



BCB Finance Limited

9th Annual Report

Regd. Off.1204, P.J. Towers, Dalal Street, Fort, Mumbai
– 400 001.

Telfax No. +91-22-2272 2414

Web: www.bcbfinance.com

CIN-L65990MH2005PLC157586

Index

Contents Page

Corporate information

Notice

Directors' Report

Report on Corporate Governance

Management Discussion and Analysis

Auditors Report

Balance Sheet

Profit & Loss Account

Cash Flow Statements

Notes to Accounts

Proxy Form

corporate
information

BOARD OF DIRECTORS

CHAIRMAN

Mr. Bharat C. Bagri

MANAGING DIRECTOR

Mr. Uttam B. Bagri

INDEPENDENT DIRECTORS

Mr. Suresh Ahiya

Mr. Kalpesh Ranka

PRACTISING COMPANY SECRETARIES

Kothari H. & Associates

STATUTORY AUDITORS

M/s.Mohanlal Jain & Co.

COMPANY SECRETARY

Mr. Manish Mourya

PRINCIPAL BANKER

Bank of India

REGISTERED OFFICE

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

Tel No.: +91-22-2272 2414

Fax No.: +91-22-2272 2414

Email: manish@bcbfinance.com

Website: www.bcbfinance.com

REGISTRAR & SHARE TRANSFER AGENTS

PurvaSharegistry (India) Private Limited
9, Shiv Shakti Industrial Estate, J.R. Boricha
Marg, Off N.M. Joshi Marg, Near Lodha Excelus,
Lower Parel (E), Mumbai- 400 011.

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

Fax: +91-22-2301 2517

Email: busicomp@vsnl.com

Website: www.purvashare.com

THE DIRECTORS' REPORT

Dear Shareholders,

Yours Directors have pleasure in presenting the Ninth Annual Report and Audited Accounts of BCB Finance Limited ('the Company') for the year ended 31st March 2014 ('the financial year').

FINANCIAL HIGHLIGHTS

The summarized performance of the Company for the years 2013-14 and 2012-13 is given below:

(Rs. In Lac)

Particulars	For Financial Year Ended	
	31 st March, 2014	31 st March, 2013
Total Income	238.16	267.28
Total Expenditure	162.62	134.28
Profit before Depreciation and Tax	75.54	133.00
Less: Depreciation	0.00	0.36
Profit after Depreciation but before Tax	75.54	132.64
Less: Tax (including prev year)	33.25	36.00
Profit / (Loss) After Tax	42.29	96.64
Proposed Final Dividend (Including Interim Dividend)	28.74	28.76
Tax on Final Dividend	4.89	4.89
Transferred to Statutory Reserves	8.50	18.00

1. Financial Performance

During the year, your Company has recorded a total income of Rs. 238.16 Lac, against Rs. 267.28 Lac in the previous year. Consequently, Net Profit before Taxation for the financial year ended March 31, 2014 decreased to Rs.75.54 Lac from Rs.133.00 Lac which is decrease of 43.20% from the previous year. Therefore, the Profit after Tax is Rs.42.29 Lac as compared to Rs.96.64 Lac in the previous year.

2. Dividend

The Company has already paid a dividend of 25np per share as interim dividend. The Board recommends that the same be treated and full and final dividend for the financial year 2013-14

3. Listing Fee

At present the Company's Equity Shares are listed at SME Platform of BSE Limited and the Company has paid Listing Fees to the above Stock Exchange for the year 2014-15.

4. Management Discussion and Analysis Report

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

5. Public Deposit

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

6. Directors

Section 149 of the Companies Act, 2013 (the Act) which defines the composition of the Board has been notified effective April 1, 2014 and provides that an independent director shall not hold office for more than two consecutive terms of five years each provided that the director is re-appointed by passing a special resolution on completion of first term of five consecutive years.

As per the explanation provided under Section 149 of the Act, any tenure of an independent Director on the date of commencement of this Section i.e. April 1, 2014 shall not be counted as a term. The tenure of every independent

director to compute the period of first five consecutive years would be reckoned afresh from April 1, 2014. In term of the aforesaid provisions, the independent Directors of the Company will be eligible to hold office for a consecutive period of five years as per applicable provisions of the Companies Act, 2013.

Section 152 of the Act, also notified effective April 1, 2014 provides that independent directors would need to be excluded from the total number of directors for the purpose of computing the number of directors whose period of office will be liable to determination by retirement of directors by rotation.

As on the date of this report, the Company's Board consists of the following Independent Directors:

1. Mr. Kalpesh Vimalchand Ranka
2. Mr. Suresh Mulji Ahiya

In order to strengthen the Corporate Governance, the Board is proposing to appoint additional 3 persons as independent Directors, viz. Mr. Rahul Bhandawat, Mr. Kamalkumar Dujodwala and Mr. Sandeep Kothari. Mr. Suresh M. Ahiya has due to old age expressed his desire to not continue as Independent Director. The Board puts on record its gratitude for the services rendered by Mr. Suresh Ahiya during his tenure as a Director of the Company. Brief profile of the proposed appointees together with other disclosures in terms of clause 52 of the Listing Agreement are part of the Annexure to the Notice of the 9th Annual General Meeting.

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

7. Directors' Responsibility Statement

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

- a. in the preparation of the annual accounts for the year ended March 31, 2014, the applicable Accounting Standards read with the requirements set out under Schedule VI of the Companies Act, 1956 have been followed and there are no material departures from the same, if any;
- b. the Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the State of affairs of the Company as at March 31, 2014 and of the Profit of the Company for the year ended on that date;
- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d. the Directors had prepared the annual accounts of the Company on a 'going concern' basis.

8. Statutory Auditors

M/s. Mohanlal Jain & Co., Chartered Accountants (having Firm Registration No.106532W) as Statutory Auditors of the Company, holds office until the conclusion of the ensuing Annual General Meeting and is eligible for re-appointment. The Company has received letter from M/s. Mohanlal Jain & Co., Chartered Accountants, to the effect that they do not desire to be re-appointed as Auditors. Bhattar and Co to be appointed.

The Company has received consent letter from Bhattar and Co as regards their appointment, if made, would be within the prescribed limits under Section 224(1-B) of the Companies Act, 1956 and that they are not disqualified for such appointment within the meaning of the Companies Act 2013

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

9. Secretarial Auditor

As required under Section 204 of the Companies Act, 2013, the Board of Directors has in its meeting held on 30th May, 2014 appointed Mr. Hitesh Kothari, Partner, Kothari H. & Associates, Practicing Company Secretaries,

Mumbai holding certificate of practice number 5502 issued by The Institute of Company Secretaries of India as Secretarial Auditor for the Financial year 2014-15.

10. Particulars of Employees

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

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

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

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

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

12. Corporate Governance

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

13. Reserve Bank of India Regulations

The Company has complied with all the applicable regulations of the Reserve Bank of India as on March 31, 2014.

14. Acknowledgement

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from Shareholders, Bankers, regulatory bodies and other business constituents during the year under review.

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

For and on behalf of the Board of Directors of BCB Finance Limited

Sd/-
(Uttam Bagri)
Managing Director
DIN-01379841
Place: Mumbai
Date: May30, 2014

CORPORATE GOVERNANCE

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

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

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

2.BOARD OF DIRECTORS

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

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

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

Board Procedure

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

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

Board Strength and representation:

As of March 31, 2014, the Board consisted of four members. The Composition and the category of Directors on the Board of the Company were as under:

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

During the financial year 2013-14, Four Meetings of the Board of Directors were held on the following dates:

30th May, 2013, 19th August, 2013, 2nd November, 2013 and 28th March, 2014.

The Details of Directorship and Membership / Chairmanship of the Committee of the Board held by the Directors as on 31st March, 2014 and their attendance at the meetings during the year are as follows:

Name of Directors	Category	No. of Board Meetings held during the financial year 2013-14	No. of Board Meetings attended by the Directors during the financial year 2013-14	Attendance at the Last AGM	No. of Directorships in other public limited companies	No. of Committee positions held including the Company*
Mr. Bharat Bagri	Promoter & Executive Chairman	4	4	Yes	0	0
Mr. Uttam Bagri	Promoter & Managing Director	4	4	Yes	0	0
Mr. Suresh Ahiya	Independent Director	4	4	Yes	0	0
Mr. Kalpesh Ranka	Independent Director	4	4	Yes	0	0

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

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

Mr. Uttam Bagri, aged 38 years, is the co-promoter and Managing Director of the Company. He is a graduate in Commerce from the University of Mumbai and holder for a Post Graduate Diploma in Management (PGDM) from the Indian Institute of Management, Ahmedabad (IIM-A). He has a more than decade of experience in the field of stock broking and allied financial services. He has been associated with the Capital Market since 1998, is the Secretary of the BSE Brokers Forum and has served in the past on the Board of BSE Limited as a Trading Member Director. He has been actively involved in the business of our Company and has played a key role in its growth with his inputs in strategic planning and business development.

Shri Kalpesh Ranka

3. AUDIT COMMITTEE

The Audit Committee of BCB Finance Limited consists of the two independent Directors and one Executive Director of the Company. All the Directors have good knowledge of Finance, Accounts and Company Law. The Chairman of the Committee is Mr. Kalpesh Ranka. The Committee held 4 (Four) meetings during the year. The Audit Committee also advises the Management on the areas where internal control system can be improved.

The Terms of reference of the Audit Committee are in accordance with all the items listed in Clause 52 (II)(D) and (E) of the Listing Agreement and Section 292 of the Companies Act, 1956 as follows:

- Oversight of the Issuer's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- 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.
- Approval of payment to Statutory Auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act, 1956;
 - Any changes in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure to any related party transactions;

- Qualifications in the draft audit report.
- Such other matters as specified under clause 52 of the Listing Agreement and requirements of Section 292A of the Companies Act, 1956 and Reserve Bank of India or as may be delegated by the Board of Directors of the Company.
- Reviewing with the management, performance of statutory and internal auditors, adequacy of internal control systems;
- Reviewing the adequacy of internal audit function, 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.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- Mandatorily Review the following information:
 - a. Management Discussion and Analysis of financial condition and results of operations;
 - b. Statement of significant related party transactions (as defined by the audit committee) submitted by management;
 - c. Management letters/letters of internal control weaknesses issued by statutory auditors;
 - d. Internal audit report relating to internal control weaknesses; and
 - e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be review by the Audit Committee.

The Audit Committee has the following powers:

- i. to investigate any activity within its terms of reference.
- ii. to seek information from any employee.
- iii. to obtain outside legal and professional advice.
- iv. to secure attendance of outsiders with relevant expertise, if it considers necessary.

Composition and attendance at Meetings:

As on 31st March, 2014, the composition of Audit Committee has been as under:

- a) Mr. Kalpesh Ranka (Chairman of the Committee & Independent Director)
- b) Mr. Suresh M. Ahiya (Member of the Committee & Independent Director)
- b) Mr. Uttam Bagri (Managing Director having Accounting and Financial knowledge)

During the financial year 2013-14, four meetings of Audit Committee were held on following dates 30thMay, 2013, 19thAugust, 2013, 2ndNovember, 2013 and 28thMarch, 2014.

