets, up to the date the asset is put to use. Other borrowing costs are charged to the Profit and Loss Account.

1.11 Taxes on Income

Current Tax is determined as the tax payable in respect of taxable income for the year, if any. Deferred tax for the year is recognised on timing difference; being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets and Liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred Tax Assets are recognised and carried forward only if there is a reasonable / virtual certainty of realisation.

1.12 Provisions and Contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

1.13 Impairment of Assets

At the end of each year, the Company assesses whether any impairment loss may have occurred in respect of its Assets in accordance with Accounting Standard - 28 "Impairment of Assets" issued by the Institute of Chartered Accountants of India, and Impairment Losses if any are accounted for by the company in accordance with the Standard applicable.

1.14 Related Party Transactions

Key Management Personnel -

Sl. No.	Name
1.	Mr. Anil Purohit
2.	Mr. Dhruva Narayan Jha
3.	Ms. Chandrakala Purohit
4.	Mr. Ratan Vyas
5.	Ms. Renuka Purohit
6.	Mr. Kunal Gupta
7.	Ms. Prerna Purohit

Payments of Remuneration to Related Parties

Name of Person	Amount Paid (in ₹)
Chandrakala Purohit	9,24,000
Ratan Vyas	3,50,000
Renuka Purohit	2,50,000
Kunal Gupta	2,50,000
Prerna Purohit	2,20,000

1.15 Subsidiary Companies - None**1.16 Group Companies or Companies under same management -**

- M/s. Prime Capital Market Ltd.
- M/s. Unisys Softwares & Holding Industries Ltd.
- M/s. Warner Multimedia Ltd.
- M/s. JMD Telefilms Industries Ltd.

1.17 Details of transactions with related parties -

Transaction with related parties	Subsidiary Companies	Key Management Personnel & Relatives (in ₹)
Remuneration	Nil	19,94,000
Investments:		
Investment in Subsidiary / Group Co.	Nil	Nil

1.18 Remuneration to Auditors

Particulars	31.03.2014	31.03.2013
Remuneration to Auditors for Audit purpose ₹	25,000	25,000

1.19 Differed Tax

The differed tax has not been recognized in financial statement during the year under review.

1.20 Earning per Equity Share

	Unit	31.03.2014	31.03.2013
Net Profit after Tax available for Share holders	₹	14,87,343	1,23,20,092
No. of Equity Shares	No.	203470000	203470000
Basis & Diluted Earning Per Share (₹)*	₹	0.01	0.06

*The Company does not have any outstanding dilutive potential equity shares.

1.21 Contingent Liabilities & Provisions

In the view of management there are no contingent liabilities and commitments against the company.

1.22 There are no Micro and Small Scale Business Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2014. This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

1.23 Previous years' figures have been regrouped, rearranged wherever necessary to make them comparable with those of current year.

As per our report of even date

Pradeep Gupta

Chartered Accountant

Anil Purohit (DIN : 00082942)

Director

Properietor

Membership Number 048979

Dhruva Narayan Jha (DIN : 01286654)

Director

Mumbai, May 28, 2014

Kashi Prasad Bajaj (DIN : 00559830)

Director

Notes forming part of the Financial Statements for the year ended March 31, 2014

2.1 SHARE CAPITAL

Particulars	31.03.2014		31.03.2013	
	Number	₹	Number	₹
Authorised				
Equity Shares of ₹ 1/- each (Previous Year ₹ 1/-)	250,000,000	250,000,000	250,000,000	250,000,000
Issued, Subscribed & Paid Up:				
Equity Shares of ₹ 1/- each (Previous Year ₹ 1/-)	203,470,000	203,470,000	203,470,000	203,470,000
Total	203,470,000	203,470,000	203,470,000	203,470,000

Reconciliation of number of shares.

Particulars	31.03.2014		31.03.2013	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	203,470,000	203,470,000	203,470,000	203,470,000
Add : Further Issue of Shares	-	-	-	-
Shares outstanding at the end of the year	203,470,000	203,470,000	203,470,000	203,470,000

Rights, preference and restrictions attached to Equity Shares

The company has one class of Equity shares having a par value of ₹ 1/- each. Each shareholder is eligible to one vote per share held.

The Dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting and will be paid in Indian `.

