

NOTICE

Notice is hereby given that the 32nd Annual General Meeting of **BMW INDUSTRIES LIMITED** will be held at its registered office at 119, Park Street, White House, 3rd Floor, Kolkata-700 016 on Thursday, the 25th September, 2014 at 3.00 P.M to transact following businesses: -

Ordinary Business

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2014, and the statement of Profit & Loss for the year ended on that date together with the Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of Shri Ramji Prasad Singh (DIN: 03618029) who retires by rotation and being eligible, offers themselves for reappointment.
3. To appoint auditors of the company.

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

"Resolved that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, as amended from time to time, Deeki Bijay & Co., Chartered Accountants (Firm Registration No. 313105E) be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next Annual General Meeting (AGM) of the Company on such remuneration as shall be fixed by the Board of Directors of the Company."

Special Business

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

"Resolved that pursuant to the provisions of Section 149,152 read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 and all other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time and clause 49 of the Listing Agreement, Mr. Debasish Basu (DIN: 00581141), a non-executive director of the Company, who submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company to hold office for five consecutive years for a term upto 31st March, 2019.

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 Section 149,152 read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 and all other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time and clause 49 of the Listing Agreement, Mr. Sunil Kumar Parik (DIN: 00884149), a non-executive director of the Company, who submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company to hold office for five consecutive years for a term upto 31st March, 2019.

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

“Resolved that pursuant to the provisions of Section 149,152 read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 and all other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time and clause 49 of the Listing Agreement, Mr. Prahlad Kumar (DIN: 05174446), a non-executive director of the Company, who submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company to hold office for five consecutive years for a term upto 31st March, 2019.

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

“Resolved that pursuant to the provisions of Section 149,152 read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 and all other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time and clause 49 of the Listing Agreement, Mr. Rampriya Sharan (DIN: 05304025), a non-executive director of the Company, who submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company to hold office for five consecutive years for a term upto 31st March, 2019.

8. Appointment of cost auditor of the company.

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 148 of the Companies Act, 2013 and all other applicable provisions (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditors appointed by the Board of directors of the Company, to conduct the audit of cost records of the Company for the financial year ending 31st March, 2015, be paid the remuneration as set out in the statement annexed to the Notice convening this Meeting.”

“Resolved further that the Board 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.”

By order of the Board of Directors

Namrata Modi
Company Secretary

August 12, 2014

Registered Office:

119, Park Street
White House, 3rd Floor
Kolkata – 700 016, India
CIN: L51109WB1981PLC034212
e-mail: legal@bmwil.co.in

NOTES:

1. The relative Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, (“the Act”) is annexed thereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The proxy form, in order to be effective, must be duly completed, stamped and lodged with the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
A person can act, as a proxy on behalf of the members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 12th Sept, 2014 to 25th Sept, 2014 (both days inclusive).
4. Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the Meeting.
5. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the company. The nomination form can be downloaded from the Company’s website www.bmwil.co.in under the section ‘Investor Relation’.
6. Notice of the 32nd Annual General Meeting along with the Annual Report of 2014 of the Company is being sent to all the members in the electronic mode, whose email address are registered with the Depository Participants/Company, unless any member has requested for a hard copy of the same and for members who have not registered their email address, physical copy of above documents is being sent.
7. Members may also note that the Notice of the 32nd Annual General Meeting and the Annual Report of 2014 will also be available on company’s website: www.bmwil.co.in for download.
8. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours on all working days except Saturdays.
9. Members seeking any information with regard to accounts are requested to write to the Company Secretary at least ten days in advance of the meeting, to enable the Company to keep the information ready.
10. Voting through electronic means
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide Members holding shares either in physical form or in dematerialized form the facility to exercise their right to vote at the 32nd 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). The instructions for e-voting are as under:
The notice of the 32nd Annual General Meeting (AGM) of the Company inter alia indicating the process and manner of e-Voting process along with printed Attendance Slip and Proxy Form is being dispatched to all the Members. The e-Voting particulars are provided at the bottom of the Attendance Slip for the 32nd Annual General Meeting (AGM) :
 - a. Log on to the e-voting website: www.evotingindia.com during the voting period.
 - b. Click on “Shareholders” tab
 - c. Now, select Electronic Voting Sequence No. as mentioned in the Attendance Slip alongwith “BMW INDUSTRIES LTD” from the drop down menu and click on “SUBMIT”.
 - d. Now Enter your User ID (as mentioned in the Attendance Slip) :
 - i. For CDSL: 16 digits beneficiary ID,
 - ii. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