Attendance of the Directors at the Audit Committee Meetings held during the financial year is as under:

Name of Directors	Categories	No. of Meetings Attended
Mr. Kalpesh Ranka	Chairman	4
Mr. Suresh M. Ahiya	Members	4
Mr. Uttam Bagri	Member	4

Mr. Kalpesh Ranka, Chairman of the Audit Committee was present at the last Annual General Meeting held on Saturday, 21st September, 2013.

4. REMUNERATION COMMITTEE

The terms of reference of Remuneration Committee includes the following:

1. To recommend to the Board, the remuneration packages of the Company's Managing / Joint Managing / Deputy Managing / Whole Time / Executive Directors including all elements of remuneration package (i.e. salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc.);
2. To be authorized at its duly constituted meeting to determine on behalf of the Board of Directors and on behalf of the shareholders with agreed terms of reference, the Company's policy on specific remuneration packages for Company's Managing/Joint Managing/ Deputy Managing/ Whole-time/ Executive Directors, including pension rights and any compensation payment;

3. To implement, supervise and administer any share or stock option scheme of the Company;
4. To attend to any other responsibility as may be entrusted by the Board within the terms of reference.

Composition of the Remuneration Committee:

The Chairman of the Remuneration Committee is Mr. Suresh Ahiya. The Remuneration Committee currently comprises of:

- A) Mr. Suresh Ahiya
- B) Mr. Kalpesh Ranka

During the financial year 2013-14, no meetings of the Remuneration Committee were held.

Remuneration Policy:

The Key components of the remuneration policy of the Company are:

- Compensation will be driver of performance and contribution.
- Compensation will be based on merit, experience and criticality of the function.
- Compensation will be transparent, fair and simple to administer.
- Compensation will be fully legal and tax compliant.

i) Non-Executive Directors' Remuneration

The Non-Executive Directors are paid remuneration by way of sitting fee. The Company pays sitting fees of Rs. 5,000/- (Rupees Five Thousand Only) per meeting. Non-Executive Independent Directors for attending its Board Meeting and pays Rs. 2,500/- (Rupees Two Thousand Five Hundred Only) for attending its Committee Meetings. None of the Non-Executive Directors hold any equity shares in the Company as on 31st March, 2014.

ii) Executive Director's Remuneration

The Compensation was determined based on level of responsibility, prior experience & remuneration prevailing in the industry.

Details of remuneration paid to the Directors during the financial year 2013-14

Name of Directors	Sitting Fee (in Rs.)	Gross Remuneration (inRs.)	Total (in Rs.)
Mr. Bharat Bagri	--	24,00,000	24,00,000
Mr. Uttam Bagri	--	24,00,000	24,00,000
Mr. Suresh Ahiya	30,000	--	30,000
Mr. Kalpesh Ranka	30,000	--	30,000

5. SHAREHOLDERS' / INVESTOR'S GRIEVANCES COMMITTEE

Terms of Reference

The terms of reference of Shareholders' / Investors' Grievances Committee includes the following:

- a. Allotment and listing of our shares in future;
- b. Redressing of shareholders and investors complaints such as non-receipt of declared dividend, annual report, transfer of equity shares and issue of duplicate/split/consolidated Share Certificate(s);
- c. Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer / transmission of share and debentures;
- d. Reference to statutory and regulatory authorities regarding investors grievance; and
- e. To otherwise ensure proper and timely attendance and redressal of investors queries and grievances;
- f. To do all such acts, deeds and things, as may be necessary or incidental to the exercise of the above powers.

Composition of the Shareholders' / Investors Grievance Committee:

As on 31st March, 2014, the Composition of the Shareholders' / Investors Grievance Committee has been as under:

Name of Directors	Category
Mr. Suresh Ahiya	Chairman
Mr. Bharat Bagri	Member
Mr. Uttam Bagri	Member

Name, Designation and address of the Compliance Officer
 Mr. Manish Mourya – Company Secretary
 BCB Finance Limited,
 1204, P.J. Towers, Dalal Street,
 Fort, Mumbai – 400 001.

Status of Complaints received, resolved and pending as on 31st March, 2014

Number of Shareholders' Complaints received during the year	Nil
Number of Shareholders' Complaints resolved during the year	Nil
Number of Shareholders' Complaints Pending at the end of the year	Nil

During the year no Shareholders and Grievance Committee Meeting was held.

6. GENERAL BODY MEETINGS

The details of Annual General Meetings held during the last three years are as follows:

Years	Day, Date and Time	Venue
2010-11	Friday, 30 th September, 2011 at 11:00 A.M.	1204, P.J. Towers, Dalal Street, Fort, Mumbai – 400 001.
2011-12	Saturday, 29 th September, 2012 at 9:00 A.M.	1204, P.J. Towers, Dalal Street, Fort, Mumbai – 400 001.
2012-13	Saturday, 21 st September, 2013 at 9:00 A.M.	1204, P.J. Towers, Dalal Street, Fort, Mumbai – 400 001.

Special Resolution(s) passed at the last three Annual General Meetings (“AGM”)

AGMs	AGM Date	Special Resolutions Passed
6 th	30 th September, 2011	1. To Authorize Board of Directors of the Company for Initial Public Offer of its Equity Shares; 2. To Authorize Board of Directors of the Company for Inter-corporate loans and Investments; 3. Appointment of Mr. Uttam Bagri as Managing Director of the Company; 4. Appointment of Mr. Bharat Bagri as Whole-time Director and Executive Chairman of the Company.
7 th	29 th September, 2012	NIL
8 th	21 st September, 2013	NIL

During the year under review, No Extra ordinary General Meeting was held.

None of the business proposed to be transacted at the forthcoming Annual General Meeting is required to be approved by Postal Ballot.

7. DISCLOSURES

7.1 Related Party Transaction

The Company has no material significant transactions with its related parties which may have a potential conflict with the interest of the Company at large. The details of transactions with the Company and related parties are given for information in Notes to Accounts.

7.2 Statutory Compliance, Penalties and Strictures

The Company has complied with the requirements of the Stock Exchanges /Securities and Exchange Board of India(SEBI) / and Statutory Authorities to the extent applicable, and accordingly no penalties have been levied or strictures have been imposed on the Company on any matter related to capital markets during the last three years.

7.3 Whistle Blower Policy

The Company has framed a Code of Conduct for Directors and Senior Management. At present, the Company does not have any formal Whistle Blower Policy. The Directors of the Company affirms that no personnel have been denied access to the Audit Committee.

7.4 Proceeds from the Initial Public Offer of the Company

The Details about the utilization of the proceeds raised through Initial Public Offer of equity shares of the Company are disclosed to the Audit Committee. The Company has not utilized these funds for the purposes other than those mentioned in the prospectus of the Company.

7.5 Reconciliation of Share Capital Audit

In line with the requirements stipulated by SEBI, Reconciliation of Share Capital Audit is carried out on a quarterly basis by a Practicing Company Secretary to confirm that the aggregate number of equity shares of the Company held in National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and in physical form tally with the total number of issued, paid-up, listed and admitted capital of the Company.

7.6 Non-Mandatory Requirements

The Status of compliances with the non-mandatory requirements is as under:

7.6.1 The Board

No separate office for the Chairman is maintained, and hence no reimbursement is made towards the same. No Specific tenure has been specified for the Independent Director. However, they are liable to retire by rotation and seek re-appointment by the Members.

7.6.2 Remuneration Committee

Details regarding Remuneration Committee are provided and forms part of this report.

7.6.3 Shareholders' Rights

The Company has posted its half yearly financial results on its website i.e. www.bcbfinance.com

7.6.4 Audit Qualification

There are no audit qualifications in the financial statements for the financial year 2013-14. Standard practices and procedures are followed to ensure unqualified financial statements.

7.6.5 Training to Board Members

The Board is equipped to perform its role through inputs from various sources from time to time. Directors are fully briefed on all matters concerning the business and operations of the Company and they regularly interact with the management in a free and open manner in order to obtain any information that they may require.

7.6.6 Mechanism for evaluating Non-Executive Board Members

The Company presently does not have any formal mechanism for evaluating Non-Executive Board members.

7.6.7 Whistle Blower Policy

At present, the Company does not have any formal Whistle Blower Policy.

8. MEANS OF COMMUNICATION

The half yearly financial results are regularly submitted to the Stock Exchange in accordance with the Listing Agreement and also uploaded on the Company's website – www.bcbfinance.com

The official news, release, presentation that may be made to the Shareholders at the Annual General Meeting and the presentation as may be done to the analysts will be posted on the Company's website – www.bcbfinance.com

9. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting

9.1	Date, Time and Venue	Saturday, 27 th September, 2014 at 9:00 A.M. at the Registered office of the Company at 1204, P.J. Towers, Dalal Street, Fort, Mumbai – 400 001.
9.2	Financial Year	The Financial Year of the Company is from April 1 to March 31 of the following year.
9.3	Date of Book Closure	06 th September, 2014 to 10 th September, 2014 (both days inclusive)
9.4	Dividend Payment Date	N.A.
9.5	Listed on Stock Exchanges	SME Platform of BSE Limited
9.6	Stock Code / Symbol	534109 / BCBFL

9.7 Market Price Data

Table below gives the monthly high and low prices and volumes of BCB Finance Limited equity shares at SME Platform of BSE Limited for the year 2013-2014:

Month	BSE		No. of Shares traded
	High (in Rs.)	Low (in Rs.)	
April 2013	25.45	25.05	5,48,000
May 2013	25.25	25.20	1,32,000
June 2013	25.25	25.15	24,000
July 2013	25.25	25.25	4,000
August 2013	--	--	--
September 2013	25.25	25.25	4,000
October 2013	25.25	25.20	44,000
November 2013	25.25	25.20	8,000
December 2013	25.20	25.25	20,000
January 2014	25.25	25.25	4,000
February 2014	25.20	25.20	12,000
March 2014	25.35	25.05	11,12,000

9.8 Registrar and Transfer Agents:

PurvaSharegistry (India) Private Limited
 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Off.N.M.
 Joshi Marg, Near Lodha Excelus, Lower Parel (E), Mumbai-
 400 011.
 Tel No. +91-22-2301 8261 / 6761
 Fax No. +91-22-2301 2517
 Email: busicomp@vsnl.com
 Website: www.purvashare.com

9.9 Share Transfer System Shares held in Physical form are processed by the Registrar and Share Transfer Agent in the prescribed manner and if the documents are complete in all respects, are transferred within the timeframe under the applicable provisions of law.