Details of Share held by shareholders holding more than 5% of the aggregate shares in the company

Name of Shareholder	31.03.2014		31.03.2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
N.A. -	-	-	-	-

Notes forming part of the Financial Statements for the year ended March 31, 2014

2.2 RESERVES AND SURPLUS

Particulars	31.03.2014	31.03.2013
	₹	₹
Securities Premium Reserve	60,500,000	60,500,000
	60,500,000	60,500,000
Surplus in Profit & Loss Statement		
Opening balance	21,450,879	9,130,788
Add: Net Profit for the year	1,487,343	12,320,092
Amount available for Appropriations	22,938,222	21,450,880
Less: Appropriations		
Proposed Dividend	-	8,138,800
Tax on Proposed Dividend	-	1,320,317
	-	9,459,117
Total	83,438,222	72,491,763
2.3 TRADE PAYABLES		
Total outstanding dues to Creditors	15,500,655	339,848,289
Total	15,500,655	339,848,289
2.4 OTHER CURRENT LIABILITIES		
Other payables		
Provision for Expenses	980,892	980,533
Advances	252,155,000	20,100,000
Total	253,135,892	21,080,533
2.5 SHORT TERM PROVISIONS		
Proposed Dividend	-	8,138,800
Tax on Proposed Dividend	-	1,320,317
Provision for Income Tax (net of Tax paid)	2,046,041	4,571,421
Total	2,046,041	14,030,538
2.7 DEFERRED TAX ASSETS		
Deferred Revenue Expenditure	1,211,194	1,345,771
Total	1,211,194	1,345,771

Notes forming part of the Financial Statements for the year ended March 31, 2014

2.6. INTANGIBLE ASSETS

	Cost/Book Value as at 1st April 2013	Additions during the year	Deductions/ Adjustments during the year	Cost/Book Value as at 31st March 2014	Depreciation on Cost / Book Value as at April 2013	Deductions / Adjustments during the year	Depreciation for the year	Depreciation on Cost / Book Value as at 31st March 2014	Balance as at 31st March 2014	Balance as at 31st March 2013
Computer Software	17,092,350	150,000	-	17,242,350	1,452,578	-	5,212,716	6,665,294	10,577,056	15,639,772
	17,092,350	150,000	-	17,242,350	1,452,578	-	5,212,716	6,665,294	10,577,056	15,639,772
Previous Year	46,000	17,046,350	-	17,092,350	21,500	-	1,431,078	1,452,578	15,639,772	-

Notes forming part of the Financial Statements for the year ended March 31, 2014

2.9 TRADE RECEIVABLE

Particulars	31.03.2014	31.03.2013
	₹	₹
(Unsecured Considerd Goods)		
Outstanding For the Period of More then Six Months	4,105,400	-
Other Debts	14,457,560	328,477,442
Total	18,562,960	328,477,442

2.10 CASH AND BANK BALANCES

Cash and Cash Equivalents

Balances with banks		
In current accounts	934,663	415,311
Cash in hand	15,991	131,762
Total	950,654	547,073

2.11 SHORT-TERM LOANS & ADVANCES

Particulars	31.03.2014	31.03.2013
	₹	₹
Unsecured Considered good		
Security Deposit	56,500	56,500
Inter-Corporate Deposit	26,567,468	24,228,254
Advance Income Tax Payment	2,000,000	4,000,000
Tax Deducted at Source	1,542,779	1,851,614
Loans to Others	143,548,645	72,261,768
Total	173,715,392	102,398,136

2.12 Revenue form Operation

Particulars	31.03.2014	31.03.2013
	₹	₹
Sale of Products		
Traded Goods		
Hardware & Softwares	11,954,168	353,516,162
Total	11,954,168	353,516,162

Notes forming part of the Financial Statements for the year ended March 31, 2014

2.13 Other Revenue form Operation

Particulars	31.03.2014 ₹	31.03.2013 ₹
Interest Income on		
-- Current investment	3,030,862	3,987,697
Dividend		
-- From Current Investment	53,550	97,239
Net Gain on sale of Investment		
-- From Current Investment	(5,026,150)	(52,224)
Other Business Activities	-	4,255,400
Other non Operating Revenue		
Commodities Profit	14,457,560	-
Misc. Income	93,279	-
Professional Fees	-	13,014,498
Total	12,609,101	21,302,610

2.14 Cost Of Purchase

Particulars	31.03.2014 ₹	31.03.2013 ₹
Add: Purchase		
Softwares & Hardwares	11,912,607	352,017,465
Total	11,912,607	352,017,465

2.15 Employee Cost

Salaries	2,512,155	2,433,621
Staff Welfare Expenses	48,000	48,000
Total	2,560,155	2,481,621

2.16 Other Expenses

Particulars	31.03.2014 ₹	31.03.2013 ₹
Paymant to Auditor	25,000	25,000
RTA Fees	35,955	39,245
Conveyance & Travelling Exp.	300,199	91,752
Bank Charges	20,899	15,281
Telephone Charges	14,560	13,270
Listing & Depository Fees	272,076	184,243
Postage & Telephone Exp.	21,650	18,450
Professional Fees	44,865	275,938
Printing & stationery	28,800	22,544