- iii. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- e. Next enter the Image Verification as displayed and Click on Login.
- f. If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- g. However, if you are a first time user, please use the e-Voting particular provided in the Attendance Slip and fill up the same in the appropriate boxes:
- h. After entering these details appropriately, click on "SUBMIT" tab.
- i. 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 mandatory 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.
- j. For Members holding shares in physical form, the details in Attendance Slip can be used only for e-voting on the resolutions contained in this Notice.
- k. Click on the relevant EVSN "BMW INDUSTRIES LTD" for which you choose to vote.
- l. 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.
- m. Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- n. 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.
- o. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- p. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- q. If Demat account holder has forgotten the changed password then enter the User ID and image verification code, click on Forgot Password & enter the details as prompted by the system.
- r.
 - Institutional shareholders (i.e. other than Individuals, H U F, and 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.
 - After receiving the login details they have to create a user who would be able to link the account(s) for 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 Authorised Person/Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- II. 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com. You can also contact the helpdesk on the toll free number: 1800-200-5533.
- III. The e-voting period begins from 19.09.2014 from 9.00 A.M. and ends on 21.09.2014 till 6.00 P.M. During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off/entitlement date of 08.08.2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

Once the vote on a resolution is cast by the shareholder by electronic means, the shareholder shall not be allowed to change it subsequently or cast his vote by any other means.

- IV. 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/entitlement date of 08/08/2014.
- V. Mr. Manoj Kumar Banthia a Practising Company Secretary, C..P. Membership No. 11470 has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VI. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

The Results shall be declared on or after the 32nd Annual General Meeting (AGM) of the Company. This Notice as well as the Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL within two (2) days of passing of the resolutions at the 32nd Annual General Meeting (AGM) of the Company on 25th September, 2014 and communicated to the Stock Exchange(s).

EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013 (the Act)

Item No. 4:

Mr. Debasish Basu (DIN 00581141) was appointed as a Director of the Company liable to retire by rotation on 28 August, 2002 in terms of erstwhile applicable provisions of Sections 255 and 256 of the Companies Act, 1956. Mr. Debasish Basu occupies the position as an independent Director as per criteria specified in Clause 49(I)(A)(iii) of the Listing Agreement and has affirmed that he continues to meet all the requirements specified under the listing agreement in respect of his position as an "Independent Director" of the Company. Mr. Debasish Basu is a Non-Executive Director and considered as Independent under Clause 49 of the Listing Agreement.

The matter regarding appointment of Mr. Debasish Basu as Independent Director was placed before the Nomination and Remuneration committee, which commends his appointment as an Independent Director up to March 31, 2019.

In the opinion of the Board, he fulfills the conditions specified in the Act and the Rules made there under for appointment as Independent Director and is independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Debasish Basu as Independent Director is now being placed before the members in General Meeting for their approval.

Mr. Debasish Basu may be deemed to be concerned and interested in Item No. 4 as it relates to his appointment as Independent Director of the Company. Other than Mr. Debasish Basu, none of the other Directors, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 4 of the Notice.