9.10 Distribution of Shareholdings as on 31st March, 2014

Shareholding of Nominal Value of		Shareholders		Amount	
		Number	% to total	In Rs.	% to total
Upto	5,000	14	15.05	26050	0.02
10,001	20,000	3	3.23	54000	0.05
30,001	40,000	49	52.69	1960000	1.70
50,001	1,00,000	1	1.08	80000	0.07
1,00,001	&Above	26	27.96	112905800	98.16
TOTAL		105	100.00	115025850	100.00

9.11 Category of Shareholders as on 31st March, 2014

Category	No. of Shares	Shareholding %
Resident Individuals	1619200	14.08
Bodies Corporate	965000	8.39
Clearing Members	40000	0.35
Promoter	5811065	50.52
Promoter Relative	2699520	23.47
Market Maker	263000	2.29
Hindu Undivided Family	104800	0.90
TOTAL	11502585	100.00

9.12 Dematerialization of Shares and Liquidity

As on 31st March, 2014, a total of 1,14,98,585 equity shares aggregating to 99.97% of the total issued, subscribed and paid-up equity share capital of the Company were in dematerialized form.

The equity Share of the Company is traded on the SME platform of BSE Limited.

9.13 Outstanding GDRs/ADRs/Warrants or any Convertible Instruments: NIL

9.14 Plant Locations: Not Applicable

9.15 Address for Correspondence: Registrar and Share Transfer Agents

PurvaSharegistry (India) Private Limited

9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Off N.M. Joshi Marg, Near Lodha Excelus, Lower Parel (East), Mumbai-400 011.

Tel No. +91-22-2301 8261 / 6761

Fax No. +91-22-2301 2517

Email: busicomp@vsnl.com

Website: www.purvashare.com

Company

BCB Finance Limited

Registered Office:

1204, P.J. Towers, Dalal Street, Fort, Mumbai – 400 001.

Tel.: +91-22-2272 2414

Fax : +91-22-2272 2414

Email: manish@bcbfinance.com

Website: www.bcbfinance.com

For BCB Finance Limited

Sd/-

(Uttam Bagri)

Managing Director

Date: 30th May, 2014

Place: Mumbai

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of BCB Finance Limited,

We have reviewed the compliance of the conditions of Corporate Governance by M/s.BCB Finance Limited for the year ended 31st March, 2014, as stipulated in Clause 52 of the Listing Agreement of the said Company with the Stock Exchange in India.

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

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

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that as per the records maintained by the Company, there were no investor grievances remaining unattended /pending for more than 30 days.

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

For and on behalf of MOHANLAL JAIN & CO.
Chartered Accountants
(Firm Reg. No: 106532W)

Sd/-
Mohanlal Jain
Proprietor
(M.No. 036824)
Place: Mumbai
Date:30th May, 2014

MANAGEMENT DISCUSSION AND ANALYSIS

The purpose of this discussion is to provide an understanding of financial statements and a composite summary of performance of our business.

Management Discussion and Analysis (MDA) is structured as follows:

- Industry structure and Development
- Opportunities and Threats
- Outlook
- Internal Control Systems and their adequacy
- Financial and operational performance
- Material Development in Human Resources

Some Statements in this discussion may be forward looking. Future performance may however differ from those stated in the management discussion and analysis on account of various factors such as changes in Government regulations, tax regimes, impact of competition, etc.

A) MACROECONOMIC ENVIRONMENT

India's growth has slowed markedly, reflecting global development sand domestic supply constraints, while inflation remains stubbornly high. Led by falling infrastructure and corporate investment, the slowdown has generalized to other sectors of the economy. The financial positions of banks and corporate have deteriorated. The combination of persistently-high inflation, sizeable current account and fiscal deficits intensified the global liquidity tightening-induced balance of payment pressures experienced during the summer, which resulted in significant portfolio debt outflows, and pressures on currency, equity and bond markets. Along with improving external conditions, positive policy steps taken by the authorities have improved market sentiment. The current account deficit, after reaching a record high in FY2012/13 (fiscal year ending March), is narrowing fast, and capital inflows have picked up. While recent policy initiatives have reduced vulnerabilities, the policy space remains strictly circumscribed because of high deficits and debt, and elevated inflation.

B) NON-BANKING FINANCIAL SERVICES SECTOR

As on March 31, 2014, the total managed retail credit on NBFCs stood at ~Rs. 3.25 trillion and registered a sharp fall in growth to ~10% in FY2013. However, after adjusting the re-classification of one NBFC, which converted into an HFC in FY2013, the overall NBFC managed retail credit growth in FY2013 would have been ~19%. The adjusted retail managed portfolio growth of NBFCs moderated during 2012-13 as against the previous years (in FY2012 and FY2011 NBFCs registered a growth of 32% and 34% respectively) on account of the impact of lower economic growth and investment activity, high interest rates and the cautious lending approach adopted by some NBFCs. As a result, the performance of asset classes such as CV and CE, which are closely linked to economic activity, reported lower portfolio growth as against earlier years. Furthermore, NBFC growth in the gold loan segment continued to report subdued growth on account of funding constraints, regulatory uncertainties and correction in gold prices.

C) OPPORTUNITIES AND THREATS

Your Company being an Investment Company seeks opportunities in the Capital Market. The Volatility in the Stock indices in the financial year under report represents both opportunities and challenge for the Company.

D) OUTLOOK

The long term objective of the Company is to remain strong player in the market with strong emphasis on product and market development. Your Company is also continuously improving its operational efficiency, and cost control which alone can improve the bottom line in future in highly competitive environment. Further, your Company is hopeful to get advantage of this overall boom likely to happen for the Indian markets and will do all out efforts to secure the bigger share of the increasing market in future.

E)INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a proper adequate internal control system to ensure that all the assets are safe guarded and protected against the loss from unauthorized used or disposition and that transactions are authorized, recorded and reported correctly.

The internal control is supplemented by an extensive internal audit, periodical review by the management and documented policies, guidelines and procedures. The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data and for maintaining accountability of assets.

F) FINANCIAL AND OPERATIONAL PERFORMANCE

Share Capital

The Paid up Share Capital of the Company as on 31st March, 2014, stands at Rs. 11,50,25,850 divided into 11502585 equity shares of ` 10/- each fully paid up.

Total Income

During the year under consideration, total income was Rs.238.16 Lac as against Rs.267.28 during the previous year.

Interest and Finance Charges

During the year under consideration, total interest and finance charges were Rs.14.49 Lac as against Rs.17.82 Lac during the previous year.

Current Income Tax

During the year under consideration, the income tax was Rs. 33.25Lac as against Rs.36.00 Lac during the previous year.

G)MATERIAL DEVELOPMENTS IN HUMAN RESOURCES

There has been no material development on the Human Resources front during the year.

The Company continues to lay emphasis on developing and facilitating optimum human performance. Performance management was the key word for the Company this year.

For BCB Finance Limited

Sd/-

(Uttam Bagri)

Managing Director

Date: 30th May, 2014

Place : Mumbai

ANNUAL DECLARATION BY CEO / MANAGING DIRECTOR PURSUANT TO CLAUSE 52
(1)(D)(ii) OF THE LISTING AGREEMENT

I, Uttam Bagri, Managing Director of BCB Finance Limited hereby declare that all the members of the Board of Directors of the Company and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them as laid down by the Company in terms of Clause 52(1)(D)(ii) of the Listing Agreement entered into with the Stock Exchanges for the financial year ended 31st March, 2014.

For BCB Finance Limited

Sd/-
Uttam Bagri
Managing Director
Date: 30th May, 2014
Place: Mumbai

CERTIFICATION BY THE MANAGING DIRECTOR ON FINANCIAL STATEMENTS OF THE COMPANY

I, Uttam Bagri, Managing Director of BCB Finance Limited, to the best of our knowledge and belief certify that:

- (a) I have reviewed the financial statements and the Cash Flow Statement for the year ended 31st March, 2014 and that to the best of our knowledge and belief state 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 our knowledge the 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 and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (c) 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 BCB Finance Limited

Sd/-

Uttam Bagri

Managing Director

Date: 30th May, 2014

Place : Mumbai

Independent auditors' report

TO THE SHAREHOLDERS OF BCB FINANCE LIMITED

Report on the Financial Statements

We have audited the attached financial statements of BCB FINANCE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year ended on the date annexed thereto, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

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 referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act") read with General circular 15/2013 dated 13.09.2013 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 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. 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 March 31, 2014;
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ('the Order') issued by the Central Government of India in terms of Section 227(4A) 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 accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Act and the General Circular 15/2013 dated 13.09.2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013; and
- (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.

For and on behalf of
MOHANLAL JAIN & CO.
Chartered Accountants
Firm Reg. No: 106532W

Sd/
Mohanlal Jain
Proprietor
M. No. 036824
Place: Mumbai
Date: 30th May, 2014

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date]

- (i) The Company does not have any fixed assets
- (ii) Physical verification of inventory has been conducted at reasonable intervals by the management;
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification
- iii) (a) The Company has granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act.
Number of parties 2
Amount involved in the transactions Rs. 4.8 Crore
- (b) The rate of interest and other terms and conditions of loans given by the Company are prima facie not prejudicial to the interest of the Company
- (c) Entire principal amount and interest have been received as on date
- (d) There are no overdue amounts
- (e) The Company taken not any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Act.
- (iv) There is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services
- (v) (a) The particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section; and
- (b) Transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time
- (vi) The Company has not accepted deposits from the public
- (vii) The Company has an internal audit system commensurate with its size and nature of its business;
- (viii) Maintenance of cost records is not applicable on the Company
- (ix) (a) The Company regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth tax, Service tax, Custom Duty, Excise Duty, cess and any other statutory dues with the appropriate authorities
- (b) There are no dues of Income tax/ Sales tax /Wealth tax/ Service tax/ Custom duty/ Excise duty/ cess have not been deposited on account of any dispute
- (x) The Company does not have accumulated losses at the end of the financial year, and has not incurred cash losses in current financial year or the immediately preceding financial year;
- (xi) The Company has not defaulted in repayment of dues to a financial institution or bank or debenture holders
- (xii) Adequate documents and records are maintained in cases where the Company has granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities
- (xiii) Provisions of any special statute applicable to chit fund are not applicable to the Company
- (xiv) In its dealing or trading in shares, securities, debentures and other investments, proper records have been maintained of the transactions and contracts and whether timely entries have been made therein; and shares, securities, debentures and other investments have been held by the Company in its own name
- (xv) The Company has not given any guarantee for loans taken by others from bank or financial institutions
- (xvi) No term loans have been obtained;
- (xvii) Funds raised on short-term basis have not been used for long term investment
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act
- (xix) No debentures have been issued by the Company
- (xx) No public issues was made by the Company in the current financial year
- (xxi) No fraud on or by the Company has been noticed or reported during the year

For and on behalf of
MOHANLAL JAIN & CO.
Chartered Accountants

(Firm Reg. No: 106532W)

Sd/-

Mohanlal Jain

Proprietor

(M.No. 036824)

Place: Mumbai

Date: 30th May, 2014

Auditors' Report

(As required under Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2009 dated September 18, 2009)

To,
The Board of Directors,
BCB Finance Limited
1204 P. J. Towers,
Dalal Street, Fort,
Mumbai - 400 001.