Notes forming part of the Financial Statements for the year ended March 31, 2014

Particulars	31.03.2014	31.03.2013
	₹	₹
Misc. Expense	120,700	63,269
Advertisements	43,593	66,412
Rent Expenses	84,000	84,000
Books & Periodicals	14,560	14,300
Demat Charges	2,513	1,573
Data Processing Charges	35,000	35,000
ROC Filing Fees	14,500	-
Deferred Revenue Expenditure w/off	134,577	-
Website Development Charges	-	17,438
Service Tax & VAT	-	352,309
Refreshment Expenses	-	14,600
Office Maintenance Charges	60,460	52,000
Board Meeting & AGM Expenses	70,500	68,500
Total	1,344,407	1,455,124
2.17 Tax Expenses		
Particulars	31.03.2014	31.03.2013
	₹	₹
Income Tax (Current Year)	2,046,041	4,571,421
Income Tax (Prior Period)	-	541,971
Total	2,046,041	5,113,392

Blue Circle Services Limited

CIN : L74140MH1983PLC029378

Regd. Office : Office No. 33, Basement, Mona Shopping Centre, J. P. Road, Andheri (West), Mumbai-400 058

Email : blue.circl@gmail.com; Website : www.bluecircleservices.com

Form No. MGT - 11, PROXY FORM / BALLOT FORM

(Pursuant to the section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration), 2014)

Name of the Member _____

Registered Address _____

Folio No. / DP / Client ID _____

I/We being the members of _____ Shares of Blue Circle Services Ltd., hereby appoint -

1. _____ having email Id _____ Signature _____ or failing him

2. _____ having email Id _____ Signature _____ or failing him

3. _____ having email Id _____ Signature _____

As my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 38th Annual General Meeting of the Company, to be held on Monday, 22nd September 2014 at 3.30 PM at Unit No. 323 & 324, 3rd Floor, Building No. 9, Laxmi Plaza, New Link Road, Andheri (West), Mumbai-400 058 and at any adjournment thereof in respect of such resolution(s) as are indicated below :

Ordinary Business :		For	Against
1.	Adoption of Financial Statements for the year ended March 31, 2014		
2.	Retirement of Mr. Dhruva Narayan Jha, Director, by rotation, eligible for re-appointment		
3.	Appointment of M/s. Pradeep Gupta, Chartered Accountants, as Auditors and to fix their remuneration.		
Special Business :			
4.	Appointment of Mr. Kashi Prasad Bajaj as Independent Director for a term of 5 Years.		
5.	Appointment of Mr. Chandresh N. Shah as Independent Director for a term of 5 Years.		

Signed this _____ day of _____ 2014

Signature of Shareholder _____ Signature of Proxy _____

Affix
Revenue
Stamp
₹ 1/-



Blue Circle Services Limited

CIN : L74140MH1983PLC029378

Regd. Office : Office No. 33, Basement, Mona Shopping Centre, J. P. Road, Andheri (West), Mumbai-400 058

Email : blue.circl@gmail.com; Website : www.bluecircleservices.com

ATTENDANCE SLIP

(Pursuant to the section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration), 2014)

Registered Folio No. / DP ID / Client Id _____

Name & Address of Share Holder _____

I/We hereby record my/our presence at the 38th Annual General Meeting of the Company at 3.30 PM Unit No. 323 & 324, 3rd Floor, Building No. 9, Laxmi Plaza, New Link Road, Andheri (West), Mumbai-400 058 on Monday, 22nd September 2014.

Members' Folio/DPI/Client Id

Member/Proxy's Name in Capital

Member/Proxy's Signa

Please complete the Folio/DP Id/Client Id and Name, sign this Attendance Slip and hand it over at the Attendance verification counter at the Entrance of the Meeting Place.

BOOK-POST

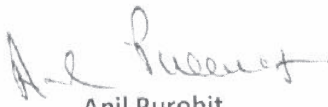
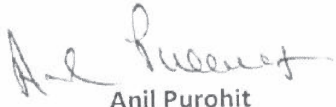

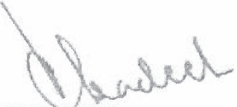
If undelivered, please return to :

Blue Circle Services Limited

Office No. 33, Basement, Mona Shopping Centre, J. P. Road,
Near Navrang Cinema, Andheri (West), Mumbai-400 058

Form A

**Format for covering letter for the Annual Report to be filed with the Stock Exchanges
(Pursuant to Clause 31(a) of the Listing Agreement)**

Sr. No.	Particulars	Details
1.	Name of the Company	Blue Circle Services Limited
2.	Annual Financial Statements for the year ended	31 st March 2014
3.	Type of Audit Observation	No Qualification of matter of emphasis has been included in the Audit Report
4.	Frequency of Observation	Not Applicable in view of Comments in (3) above
5.	To be signed by :	
	• Managing Director	 Anil Purohit
	• President & Chief Financial Officer	 Anil Purohit
	• Audit Committee Chairman	 Chandresh N. Shah
• Auditors of the Company	Refer our Audit Report dated May 29, 2013 on the Standalone Financial Statements of the Company PRADEEP GUPTA Chartered Accountants Firm Registration No. 010982S  PROPRIETOR Membership No. 048979 Place : Mumbai Date : May 28, 2014	