Item No. 5:

Mr. Sunil Kumar Parik (DIN 00884149) was appointed as a Director of the Company liable to retire by rotation on 15 September, 2012 in terms of erstwhile applicable provisions of Sections 255 and 256 of the Companies Act, 1956. Mr. Sunil Kumar Parik occupies the position as an independent Director as per criteria specified in Clause 49(I)(A)(iii) of the Listing Agreement and has affirmed that he continues to meet all the requirements specified under the listing agreement in respect of his position as an "Independent Director" of the Company.

Mr. Sunil Kumar Parik is a Non-Executive Director and considered as Independent under Clause 49 of the Listing Agreement.

The matter regarding appointment of Mr. Sunil Kumar Parik as Independent Director was placed before the Nomination and Remuneration committee, which commends his appointment as an Independent Director up to March 31, 2019.

In the opinion of the Board, he fulfills the conditions specified in the Act and the Rules made there under for appointment as Independent Director and is independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Sunil Kumar Parik as Independent Director is now being placed before the members in General Meeting for their approval.

Mr. Sunil Kumar Parik may be deemed to be concerned and interested in Item No. 5 as it relates to his appointment as Independent Director of the Company. Other than Mr. Sunil Kumar Parik, none of the other Directors, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 5 of the Notice.

Item No. 6:

Mr. Prahlad Kumar (DIN 05174446) was appointed as a Director of the Company liable to retire by rotation on 15 September, 2012 in terms of erstwhile applicable provisions of Sections 255 and 256 of the Companies Act, 1956. Mr. Prahlad Kumar occupies the position as an independent Director as per criteria specified in Clause 49(I)(A)(iii) of the Listing Agreement and has affirmed that he continues to meet all the requirements specified under the listing agreement in respect of his position as an "Independent Director" of the Company. Mr. Prahlad Kumar is a Non-Executive Director and considered as Independent under Clause 49 of the Listing Agreement.

The matter regarding appointment of Mr. Prahlad Kumar as Independent Director was placed before the Nomination and Remuneration committee, which commends his appointment as an Independent Director up to March 31, 2019.

In the opinion of the Board, he fulfills the conditions specified in the Act and the Rules made there under for appointment as Independent Director and is independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Prahlad Kumar as Independent Director is now being placed before the members in General Meeting for their approval.

Mr. Prahlad Kumar may be deemed to be concerned and interested in Item No. 6 as it relates to his appointment as Independent Director of the Company. Other than Mr. Prahlad Kumar, none of the other Directors, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 6 of the Notice.

Item No. 7:

Mr. Rampriya Sharan (DIN 05304025) was appointed as a Director of the Company liable to retire by rotation on 15 September, 2012 in terms of erstwhile applicable provisions of Sections 255 and 256 of the Companies Act, 1956. Mr. Rampriya Sharan occupies the position as an independent Director as per criteria specified in Clause 49(I)(A)(iii) of the Listing Agreement and has affirmed that he continues to meet all the requirements specified under the listing agreement in respect of his position as an "Independent Director" of the Company. Mr. Rampriya Sharan is a Non-Executive Director and considered as Independent under Clause 49 of the Listing Agreement.

The matter regarding appointment of Mr. Rampriya Sharan as Independent Director was placed before the Nomination and Remuneration committee, which commends his appointment as an Independent Director up to March 31, 2019.

In the opinion of the Board, he fulfills the conditions specified in the Act and the Rules made there under for appointment as Independent Director and is independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Rampriya Sharan as Independent Director is now being placed before the members in General Meeting for their approval.

Mr. Rampriya Sharan may be deemed to be concerned and interested in Item No. 7 as it relates to his appointment as Independent Director of the Company. Other than Mr. Rampriya Sharan, none of the other Directors, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 7 of the Notice.

Item No. 8:

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015 as per the following details:

M/s Sohan Lal Jalan & Associates, Cost Accountants at Audit Fees of Rs.125000/-

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 8 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2015.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 8 of the Notice for approval by the shareholders.