In our opinion and to the best of our information and according to the explanations given to us for the financial year ended 31st March 2014, we report as under:

1. BCB Finance Limited is engaged in the business of Non-Banking Financial Institution and has obtained a Certificate of Registration (COR) from the Reserve Bank of India vide Registration Certificate No. N-13.01840 dated 13th August, 2006.
2. BCB Finance Limited is entitled to continue to hold such COR in terms of its asset/income pattern as on March 31, 2014 with reference to paragraph 15 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 in respect of non-deposit taking NBFCs.
3. BCB Finance Limited does not classify as asset finance Company or a Micro Finance Institution with reference to the business carried on by it during the financial year ended 31st March 2014.
4. BCB Finance Limited is a non-deposit accepting NBFC.
5. The Board of Directors of BCB Finance Limited has on the 30th of May 2014 passed resolutions for non-acceptance of any Public Deposits.
6. The Company has not accepted any public deposits during the year ended 31st March, 2014.
7. BCB Finance Limited has complied with the prudential norms relating to income recognition, Accounting Standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
8. BCB Finance Limited is not a systemically important non-deposit accepting NBFC as defined in paragraph 2(1)(xix) of the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.

For Mohanlal Jain & Co.
Chartered Accountants
Firm Registration Number: 106532W

Sd/-
Mohanlal Jain
Proprietor
Membership No. 036824
Place: Mumbai
Date: 30th May, 2014

BCB Finance Limited
Balance Sheet as at 31st March, 2014

(Amount in Rs.)

Particulars		Note No.	As at 31st March, 2014	As at 31st March, 2013
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	1	115,025,850	115,025,850
	(b) Reserves and Surplus	2	89,844,722	88,977,628
2	Current liabilities			
	(a) Short-term borrowings (OD against FDR)		36,517,058	31,988,999
	(b) Trade payables		-	-
	(c) Other current liabilities		-	-
	(d) Short-term provisions	3	3,474,343	7,317,034
	TOTAL		244,861,973	243,309,511
II.	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	Tangible assets		-	-
	Non-current investments		-	-
	(b) Non-current investments		-	-
	(c) Long-term loans and advances	4	5,243,709	5,523,912
2	Current Assets			
	(a) Inventories (stock of shares and securities)		64,177,283	38,760,847
	(b) Cash and cash equivalents	5	114,426,092	114,534,185
	(c) Short-term Loans and advances	6	59,737,184	82,593,740
	(d) Other current assets	7	1,277,705	1,896,827
	TOTAL		244,861,973	243,309,511
III	Notes & Accounting Policies forming part of The Financial Statements	11		

In terms of our report of even date
For Mohanlal Jain & Co.
Chartered Accountants
Firm Registration Number: 106532W

For and on behalf of BCB Finance Limited

Sd/-
Mohanlal Jain
Proprietor
Membership No. 036824
Place: Mumbai
Date: 30th May, 2014

Sd/
(Bharat Bagri)
Director
DIN 01379855
Place : Mumbai
Date : 30th May, 2014

Sd/
(Uttam Bagri)
Director
DIN 01379841
Place : Mumbai
Date : 30th May, 2014

Sd/
(Manish Mourya)
Company Secretary
Place : Mumbai
Date : 30th May, 2014

BCB Finance Limited
Profit and Loss statement for the year ended 31st March, 2014

(Amount in Rs.)

Particulars		Refer Note No.	As at 31st March 2014	As at 31st March 2013
I.	Revenue from operations	8	23,816,366	26,728,461
II.	Other income		-	-
III.	Total Revenue (I + II)		23,816,366	26,728,461
IV.	Expenses:			
	Employee benefits expenses	9	85,65,693	6,614,600
	Finance Costs (Bank OD interest)		1,449,347	1,781,982
	Depreciation and amortization expenses		Nil	36,000
	NSEL loss		3,245,183	Nil
	Operation and Other expenses	10	3,001,859	4,831,311
	Total Expenses		16,262,083	13,263,893
V.	Profit Before Tax (III- IV)		75,54,284	13,464,568
VI.	Tax Expenses:			
	(1) Current tax (inc prior period)		3,325,000	3,600,000
VII.	Profit / (Loss) for the period from continuing operations (IX-X)		42,29,284	9,864,568
VIII.	Earnings per equity share:			
	(1) Basic		0.37	0.85
	(2) Diluted		0.37	0.85
IX.	Notes & Accounting Policies forming part of The Financial Statements	11		

In terms of our report of even date
For Mohanlal Jain & Co.
Chartered Accountants
Firm Registration Number: 106532W

For and on behalf of BCB Finance Limited

Sd/-
Mohanlal Jain
Proprietor
Membership No. 036824
Place: Mumbai
Date: 30th May, 2014

Sd/
(Bharat Bagri)
Director
DIN 01379855
Place: Mumbai
Date: 30th May, 2014

Sd/
(Uttam Bagri)
Director
DIN 01379841
Place: Mumbai
Date: 30th May, 2014

Sd/
(Manish Mourya)
Company Secretary
Place: Mumbai
Date: 30th May, 2014

1. Share Capital

1.1

Share Capital	As at 31 st March 2014		As at 31 st March 2013	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of Rs. 10 each with voting rights	12,000,000	120,000,000	12,000,000	120,000,000
Issued Subscribed & Paid up				
Equity Shares of Rs. 10 each fully paid up with voting rights	11,502,585	115,025,850	11,502,585	115,025,850
Total	11,502,585	115,025,850	11,502,585	115,025,850

1.2 The reconciliation of the number of shares outstanding is set out below:

Particulars	As at 31 st March 2014		As at 31 st March 2013	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	11,502,585	115,025,850	11,502,585	115,025,850
Shares Issued during the year				
Bonus Shares issued during the year	--	--	--	--
Initial Public Offering (IPO)	--	--	--	--
Shares bought back during the year	--	--	--	--
Shares outstanding at the end of the year	11,502,585	115,025,850	11,502,585	115,025,850

1.3 The details of Shareholders holding more than 5% shares:

Name of Shareholder	As at 31 st March 2014		As at 31 March 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares with Voting Rights				
Mr. Bharat Bagri	5,537,000	48.13	5,537,000	48.14
Mrs. Sarla Bagri	1,533,000	13.32	1,533,000	13.33
Master Utsav Bagri(minor)	630,010		630,005	
Rep by F&NG Uttam Bagri		5.47		5.48
Total	7,700,010	66.94	7,700,005	66.94

1.4 Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date:

Particulars	Year (Aggregate No. of Shares)				
	2013-14	2012-13	2011-12	2010-11	2009-10
Equity Shares:					
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
Fully paid up by way of bonus shares	-	-	6,370,068	-	-
Shares bought back	-	-	-	-	-

1.5 There are no calls remaining unpaid as on March 31, 2014, hence no disclosure is required pursuant to Note no. 6(A)(k) of Part I of Schedule VI to the Companies Act, 1956.

1.6 "Terms/rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity share is entitled to one vote per share."

2

Reserves & Surplus	As at 31 March 2014	As at 31 March 2013
	Rs.	Rs.
(a) Securities Premium Account		
Opening Balance	53,100,000	53,100,000
Less : Premium Utilized for various reasons for issuing Bonus Shares	-	-
Add : Securities premium credited on Share issue	-	-
Closing Balance	53,100,000	53,100,000
(b) Statutory Reserve		
Opening balance	27,116,000	25,316,000
Add: Additions / transfers during the year	850,000	1,800,000
Less: Utilisations / transfers during the year	-	-
Closing Balance	27,966,000	27,116,000
(b) Surplus in Profit and Loss Account		
Opening balance	8,761,628	7,404,742
Less: Utilized for issue of Bonus Shares	-	-
Less: Utilized for Interim Dividend and DDT	3,362,191	3,342,148
Add: Net Profit For the current year	4,229,284	9,864,568
Less: Transfer to Statutory Reserve	850,000	1,800,000
Less : Proposed Final Dividend on Equity Shares	--	2,876,646
Less: Tax on Dividend	--	488,887
	8,778,722	8,761,628
Total	89,844,722	88,977,628

3

Short Term Provisions	As at 31 March 2014	As at 31 March 2013
	Rs.	Rs.
(a) Provision for Tax		
Provision for Income Tax	3,325,000	3,600,000
(b) Others		
Provision for Expenses	Nil	150,000
Provision for Standard Assets	149,343	201,500
Proposed Dividend	--	2,876,647
Tax on Dividend	--	488,887
Total	34,74,343	7,317,034

4

Long Term Loans and Advances	As at 31 March 2014	As at 31 March 2013
	Rs.	Rs.
(a) Advance Tax/TDS	5,243,709	5,523,912
Total	5,243,709	5,523,912

5

Cash and cash equivalents	As at 31 March 2014	As at 31 March 2013
	Rs.	Rs.
(a) Balances with banks		
(i) On Current Account	26,092	134,185
(ii) Fixed Deposits with original maturity more than 12 months	114,400,000	114,400,000
(b) Cash on hand	-	-
Total	114,426,092	114,534,185

6

Short-term loans and advances	As at 31 March 2014	As at 31 March 2013
	Rs.	Rs.
(a) Loans and advances		
Secured, considered good	50,001,634	79,823,112
(Secured by pledge of Shares/ commodities)		
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful loans and advances	-	-
Commodity financing	9,735,550	1,693,618
(b) Others		
Advance paid (ACMA)	--	192,000
Deposit with BSE	--	885,000
Total	59,737,184	82,593,740

7

Other Current Assets	As at 31 March 2014	As at 31 March 2013
	Rs.	Rs.
(a) Accruals		
(i) Interest accrued on Fixed deposits	39,461	39,461
(ii) Interest accrued on Bonds		-
(b) Others		
Prepaid Expenses (IPO Expenses)	1,238,244	1,857,366
Total	1,277,705	1,896,827

8

Revenue from operations	For the year ended 31 March 2014	For the year ended 31 March 2013
	Rs.	Rs.
(a) Profit on Share/ securities Dealings	2,814,752	41,81,150
(b) Interest received from Parties/Bonds/ Commodity financing	9,435,114	11,183,948
(c) Interest on FDR	11,566,500	11,363,363
Total	23,816,366	26,728,461

Employee Benefits Expense	For the year ended 31 March 2014	For the year ended 31 March 2013
	Rs.	Rs.
Salaries and incentives (including Directors Remuneration)	8,565,693	6,614,600
Total	8,565,693	6,614,600

Other Expenses	For the year ended 31 March 2014	For the year ended 31 March 2013
	Rs.	Rs.
Rent	--	800,000
Audit/ Taxation Fees	1,50,000	150,000
Professional and Legal Expenses	1,080,000	1,500,000
IPO Expenses (w/off)	619,122	619,121
Market Making Fees	1,20,000	270,000
Others Expenses	1,032,737	1,492,190
Total	3,001,859	4,831,311

11. NOTES AND ACCOUNTING POLICIES FORMING PART OF FINANCIAL STATEMENTS

11.1. Significant Accounting Policies adopted by the Company is as follows:

- i) Basis of preparation of financial statements - These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the Accounting Standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 1956. The Company follows prudential norms for income recognition; asset classification and provisioning for non-performing assets as prescribed by Reserve Bank of India vide Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
- ii) Use of Estimates - The presentation of financial statements in conformity with the generally accepted accounting principles require estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenue and expenses during the reported period. Differences between the actual result and estimates are recognized in the period in which the results are known/materialize.
- iii) Fixed Assets - There are no fixed assets
- iv) Depreciation - There are no fixed assets
- v) Investments - There are no investments
- vi) Income Recognition - Revenues are recognized and expenses are accounted for on accrual basis with necessary provisions for all known liabilities and losses. Income from Non- Performing Assets is recognized only when it is realized. Interest on deposits and loans is accounted for on the time proportion basis after considering reasonable certainty that the ultimate collection will be made. Dividend income is recognized when right to receipts is established. Profit or loss on sale of securities is accounted on trade date basis.
- vii) Foreign Currency Transaction - There are no foreign currency transaction
- viii) Borrowing Cost - Borrowing Costs that are directly attributable to the acquisition or production of qualifying assets are capitalized as the cost of the respective assets. Other Borrowing Costs are charged to the Profit and Loss Account in the period in which they are incurred.
- ix) Employees benefits - All employee benefit obligations payable wholly within twelve months of the rendering the services are classified as Short Term Employee Benefits. Such Benefits are estimated and provided for in the period in which the employee renders the related service.

Post Employment Benefits - All eligible employees of the Company are entitled to receive benefits under the provident fund and Gratuity is accounted for as and when paid.

- x) Inventories - Funds deployed by the Company for short term trading in Quoted securities are held as stock in trade and are measured at lower of the cost and net realizable value. Cost of inventories comprises all costs of purchase (net of input credit) and other costs incurred in bringing the inventories to their present condition. Costs of inventories are determined by using the First-In First-Out Method (FIFO).
- xi) Accounting for taxes on Income
 - i) Income tax comprises the current tax and net change in deferred tax assets, which are made in accordance with the provisions as per the Income Tax Act, 1961.
 - ii) Deferred Tax resulting from timing differences between accounting income and taxable income for the period is accounted for using the tax rates and laws that have been enacted or substantially enacted as at the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

Leased Assets

Assets acquired on leases where a significant portion of the risks and rewards of the ownership are retained by the lessor, are classified as Operating Leases. The rental and all other expenses of leased assets are treated as revenue expenditure.

- xii) Provisions and Contingent Liabilities

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.
- xiii) Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that an assets may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or recoverable amount of the cash generating unit to which the assets belongs is less than the carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as impairment loss and is recognized in the profit and loss account. If at the balance date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the assets is reflected at the recoverable amount.
- xiv) Cash and cash equivalents

The Company considers bank balances and Fixed Deposit Receipts to be cash equivalents.

11.2 Additional information to the financial statements

The management has asked for confirmation from its suppliers regarding their registration with competent authorities under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED). However, No one has confirmed their registration under the Act. Accordingly no further information is submitted in this regards. The Auditors have relied on the said submission of the management. Details are as under.

The principal amount and the interest thereon due to any supplier as at the year end	The amount of payment made to the supplier beyond the appointed day and the interest thereon, during the year:	The amount of interest due and payable for the period of delay in making payment	The amount of interest accrued and remaining unpaid at the end of the year	The amount of further interest remaining due and payable in the succeeding year
-	-	-	-	-

11.3 Details required as per Companies Act to the extent applicable is given below:

	As at 31 March 2014	As at 31 March 2013

Remuneration to Auditors		
Audit Fees	1,00,000	100,000
Tax Audit	50,000	50,000
Other matters	-	-
Total	1,50,000	150,000

11.4 Disclosure under Accounting Standard

As per Accounting Standard (AS) 17 on “Segment Reporting”, Segment information has not been provided as the Company has only one reportable segment.

Earnings per share are calculated by dividing the Profit/ (Loss) attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. The numbers used in calculating the basic and diluted earnings per share are stated below:

Sr. No.	Particulars	As at 31 March 2014	As at 31 March 2013
1.	Net profit for the year as per Profit and Loss Accounts (Rs.)	4,229,284	9,864,568
2.	Weighted Average number of equity shares	11,502,585	11,502,585
3.	Nominal value per share (in Rs.)	10	10
4.	Basic & Diluted Earnings/(Loss) per share	0.37	0.85

11.5 Related party transactions:

Related parties and their relationship

- i. Individuals (directly/indirectly) having control over the reporting enterprise / Key Managerial Persons
 - a. Mr. Bharat Bagri, Chairman
 - b. Mr. Uttam Bagri, Managing Director
 - c. Mr. Kalpesh Ranka, Director
 - d. Mr. Suresh Ahiya, Director

Others:

Enterprises over which Key Management Personnel are able to exercise significant influence:

- a. BCB Brokerage Private Limited
- b. Ratnakar Securities Private Limited*
- c. Ratnakar Commodities Private Limited*
- d. Tumus Electric Corporation Limited
- e. Bharat Bagri HUF
- f. Uttam Bagri HUF

* Managing Director Uttam Bagri has declared that he holds substantial interest (49%) in Ratnakar Securities Private Limited, holding Company of Ratnakar Commodities Private Limited, but does not have control or significant influence/ directorship/ managerial position in the same under AS18

Relatives of the individuals mentioned at (i) with whom transactions have taken place during the period/ year

Sr. No.	Name
1	Ankita Bagri

A) Transactions with related parties during the year ended 31st March, 2014:

1. Ratnakar Commodities Private Limited

Loans given – Rs.2,50,00,000/

Loans repaid– Rs.2,50,00,000/

Interest Received – Rs 97,516/-

Margins placed as broker – Rs. 1,30,75,000

Margins refunded as broker – Rs. 1,30,75,000

Interest received in margins placed 49,735
Brokerage paid – Rs.46.950/-

2. Bharat Bagri – Salary given – Rs. 24 lakh

3. Uttam Bagri – Salary given – Rs. 24 lakh

4. Ankita Bagri – Salary given – Rs. 12 lakh

5. BCB Brokerage Private Limited
Brokerage paid – Rs.5,550/-

6. Ratnakar Securities Private Limited
Margins placed as broker– Rs.1,00,00,000/-
Margins refunded as broker– Rs.1,00,00,000/-
Brokerage paid – Rs.50/-
Interest received – 1,57,019

These financial statements have been prepared in the format prescribed by the Revised Schedule VI to the Companies Act, 1956. Previous period figures have been recasted / restated to confirm to the classification of the current period.

In terms of our report of even date
For Mohanlal Jain & Co.
Chartered Accountants
Firm Registration Number: 106532W

For and on behalf of BCB Finance Limited

Sd/-
Mohanlal Jain
Proprietor
Membership No. 036824
Place: Mumbai
Date: 30th May, 2014

Sd/
(Bharat Bagri)
Director
DIN 01379855
Place : Mumbai
Date : 30th May, 2014

Sd/
(Uttam Bagri)
Director
DIN 01379841
Place : Mumbai
Date : 30th May, 2014

Sd/
(Manish Mourya)
Company Secretary
Place : Mumbai
Date : 30th May, 2014

BCB FINANCE LIMITED

Cash Flow Statement for the Year Ended 31st March, 2014

	2013-14	2012-13
A : Cash flows from operating activities:		
Profit before taxation	7,554,284	13,464,568
Adjustments for:		
Depreciation	--	36,000
Preliminary Expenses W/off	619,121	619,121
Provision for NPA	-52,157	23,000
Working capital changes:		
Change in Short Term Borrowings	4,528,059	21,758,463
Change in trade payables	-	-
Change in Current liabilities	-	-5,227,997
Change in S T Provisions	-3,790,535	-2,731,896
Change in Inventories	-25,416,435	31,556,689
Change in S T Loans and advances	22,856,556	-10,185,505
Change in other current assets	-	1,083,717
Taxes paid (net of refunds)	-3,044,797	1,430,320
Net cash from operations	3,254,096	51,826,480
B : Cash flows from investing activities:		
Change in Fixed Assets (Net)	-	72,000
Change in Investments (Net)	-	9,832,024
Net cash from investing activities	-	9,904,024
C : Cash flows from financing activities:		
Proceeds from IPO	-	-
Dividends paid (including DDT)	-3,362,191	-6,707,681
IPO expenses	-	-
Net cash from financing activities	-3,362,191	-6,707,681
D : Net increase in cash and cash equivalents = (A+B+C)	114,534,185	55,022,823
E : Cash and cash equivalents at beginning of period	114,426,092	59,511,365
F: Cash and cash equivalents at end of period = (D+E)	108,093	114,534,185

In terms of our report of even date
For Mohanlal Jain & Co.
Chartered Accountants
Firm Registration Number: 106532W

For and on behalf of BCB Finance Limited

Sd/-
Mohanlal Jain
Proprietor
Membership No. 036824
Place: Mumbai
Date: 30th May, 2014

Sd/-
(Bharat Bagri)
Director
DIN 01379855
Place : Mumbai
Date : 30th May, 2014

Sd/-
(Uttam Bagri)
Director
DIN 01379841
Place : Mumbai
Date : 30th May, 2014

Sd/-
(Manish Mourya)
Company Secretary
Place : Mumbai
Date : 30th May, 2014

Schedule to the Balance Sheet as on 31st March, 2014 of BCB Finance Limited, a Non-Depositing taking Non-Banking Financial Company

(as required in terms of paragraph 13 of the Non-Banking Financial (Non-Deposit accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions 2007)

(Rs. in '000)