By order of the Board of Directors

Namrata Modi
Company Secretary

August 12, 2014

Registered Office:

119, Park Street
White House, 3rd Floor
Kolkata – 700 016, India
CIN: L51109WB1981PLC034212
e-mail: legal@bmwil.co.in

DIRECTORS' REPORT

To The Members,

The Directors hereby present their Annual Report together with the audited accounts of the Company for the financial year ended **31st March 2014**.

FINANCIAL RESULTS

The summarized financial results are:

	(RS. IN LAKHS)	
	<u>2013-14</u>	<u>2012-13</u>
Profit before Interest & Depreciation	9417.12	7601.43
Less: Interest	4043.45	3339.26
Profit after Interest before Depreciation	4373.67	4262.17
Less: Depreciation (net)	2751.19	820.99
Profit before Tax and prior period adjustments	2622.47	3441.18
Surplus arising towards change in method of Depreciation from WDV to SLM	0.00	0.00
Less: Prior period adjustments (net)	0.00	0.00
Profit before Tax	2622.47	3441.18
Less: Provision for Taxation	454.61	1046.81
Income tax for earlier years	0.00	0.00
Profit after Tax	2167.86	2394.37
Add: Balance brought forward from previous yr.	12420.89	10104.16
Profit available for appropriation	14588.75	12498.53
Appropriations:		
i) Proposed Dividend	10.30	66.80
ii) Corporate Dividend tax	1.74	10.84
Balance carried to Balance Sheet	14543.78	12420.89

DIVIDEND

Your directors have recommended dividend of 0.5% amounting Rs. 10.29 lakhs for the year 2013-14, subject to the approval of the shareholders.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of section 217 (2aa) of the companies act, 1956, your directors state that:

- i) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) The directors had 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 at the end of the financial year and of the profit or loss of the Company for the year under review;
- (iii) The directors had 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 asset of the Company and for preventing and detecting fraud and other irregularities.
- (iv) The Directors prepared the annual accounts on a going concern basis.

DISCLOSURE

Due to points raised by our Bankers, certain groupings have been modified this year.

CORPORATE GOVERNANCE

Your Company has complied with the requirement of Clause 49 of the Listing Agreement with the Stock Exchanges and report on Corporate Governance in terms of the said clause along with the auditor's certificate for the same and a Management and discussion report has been attached to this report.

SUBSIDIARY COMPANIES

As required under section 212 of the Companies Act, 1956, necessary documents in regard to the subsidiary companies, is annexed herewith forming part of this report.

DIRECTORS

As per the provisions of Section 256 of the Companies Act, 1956, Mr. Ramji Prasad Singh, director retire by rotation and, being eligible, offer themselves for reappointment.

AUDITORS

The Company has appointed M/s. Deoki Bijay & Co, Chartered Accountants as the Statutory Auditors of the Company and that they shall hold the office of the statutory auditors of the Company until the conclusion of the ensuing Annual General Meeting, and that they shall, inter alia, conduct the statutory audit for the financial year ended 31st March, 2014. The said office of Statutory Auditor will vacate at the conclusion of the ensuing Annual General Meeting, so Board propose to re-appoint M/s. Deoki Bijay & Co, Chartered Accountants as Statutory Auditors of the Company to hold office from the date of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company.

AUDITORS' OBSERVATIONS

The observations made in the Auditors' Report are dealt with in the Notes to the Accounts at appropriate places and are self - explanatory.

PERSONNEL

In accordance with the requirements of Section 217(2A) of the Companies Act, 1956 it is stated that only three employees of the Company was in receipt of remuneration that would attract the provisions of the said section, i.e. Mr. Ram Gopal Bansal, Mr. Harsh Bansal & Mr. Vivek Kumar Bansal .

APPRECIATION

The Directors gratefully acknowledge the valuable assistance and guidance extended by the Government of India and the State Governments and other financial institutions, banks, customers, employees and all its stakeholders.