Particulars			
Liabilities Side			
(1)	Loans and Advances availed by the Non-Banking Financial Company inclusive of interest accrued thereon but not paid	Amount Outstanding	Amount Overdue
	(a) Debentures	NIL	NIL
	(b) Deferred Credits	NIL	NIL
	(c) Term Loans	NIL	NIL
	(d) Inter-corporate Loans and Borrowing	NIL	NIL
	(e) Commercial Paper	NIL	NIL
	(f) Other Loans (OD against FDR)	36,517	NIL
Assets Side			
		Amount Outstanding	
(2)	Break-up of Loans and Advances including Bills Receivables (other than those included in (4) below)		
	(a) Secured	59,737	
	(b) Unsecured	NIL	
(3)	Leased assets and stock on hire and other assets counting towards afc activities	NIL	
(4)	Break up of Investments		
a.	Current Investments		
	i. Quoted		
	(1)(a) Equity Shares	43,062 (M Value 44,994)	
	(i)(b) Preference Shares	NIL	
	(ii) Debentures and Bonds	14,715 (M Value 14,715)	
	(iii) Units of Mutual Funds	NIL	
	(iv) Government Securities	NIL	
	(v) Others	NIL	
	ii. Unquoted	6,400	
b.	Long Term Investments		
	i. Quoted		
	(1)(a) Equity Shares	NIL	
	(i)(b) Preference Shares	NIL	
	(ii) Debentures and Bonds	NIL	
	(iii) Units of Mutual Funds	NIL	
	(iv) Government Securities	NIL	
	(v) Others	NIL	
	ii. Unquoted		
	(1)(a) Equity Shares	NIL	
	(i)(b) Preference Shares	NIL	
	(ii) NABARD Bonds	NIL	
	(iii) Units of Mutual Funds	NIL	
	(iv) Government Securities	NIL	
	(v) Others	NIL	
(5)	Borrower Group-wise Classification of Assets financed as in (2) and (3) above		

	Category	Amount net of provisions		
		Secured	Unsecured	Total
	1. Related Parties	NIL	NIL	NIL
	2. Other than related parties	59,737	NIL	59,737
(6)	Investor Group-wise Classification of all Investments (Current and Long Term) in shares and securities (both quoted and unquoted)			
	Category	Market Value/ Break-up or fair value or NAV	Book Value (Net of Provisions)	
	1. Related Parties	NIL	NIL	
	(a) Subsidiaries	NIL	NIL	
	(b) Companies in the same group	NIL	NIL	
	(c) Other Related Parties	NIL	NIL	
	2. Other than Related parties	66,109	64,177	
(7)	Other Information			
	Particulars	Amount		
(i)	Gross Non-Performing assets	NIL		
(ii)	Net Non-performing assets	NIL		
(iii)	Assets acquired in satisfaction of debt	NIL		

In terms of our report of even date
For Mohanlal Jain & Co.
Chartered Accountants
Firm Registration Number: 106532W

For and on behalf of BCB Finance Limited

Sd/-
Mohanlal Jain
Proprietor
Membership No. 036824
Place: Mumbai
Date: 30th May, 2014

Sd/
(Bharat Bagri)
Director
DIN 01379855
Place : Mumbai
Date : 30th May, 2014

Sd/
(Uttam Bagri)
Director
DIN 01379841
Place : Mumbai
Date : 30th May, 2014

Sd/
(Manish Mourya)
Company Secretary
Place : Mumbai
Date : 30th May, 2014

BCB Finance Limited
Registered Office: 1204, P.J. Towers, Dalal Street, Fort, Mumbai – 400 001.
CIN- L65990MH2005PLC157586 Web: www.bcbfinance.com Tel: +91-22-2272 2414Fax: 022-2272 2451

ATTENDANCE SLIP

(To be signed and handed over at the entrance of the meeting venue)

Regd. Folio No.: _____ DP ID*: _____

No. of Shares held: _____ Client ID*: _____

Full Name of the Member (in Block Letters):

Name of the Proxy:

(To be filled-in if the Proxy Form has been duly deposited with the Company)

I hereby record my presence at the NINTH ANNUAL GENERAL MEETING of the Company on SATURDAY, 27TH SEPTEMBER, 2014 at 9:00 A.M. at the Registered Office of the Company at 1204, P.J. Towers, Dalal Street, Fort, Mumbai-400 001

Members / Proxy's Signature
(To be signed at the time of handing over this slip)

* Applicable for members holding shares in electronic form.

Note: Members are requested to bring their copies of the Annual Report to the meeting

BCB Finance Limited
Registered Office: 1204, P.J. Towers, Dalal Street, Fort, Mumbai – 400 001.
CIN- L65990MH2005PLC157586 Web: www.bcbfinance.com Tel: +91-22-2272 2414Fax: 022-2272 2451

PROXY FORM - MGT - 11
(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

CIN: L65990MH2005PLC157586
Name of the Company: BCB FINANCE LIMITED
Registered Office: 1204, P.J. Towers, Dalal Street, Fort, Mumbai – 400 001. India

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

I / We, being the member(s) of _____ shares of the above mentioned Company, hereby appoint

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

2. Name:
Address:
E-mail Id:

Signature:, or failing him/her

3. Name:

Address:

E-mail Id:

Signature:

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Ninth Annual General Meeting of the Company to be held on the Saturday, 27th day of September, 2014 at 9.00 a.m. at the Registered office of the Company at 1204, P.J. Towers, Dalal Street, Fort, Mumbai – 400 001 and at any adjournment thereof, in respect of such resolutions as are indicated below:

ORDINARY RESOLUTION

Resolution No. 1	Adoption of Financial Statements for the financial year ended March 31, 2014 together with reports of the Auditors and Board of Directors thereon.
Resolution No.2	Confirm the interim dividend as final Dividend on Equity Shares of the Company for the Financial Year ended on 31 st March, 2014.
Resolution No.3	Re-appointment of Mr. Uttam Bagri, Director, who retires by rotation.
Resolution No.4	Appoint M/s. Bhattar & Co., Chartered Accountants, (ICAI Firm Registration No. 131092W) as statutory auditor of the Company in place of M/s. Mohanlal Jain & Co., Chartered Accountants, the retiring auditors.

SPECIAL RESOLUTION

Resolution No. 5	Appointment of Mr. Kalpesh Vimalchand Ranka as an Independent Director for a period of 5 years.
Resolution No.6	Increase in the borrowing power in terms of Section 180 (1)(c) of the Companies Act, 2013.
Resolution No.7	Adoption of new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013
Resolution No.8	Re-appointment of Mr. Uttam Bagri as Managing Director of the Company for the period of 3 years w.e.f 1 st September, 2014.
Resolution No.9	Re-appointment of Mr. Bharat Bagri as Executive Chairman of the Company for the period of 3 years w.e.f 1 st September, 2014.
Resolution No.10	Appointment of Mr. Rahul Bhandawat as an Independent Director of the Company
Resolution No.11	Appointment of Mr. KamalkumarDujodwala (DIN-00546281) as an Independent Director of the Company
Resolution No.12	Appointment of Mr. Sandeep Kothari (DIN-0047738) as an Independent Director of the Company

Signed this day of, 2014

Signature of Shareholder (s)

Signature of Proxy Holder (s)

Affix a Re. 1 Revenue Stamp

Note: This form of proxy in order to be effective should be duly completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

NOTICE

NOTICE IS HEREBY GIVEN THAT THE NINTH ANNUAL GENERAL MEETING OF THE MEMBERS OF BCB FINANCE LIMITED WILL BE HELD ON SATURDAY, 27TH SEPTEMBER, 2014 AT 9:00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY AT 1204, P.J. TOWERS, DALAL STREET, FORT, MUMBAI-400 001 TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31st March, 2014 including audited Balance Sheet as at 31st March, 2014 and statement of Profit & Loss Account for the year ended on that date and the reports of Directors and the Auditors thereon.
2. To confirm the interim dividend as final Dividend on Equity Shares of the Company for the Financial Year ended on 31st March, 2014.
3. To appoint a Director in place of Mr. Uttam Bagri (holding DIN 01379841), who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint M/s. Bhattar & Co., Chartered Accountants, (ICAI Firm Registration No. 131092W) as statutory auditor of the Company in place of M/s. Mohanlal Jain & Co., Chartered Accountants, the retiring auditors, to hold office for the conclusion of the fifth consecutive Annual General Meeting of the Company (subject to ratification of their appointment at each Annual General Meeting) and fix their remuneration.

SPECIAL BUSINESSES:

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Kalpesh Vimalchand Ranka (DIN: 01900183), Director of the Company who retires by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director of the Company for a term of one year and whose office shall, henceforth, not be liable to determination by retirement of Directors by rotation.”

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

“RESOLVED THAT in supersession of the earlier Resolution passed under Section 293(1)(d) of the Companies Act, 1956 at the Annual General Meeting of the Company held on September 30, 2011 and pursuant to the provisions of Section 180(1)(c) and all other applicable provision, if any, of the Companies Act, 2013 and the Rules framed there under (including any statutory modification or reenactment thereof, for the time being in force), and the Articles of Association of the Company, consent, authority and approval of the Company be and is hereby accorded to the Board of Directors (hereinafter referred as ‘Board’) of the Company, to borrow any sums of money at any time or from time to time as they may deem fit for the purpose of carrying on the business of the Company, so however, that the total amount of such borrowings outstanding at any given point of time shall not exceed Rs. 50 Crore (Rupees Fifty Crore only) notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from cash credit arrangements, discounting of bills and other temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business) will exceed the aggregate of the paid up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose;

RESOLVED FURTHER THAT the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which such monies are to be borrowed from time to time as to interest, repayment, security or otherwise as it may think fit;

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of the Company be and is hereby authorized to do all such acts, deeds, matters and things and give such directions as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and also to delegate to the extent permitted by law, all or any of the powers herein conferred to any Committee of Directors or the Managing Director or any Director(s) or any Key Managerial Personnel (KMPs) or any other Officer(s) of the Company.”

7. To adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

8. To consider and, if thought fit to pass with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to the approval of Central Government or other Government authority/agency/board, if any, the consent of the shareholders of the Company be and is hereby accorded to re-appoint Mr. Uttam Bagri (holding DIN- 01379841) as Managing Director of the Company for a period of three years with effect from September 01, 2014.

FURTHER RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to the approval of Central Government or other Government authority/agency/board, if any, approval of the Company be and is hereby accorded to pay a remuneration not exceeding f Rs.2,00,000/- (Rupees Two Lac only) per month to Mr. Uttam Bagri, Managing Director of the Company, the details of which are given in the Explanatory Statement annexed hereto.

FURTHER RESOLVED THAT the consent of the shareholders of the Company be and is hereby also accorded that where in any financial year the Company has no profits or inadequate profits then remuneration as decided above be paid with the prior approval of the Central Government.

FURTHER RESOLVED THAT the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution and to seek such approval/ consent from the government departments, as may be required in this regard.

FURTHER RESOLVED THAT the Board of Directors of the Company or any committee thereof be and is hereby also authorized to amend, alter, modify or otherwise vary the terms and conditions of appointment of Mr. Uttam Bagri, Managing Director, including the components of the above mentioned remuneration payable to him subject to the overall cap of Rs.24,00,000/- (Rupees Twenty Four Lac only) per annum.”

9. To consider and, if thought fit to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to the approval of Central Government or other Government authority/agency/board, if any, the consent of the shareholders of the Company be and is hereby accorded to re-appoint Mr. Bharat Bagri (holding DIN-01379855) whole time Director as Executive Chairman of the Company for a period of three years with effect from September 01, 2014.

FURTHER RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to the approval of Central Government or other Government authority/agency/board, if any, approval of the Company be and is hereby accorded to pay a remuneration not exceeding of Rs.2,00,000/- (Rupees Two Lac only) per month to Mr. Bharat Bagri, Executive Chairman of the Company, the details of which are given in the Explanatory Statement annexed hereto.

FURTHER RESOLVED THAT the consent of the shareholders of the Company be and is hereby also accorded that where in any financial year the Company has no profits or inadequate profits then remuneration as decided above be paid with the prior approval of the Central Government.

FURTHER RESOLVED THAT the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution and to seek such approval/ consent from the government departments, as may be required in this regard.

FURTHER RESOLVED THAT the Board of Directors of the Company or any committee thereof be and is hereby also authorized to amend, alter, modify or otherwise vary the terms and conditions of appointment of Mr. Bharat Bagri, Executive Chairman, including the components of the above mentioned remuneration payable to him subject to the overall cap of Rs.24,00,000/- (Rupees Twenty Four Lac only) per annum.”

10. Appointment of Mr. Rahul Bhandawat, as an independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149,150,152 and any other applicable provisions of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Rahul Bhandawat in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of one year and whose office shall, henceforth, not be liable to determination by retirement of Directors by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Section 149 and 197 and any other applicable provisions of the Companies Act, 2013 and rules made there under [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], Mr. Rahul Bhandawat, be paid such fees and commission as the Audit Committee may approve from time to time and subject to such limits prescribed or as may be prescribed from time to time.”

11. Appointment of Mr. Kamalkumar Ramgopal Dujodwala (DIN- 00546281), as an independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149,150,152 and any other applicable provisions of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Kamalkumar Ramgopal

Dujodwala (DIN- 00546281)in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act ,2013 from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of one year and whose office shall, henceforth, not be liable to determination by retirement of Directors by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Section 149 and 197 and any other applicable provisions of the Companies Act, 2013 and rules made there under [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], Mr. Kamalkumar Ramgopal Dujodwala (DIN- 00546281), be paid such fees and commission as the Audit Committee may approve from time to time and subject to such limits prescribed or as may be prescribed from time to time.”

12. Appointment of Mr. Sandeep D. Kothari (DIN-00047738) as an independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 149,150,152 and any other applicable provisions of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Sandeep D. Kothari (DIN-00047738) in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act 2013 from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of one year and whose office shall, henceforth, not be liable to determination by retirement of Directors by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Section 149 and 197 and any other applicable provisions of the Companies Act, 2013 and rules made there under [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], Mr. Sandeep D. Kothari (DIN-00047738), be paid such fees and commission as the Audit Committee may approve from time to time and subject to such limits prescribed or as may be prescribed from time to time.”

For and on behalf of the Board of Directors of
BCB Finance Limited

Sd/-
Uttam Bagri
Managing Director
DIN-01379841
Place: Mumbai
Date: August 28, 2014

Registered Office

1204, P.J. Towers,
Dalal Street, Fort,
Mumbai-400 001.
CIN-L65990MH2005PLC157586
Email: manish@bcbfinance.com

Notes:

1. A member entitled to attend and vote at the Annual General Meeting (the “Meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the meeting.
2. The Board of Directors has recommended for consideration of the members interim dividend as Final dividend for the year ended 31st March, 2014.
3. Corporate members intended to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Members/Proxy holders are requested to bring their copy of Annual Report and Attendance slip sent herewith, duly filled-in for attending the Annual General Meeting.
5. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 06th September, 2014 to Wednesday, 10th September, 2014 (both days inclusive).
6. The Shareholders are requested to notify their change of address immediately to the Registrar & Transfer Agent – Purva Sharegistry (India) Private Limited. The Company or its Registrar will not act on any request received

directly from the shareholder holding shares in electronic form for any change of bank particulars or bank mandate. Such changes are to be advised only to the Depository Participant (DP) by the Shareholders.

7. The Explanatory Statement pursuant to Section 102 of the Companies Act, 1956 in respect to special business annexed hereto.
8. Equity shares of the Company are under compulsory Demat trading by all Investors. 100% of the shares of the Company are in demat form
9. Re-appointment of Directors: At the ensuing Annual General Meeting Mr. Uttam Bagri, having (DIN-01379841) liable for retire by rotation, and being eligible, offer themselves for re-appointment. The details pertaining to these directors required to be provided pursuant to Clause 52 of the listing agreement are furnished in the statement on Corporate Governance published elsewhere in this Annual report.
10. Members intending to seek explanation / clarification about the Accounts at the Annual General Meeting are requested to inform the Company at least a week in advance of their intention to do so, so that relevant information may be made available, if the Chairman permits such information to be furnished.
11. The shareholders who are holding shares in demat form and have not yet registered their e-mail IDs, are requested to register their e-mail IDs with their Depository Participant at the earliest, to enable the Company to use the same for serving documents to them electronically, hereinafter. Shareholders holding shares in physical form may kindly provide their e-mail IDs to the RTA sending an e-mail at Purva Sharegistry (India) Private Limited. The Annual Report of the Company would also be made available on the Company's website www.bcbfinance.com.

12. E-Voting

In compliance with Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its Shareholders with facility to exercise their right to vote at the 9th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

Process for E-Voting –

The Company has entered into an arrangement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting for AGM. The instructions for e-voting are as under:

- I. Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com
- II. Now, click on “Shareholders” tab to cast your votes.
- III. Select the Electronic Voting Sequence Number “EVSN”-140806017 along with “BCB FINANCE LIMITED” from the drop down menu and click on “SUBMIT” for voting.
- IV. Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
User – ID	For NSDL: 8 Character DP ID followed by 8 Digits Client ID For CDSL: 16 digits beneficiary ID	Folio Number registered with the Company.

- V. Next enter the Image Verification as displayed and Click on Login.
- VI. If you are holding shares in Demat form and had logged on to www.evotingindia.com and have cast your vote earlier for EVSN of any Company, then your existing User Id and Password are 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) <ul style="list-style-type: none"> • 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.

Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the number of shares held by you as on the cut-off date in the Dividend Bank details field.
-----------------------	--

- 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 – 140806017 for the BCB FINANCE 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 members (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> 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 with a copy marked to hiteshkotharics@gmail.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.
- XVIII. The E-voting period will commence from Sunday, 21st September, 2014 at 10:00 Hrs. and will end on Tuesday, 23rd September, 2014 at 18:00 Hrs. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form as on the cutoff date (record date) of 22nd August, 2014, may cast their votes electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- XIX. 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.
- XX. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22nd August, 2014.
- XXI. Mr. Hitesh Kothari, Partner, Kothari H. & Associates, Practicing Company Secretaries (Membership No. 6038, CP No. 5502) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

- XXII. The Scrutinizer shall within a period not exceeding 3 (three) working days from the conclusion of the e-voting period unblock the votes in the presence of at least 2 (two) witnesses not in the employment of the Company and make a Scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- XXIII. The Results shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizer's report shall be placed on the Company's website www.lahotioverseas.in and on the website of CDSL within 2 (two) working days of the passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.

12. Information required to be provided under the Listing Agreement entered into with various Stock Exchanges, regarding the Directors who are proposed to be appointed / re-appointed is as below:

Name of Director	Kalpesh Ranka
Date of Birth	07.12.1931
Date of Appointment	12 th July, 2011
Qualifications	Chartered Accountant (C.A.)
Expertise	He is a Fellow C.A. by qualification. A graduate in Commerce from K.C. College of Commerce and Economics, Mumbai. He was also a partner in M/s. Lalit Mehta Associates. He has diverse exposure in audit of partnership firms & corporate entity (audit and assessment) & other areas like financial due diligence
Directorships held in other Public Companies (excluding foreign and private companies).	Nil
Memberships / Chairmanships of committees of other public companies.	Nil
Shareholding (No. of shares)	Nil

Name of Director	Mr. Rahul Bhandawat	Mr. Kamalkumar Dujodwala	Mr. Sandeep Kothari
Date of Birth	12.08.1978	01.04.1951	25.07.1951
Date of Appointment			
Qualifications	Post Graduate/Master/Equivalent		
Expertise	Mr. Rahul Bhandawatis a self-employed professional having more than a decade of experience in the areas of Technical and Fundamental Research, Algorithmic trading models development, Technical Analysis training and research based product designing	Shri Kamal Dujodwala is the promoter of the Dujodwala Products Limited which is engaged in manufacturing / supplying the products of naval stores industry since many decades	ShriSandeep Kothari is a Bachelor of Science is a successful businessman in the field of Jewellery and precious metals
Directorships held in other Public Companies (excluding foreign and private companies).	Nil	1. Indo Euro Securities Limited 2. Dujodwala Resins and Terpenes Limited 3. Mangalam Organics Limited 4. RemiEdelstahlTubulars Limited 5. Balaji Pine Chemicals Limited	Nil

		6. Pine Forest Products and Investments Limited	
Memberships / Chairmanships of committees of other public companies.	Nil	--	Nil
Shareholding (No. of shares)	Nil	Nil	Nil

Annexure to Notice

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

The following Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 (“Act”), sets out all material facts relating to the business mentioned at Item Nos. 4 to 15 of the accompanying Notice dated May30, 2014:

Item No.4

As per the provisions of Section 139 of the Act, no listed Company can appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. Section 139 of the Act has also provided a period of five years from the date of commencement of the Act to comply with this requirement.

M/s. Mohanlal Jain & Co., Chartered Accountant (having ICAI Reg. No. 106532W) the present statutory auditor of the Company conveyed their unwillingness to continue as a statutory auditor of the Company due to their pre-occupied schedule. In view of this the Board of Directors recommend the appointment of M/s. Bhattar & Co, (having ICAI Reg. No. 131092W) as an statutory auditor of the Company and based on the recommendation of the Audit Committee, the Board of Directors has, at its meeting held on August 28, 2014, proposed the appointment of M/s. Bhattar & Co. as the statutory auditors of the Company for a period of five years to hold office from the conclusion of this AGM till the conclusion of the fifth AGM of the Company (subject to ratification of their appointment at every AGM).

The Board commends the Resolution at Item No. 4 for approval by the Members.

None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMP is concerned or interested in the Resolution at Item No. 4 of the accompanying Notice.

Item No.5

The Company had, pursuant to the provisions of Clause 52 of the SME Listing Agreement entered with the Stock Exchanges, appointed Mr. Kalpesh Ranka as an Independent Director, in compliance with the requirements of the said clause.

As per the provisions of Section 149(4) which has come into force with effect from 1st April, 2014, every listed Company is required to have at least one-third of the total number of Directors as Independent Directors. Further, Section 149(10) of the Act provides that an Independent Director shall hold office for a term up to one year on the Board of a Company and is not liable to retire by rotation pursuant to Section 149(13) read with Section 152 of the Act.

The above Independent Director have given a declaration to the Board that they meet the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the Board, the above Independent Directors fulfill the conditions specified in the Act and the Rules made there under for appointment as Independent Directors and they are independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of the above Directors as Independent Directors is now being placed before the Members in General Meeting for their approval.