ON BEHALF OF THE BOARD OF DIRECTORS

**Kolkata
12.08.2014**

**(Ram Gopal Bansal)
CHAIRMAN**

**(Harsh Bansal)
MANAGING DIRECTOR**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry overview and operational achievement

BMWIL has categorized its business in three strategic divisions:

- Tower Division
- Steel service centres (SSCs)
- Infrastructure Division.

A. Tower division

There is a shift in demand from Telecom tower to Transmission tower. BMWIL has an integrated Transmission tower line with strong customer like Alstom, EMC, Tata Power, Tata Projects and State Electricity board etc. Due to deficit power facing in India there is a growing preference for integrated suppliers like BMWIL who possess in-house facility for fabrication, galvanization and installation. Company also has presence in Telecom sector with strong customer base like BSNL, Reliance Telecom etc

B. Steel Service Centres (SSCs)

India emerged among top ten largest producer of crude steel in 2012 and is set to reach the first spot by 2015-16. In a Scenario where 80% of the industry is unorganized with low processing capacities, BMWIL is optimistic of its growth. The company major customers are opting for a single-vendor system to ensure quality and accountability.

C. Infrastructure division

With the growing impetus on infrastructure, BMWIL expects to ride buoyant India's economic and infrastructure development through a backward integration into steel manufacture. Besides, the company possesses a five-year experience in road building and relevant project management. Apart from a strong customer in other divisions, BMWIL has a strong customer base like State Governments of West Bengal and Jharkhand.

Outlook

To spearhead growth, BMWIL is spreading its reach nationally through strategic acquisitions. With continuously achievement in all division BMWIL company, enhance investment efficiency.

Risks management

Like all businesses, there are risks like market fluctuation, credit risks etc. in BMWIL's business, which it is doing well to mitigate.

Internal control

The company follows defined individual roles and responsibilities, which ensure that each individual delivers a superior performance. The installation of SAP will strengthen the internal control system, which will enable the Company to monitor performances and integrate the working of departments for a smoother workflow.

BMWIL strengths

- Low capital-intensive: enables the Company to reduce costs and survive in the competitive market continuously.
- Optimally staffed: A team of dedicated, hard working engineers and workmen with multi skills.
- Value-addition: An ability to customize products has enabled the Company's products to attract a premium.

Financial performance

During the financial year under review, the Company is maintaining its stability in such competitive market, leading to increase in revenue.

Human resources

BMWIL employs a dedicated team of experienced professionals. It provides its people with an environment in which they can contribute to the organizational growth through innovation, superior performance and personal growth.

ON BEHALF OF THE BOARD OF DIRECTORS

(Harsh Bansal)
MANAGING DIRECTOR

REPORT ON CORPORATE GOVERNANCE

[Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges]

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance refers to corporate practices. The corporate practices envisage the attainment of the high level of transparency and accountability in the functioning of the Company and the conduct of its business to enable to achieve corporate mission towards business and social goals efficiently.

BMW Industries Limited (BMWIL) has a firm belief in maintaining stakeholders' confidence in the corporate systems and practices by means of transparency, accountability and fairness.

We believe that this report will strengthen the establishment of trust and confidence in the development of corporate governance at BMWIL.

BOARD OF DIRECTORS

The names and categories of the Directors on the Board, their attendance at the Board meetings during the year and at the last Annual General Meeting, as also the number of directorships and committee memberships held by them in other companies are given below:

Name	Category	Attendance		Directorships in other Companies		Committee positions in other companies as	
		Board Meeting	Last AGM	Public	Private	Chairman	Member
Ram Gopal Bansal	C(ED)	15	Yes	5	15	-	-
Harsh Bansal	MD(ED)	15	Yes	4	13	-	-
Vivek Bansal	MD(ED)	15	Yes	5	10	-	-
Debasish Basu	NEID	15	Yes	1	-	-	-
Sunil Kumar Parik	NEID	15	Yes	3	5	-	-
Ram Priya Sharan	NEID	10	Yes	1	-	-	-
R. P. Singh	NEID	11	Yes	1	-	-	-
Prahlad Choudhary	NEID	11	Yes	1	-	-	-

C: CHAIRMAN, ED: EXECUTIVE DIRECTOR, NEID: NON-EXECUTIVE INDEPENDENT DIRECTOR, MD: MANAGING DIRECTOR

Total **17 Board Meetings** were held during the year 2013-14 on the dates as mentioned below:

YEAR 2013:- 04.04.2013, 16.04.2013, 27.04.2013, 29.04.2013, 20.05.2013, 30.05.2013, 24.06.2013, 26.06.2013, 22.07.2013, 13.08.2013, 18.09.2013, 30.10.2013, 05.11.2013, 05.12.2013,

YEAR 2014:- 10.01.2014, 13.02.2014, 10.03.2014

COMMITTEES OF DIRECTORS

1. AUDIT COMMITTEE**Broad terms of reference:**

The terms of reference of the Audit Committee include the following:

- To review the Company's financial reporting process and its financial statements
- To review the accounting and financial policies and practices
- Policies adopted by the company and ensure compliance with the regulatory guidelines
- To review reports of the auditors and ensure suitable follow-up thereon

Composition:

The Audit Committee consists of two Independent Directors and one Non-Executive Director, having considerable financial experience and expertise. The Chairman of the Committee also has professional accounting qualification:

SL NO	NAME	CATEGORY	NO. OF MEETINGS ATTENDED DURING 2013-14	
			HELD	ATTENDED
1.	Harsh Bansal	Executive director/Non Independent Director	5	5
2.	Debasish Basu	Non Executive / Independent	5	2
3.	Sunil Kumar Parik*	Non Executive / Independent	5	5

*Mr. Sunil Kumar Parik was elected all time, as the Chairman of the Audit Committee.

Total **5 Audit Committee meetings** were held during the year:

Year 2013:- 13/05/2013, 08/08/2013, 25/10/2013,

Year 2014:- 10/02/2014, 29/03/2014

2. SHAREHOLDERS AND INVESTORS GRIEVANCE COMMITTEE**Broad terms of reference:**

The terms of reference of the said Committee includes looking into various issues relating to investors grievances which includes non receipt of dividend, annual report, share transfer related activities, to suggest measures for improvement.

Composition:

The said Committee comprises of four directors as are given below:

SL NO	NAME	CATEGORY	NO. OF COMMITTEE MEETINGS	
			Held	Attended
1.	Debasish Basu	Non Executive / Independent	12	10
2.	Ramji Prasad Singh*	Non Executive / Independent	12	11
3.	Sunil Kumar Parik	Non Executive / Independent	12	12

*Mr. Ramji Prasad Singh was elected as the Chairman of the Shareholders and Investors Grievance Committee

Year 2013:- 18/04, 15/05, 12/06, 10/07, 08/08, 09/09, 03/10, 13/11, 19/12

Year 2014:- 16/01, 7/02, 05/03

3. NOMINATION AND REMUNERATION COMMITTEE

The company has a Nomination and remuneration committee which is now a mandatory requirement as per the revised Listing Agreement as also the new Companies Act, 2013. The committee consists four directors as are given below:

Composition:

SL NO	NAME	CATEGORY
1.	Debasish Basu	Non Executive / Independent
2.	Sunil Kumar Parik*	Non Executive / Independent
3.	Ramji Prasad Singh	Non Executive / Independent

*Mr. Sunil Kumar Parik was elected all time, as the Chairman of the Nomination and remuneration Committee. The term of reference of the Committee include interalia the following :

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a Directors, Key Managerial Personnel and other employees:
- ii. Formulation of criteria for evaluation of Independent Directors and the Board:
- iii. Devising a policy on Board diversity:
- iv. Identifying persons who are qualified to become Director and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

4. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Pursuant to Section 135 read with Schedule VII of the Companies Act, 2013 and the rules made there under, The Board of Directors in a meeting held on 28th Feb, 2014 constituted a Corporate Social Responsibility Committee to:

- formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII,
- recommend the amount of expenditure to be incurred on the activities for Corporate Social Responsibility
- monitor the Corporate Social Responsibility Policy of the company from time to time.