The brief profile of the Independent Director to be appointed is given below:

➤ **Mr. Kalpesh Ranka**

Mr. Kalpesh Ranka aged 34 years, is a Non-Executive Independent Director of our Company. He is a CA by qualification. He has done his Bachelors of Commerce from K.C. College of Commerce and Economics, Mumbai. Post which he pursued his education for CA and received Fellow Membership as Chartered Accountant by the Institute of Chartered Accountants of India in 2008. He was also a partner in M/s. Lalit Mehta Associates. He has diverse exposure in audit of partnership firms and corporate entity (audit and assessment) and other areas like financial due diligence, supervision, statutory audit of different entities, trading houses, construction companies, stock broking entities etc.

Item No.6

Section 180(1)(c) of the Companies Act, 2013 requires the consent of the shareholders of a Company by way of a Special Resolution at a General Meeting to enable the Board of Directors to borrow monies to be borrowed, together with the monies already borrowed by the (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), which may exceed the aggregate of the paid up share capital of the Company and its free reserves. Since the current borrowing powers of the Board of directors may not be sufficient to facilitate the Board to borrow for the purpose of the business of the Company, the approval of the shareholders is being sought by special resolution for enabling authority in favor of the Board to increase its borrowing power to Rs. 50 Crore (Rupees Fifty Crore Only) in addition to the aggregate of the paid up share capital and free reserve of the Company. Hence, the approval of the members of the Company is being sought for the resolution set-out under Item No. 7 by way of Special resolution.

The Board of Directors of your Company recommends the passing of the Resolutions set - out under Items No. 8 of the Notice as Special Resolutions in terms of Section 180(1)(c) of the Companies Act, 2013.

None of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested in the said Special Resolutions.

Item No.7

The Articles of Association ("AOA") of the Company as presently in force were replaced in June 2011 from what they were when the Company was incorporated in November 2005. The existing AOA are based on the Companies Act, 1956 and several regulations in the existing AOA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AOA are no longer in conformity with the Act.

The Act is now largely in force. On September 12, 2013, the Ministry of Corporate Affairs ("MCA") had notified 98 Sections for implementation. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections (barring those provisions which require sanction/confirmation of the National Company Law Tribunal ("Tribunal") such as variation of rights of holders of different classes of shares (Section 48), reduction of share capital (Section 66), compromises, arrangements and amalgamations (Chapter XV), prevention of oppression and mismanagement (Chapter XVI), revival and rehabilitation of sick companies (Chapter XIX), winding up (Chapter XX) and certain other provisions including, inter alia, relating to Investor Education and Protection Fund (Section 125) and valuation by registered valuers (Section 247). However, substantive sections of the Act which deal with the general working of companies stand notified.

With the coming into force of the Act several regulations of the existing AOA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AOA by a new set of Articles.

The new AOA to be substituted in place of the existing AOA are based on Table 'F' of the Act which sets out the model articles of association for a Company limited by shares. Shareholder's attention is invited to certain salient provisions in the new draft AOA of the Company viz:

- (a) Company's lien now extends also to bonuses declared from time to time in respect of shares over which lien exists;
- (b) the nominee(s) of a deceased sole member are recognized as having title to the deceased's interest in the shares;

- (c) new provisions regarding application of funds from reserve accounts when amounts in reserve accounts are to be capitalized;
- (d) new provisions relating to appointment of chief executive officer and chief Financial officer, in addition to manager and Company secretary;
- (e) existing articles have been streamlined and aligned with the Act;
- (f) the statutory provisions of the Act which permit a Company to do some acts “if so authorized by its articles” or provisions which require a Company to do acts in a prescribed manner “unless the articles otherwise provide” have been specifically included; and
- (g) provisions of the existing AOA which are already part of statute in the Act have not been reproduced in the new draft AOA as they would only lead to duplication – their non-inclusion makes the new AOA crisp, concise and clear and aids ease of reading and understanding.

The proposed new draft AOA is being uploaded on the Company’s website for perusal by the shareholders. None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 7 of the Notice. The Board commends the Special Resolution set out at Item No. 7 of the Notice for approval by the shareholders.

Item Nos.8

Mr. Uttam Bagri, aged 38, is the co-promoter and Managing Director of the Company. After graduating in Commerce from the University of Mumbai, he did his Post Graduate Diploma in Management from the Indian Institute of Management, Ahmadabad (IIM-A). He has a more than decade of experience in the field of stock broking and allied financial services. He has been associated with the Capital Market since 1998. Also, he has been actively involved in the business of our Company and has played a key role in its growth with his inputs in strategic planning and business development.

His current term of appointment as a Managing Director of the Company will expire on September 30, 2014. He has excellent grasp and thorough knowledge and experience of not only the business of the Company but also of general management. His knowledge of various aspects relating to the Company’s affairs and long business experience, the Board of Directors is of the considered opinion that for smooth and efficient running of the business, the services of Mr. Uttam Bagri should be available to the Company for a further period of (three) years with effect from October 01, 2014.

In terms of the provisions of the Companies Act, and the Articles of Association of the Company, the Nomination and Remuneration Committee of the Board and the Board of Directors have, at their meeting held on August 28, 2014 re-appointed him as Managing Director of the Company for a further period of 3 (three) years with effect from October 01, 2014 on the current remuneration of Rs.2,00,000/- (Rupees Two Lac only) per month. In case, the Company has no profits or its profits are inadequate, then the remuneration shall be paid to him with the prior approval of the Central Government or in accordance with the provisions of the Companies Act, 2013 read with Schedule V of the Act.

Following are the details of the annual salary (payable monthly) proposed to be paid to Mr. Uttam Bagri, Managing Director:-

Consolidated Salary, Perquisites and Performance Bonus, etc.-Rs.24,00,000/- (Rupees twenty four lakh only) p.a.

In addition to the above, he shall be entitled to receive the following:-

- a) Gratuity as per the rules of the Company, but not exceeding half a month’s salary for each completed year of service.
- b) Encashment of leave at the end of tenure.
- c) He shall also be entitled to reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company.

Accordingly the Board recommends the passing of the special resolution as set out in the item no. 8 of the Notice.

Item Nos.9

Mr. Bharat Bagri, aged 64 years is the Chairman and Whole Time Director of our Company. He is also one of the Core Promoters of the Company. He is a Post graduate in Commerce by qualification. He has an overall experience of about 42 years in the field of Capital Markets. He has been actively involved in Stock Market

Related activities and has been on the Board of Directors of BSE (from 1994 to 1995) and was an active member of the Arbitration Committee of the BSE for many years. He is on our Board since incorporation and is responsible for strategic planning and administration of the Company.

His current term of appointment as a Chairman of the Company will expire on September 30, 2014. He has excellent grasp and thorough knowledge and experience of not only the business of the Company but also of general management. His knowledge of various aspects relating to the Company's affairs and long business experience, the Board of Directors is of the considered opinion that for smooth and efficient running of the business, the services of Mr. Bharat Bagri should be available to the Company for a further period of (three) years with effect from October 01, 2014.

In terms of the provisions of the Companies Act, and the Articles of Association of the Company, the Nomination and Remuneration Committee of the Board and the Board of Directors have, at their meeting held on August 28, 2014 re-appointed him as Chairman of the Company for a further period of 3 (three) years with effect from October 01, 2014 on the current remuneration of Rs. 2,00,000/- (Rupees Two Lac only) per month. In case, the Company has no profits or its profits are inadequate, then the remuneration shall be paid to him with the prior approval of the Central Government or in accordance with the provisions of the Companies Act, 2013 read with Schedule V of the Act.

Following are the details of the annual salary (payable monthly) proposed to be paid to Mr. Bharat Bagri, Chairman:-

Consolidated Salary, Perquisites and Performance Bonus, etc.-Rs.24,00,000/- (Rupees twenty four lakh only) p.a.

In addition to the above, he shall be entitled to receive the following:-

- a) Gratuity as per the rules of the Company, but not exceeding half a month's salary for each completed year of service.
- b) Encashment of leave at the end of tenure.
- c) He shall also be entitled to reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company.

Accordingly the Board recommends the passing of the special resolution as set out in the item no. 9 of the Notice.

Item Nos.10 to 12

The Board has thought it expedient to appoint additional Directors as Directors of the Company. The brief profiles of the Directors is as under:

Mr. Rahul Bhandawat aged 45 years is a self-employed professional having more than a decade of experience in the areas of Technical and Fundamental Research, Algorithmic trading models development, Technical Analysis training and research based product designing.

Mr. Bhandawat meets the criteria of independence laid down in Section 149 of the Companies Act, 2013 ('the Act') and has furnished a declaration to the Company in this respect. In the opinion of the Board of Directors, Mr. Bhandawat fulfills the conditions specified in the Act and Rules made there under and is independent of the management. Accordingly the Board of Directors recommends appointment of Mr. Bhandawat as the Non-Executive Independent Director for a period of one year from the conclusion of this Annual General Meeting upto the conclusion of next Annual General Meeting with in terms of the Act, not being liable to retire by rotation.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Mr. Rahul Bhandawat are concerned or interested, financially or otherwise, in this item.

Mr. Kamal Dujodwala, aged 63 years is the promoter of the Dujodwala Products Limited which is engaged in manufacturing/supplying the products of naval stores industry since many decades.

Mr. Dujodwala meets the criteria of independence laid down in Section 149 of the Companies Act, 2013 ('the Act') and has furnished a declaration to the Company in this respect. In the opinion of the Board of Directors, Mr. Dujodwala fulfills the conditions specified in the Act and Rules made there under and is independent of the management. Accordingly the Board of Directors recommends appointment of Mr. Dujodwala as the Non-

Executive Independent Director for a period of one year from the conclusion of this Annual General Meeting upto the conclusion of next Annual General Meeting in terms of the Act, not being liable to retire by rotation.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Mr. Kamal Dujodwala, is concerned or interested, financially or otherwise, in this item.

Mr. Sandeep Kothari, aged 63 years is a Bachelor of Science is a successful businessman in the field of jewellery and precious metals.

Mr. Kothari, meets the criteria of independence laid down in Section 149 of the Companies Act, 2013 ('the Act') and has furnished a declaration to the Company in this respect. In the opinion of the Board of Directors, Mr. Kothari fulfills the conditions specified in the Act and Rules made there under and is independent of the management. Accordingly the Board of Directors recommends appointment of Mr. Kothari as the Non-Executive Independent Director for a period of one year from the conclusion of this Annual General Meeting upto the conclusion of next Annual General Meeting in terms of the Act, not being liable to retire by rotation.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Mr. Sandeep Kothari, is concerned or interested, financially or otherwise, in this item.

None of the above Appointee Directors holds any shares in the Company in any capacity.

For and on behalf of the Board of Directors of BCB Finance Limited

Sd/-

(Uttam Bagri)

Managing Director

DIN-01379841

Place: Mumbai

Date: August 28, 2014