The CSR Committee was formed as:

SL NO	NAME	CATEGORY
1.	Harsh Bansal(Chairman)	Executive
2.	Debasish Basu	Non Executive / Independent
3.	Ramji Prasad Singh	Non Executive / Independent

Since the Committee was constituted on 28th Feb, 2014, there was no meeting of the Committee during the financial year 2013-14. The CSR Policy had been formulated by Board of Director considering the recommendations of the CSR Committee.

Compliance Officer: Ms. Namrata Modi, Company Secretary, Membership No. - 31764

The Secretary of the company was appointed as the Compliance officer as required under the terms of Listing Agreement with Stock Exchanges.

The shares of the company are not traded at the Stock Exchange. The Committee looks into redressing of shareholders/investors complaints, issue of duplicate shares certificates and share transfer/transmission

activities and attends to all matters related thereto. As on 31.03.2014, there were no pending share transfers and/or complaints from the shareholders/ investors.

SL. NO.	DATE	VENUE
1	30.09.2011	57A, Park Street, 12/2, Park Mansion, Kolkata-700016
2	29.09.2012	119, Park Street, White House, Kolkata-700016
3	28.09.2013	119, Park Street, White House, Kolkata-700016

The Company held Extra Ordinary General Meeting of the shareholders at the registered office for the Financial Year 2013-2014 on the following dates:-

YEAR 2013:- 13.05.2013, 20.05.2013

DISCLOSURES

- a. There are no materially significant related party transactions i.e. transactions of the company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the company's interest at large.
- b. No penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during last three years.
- c. BMWIL does not have a remuneration Committee. The Board determines the remuneration of the Managing Director/Whole time directors.

MEANS OF COMMUNICATION

- i) Half yearly report is not being sent to each household of shareholders.
- ii) During the period under review the quarterly results of the company were published.
- iii) During the period under review the company has an active website of its own and the quarterly results and official news are displayed on the website.
- iv) Management Discussion & Analysis report forms part of the Annual Report.

GENERAL SHAREHOLDERS INFORMATION

i) Annual General Meeting: Date, time and venue:

Date & Time: 25th September, 2014 at 3.00 p.m.

Venue: At 119, Park Street, White House, 3rd Floor, Kolkata- 700 016

ii) Financial Calendar for 2013-14

Year ended	March 31, 2014
AGM	25 th September 2014
Quarterly results	Published timely

iii) Date of Book Closure: 12.09.2014 to 25.09.2014 (both days inclusive)

iv) Dividend Payment:

Dividend has been recommended for the Financial Year 2013-14, subject to shareholder's approval in the annual general meeting. Dividend cheques / warrants shall be handed over on or after the next day of the ensuing AGM of the company (if so approved).

v) Profile of Director seeking Appointment/Re-Appointment:

Relevant details forms part of the explanatory statement, attached with the notice of the Annual General Meeting.

vi) Management Discussion & Analysis Report:

A Management Discussion and Analysis Report are given separately and form part of the Annual report.

vii) Listing on Stock Exchanges:

The Equity shares of the company are listed at The Calcutta Stock Exchange Association Limited (CSE) and The UP Stock Exchange at Kanpur. The Company has paid annual listing fees to the Stock Exchanges for the financial year 2013-14.

The Stock Code: at CSE 12141, NSDL/CDSL - ISIN No: INE 374E01013.

viii) Market Price Data:

The shares of the Company were not traded at the stock exchange during the year.

ix) Share Transfer System:

ABS Consultant Pvt. Ltd.

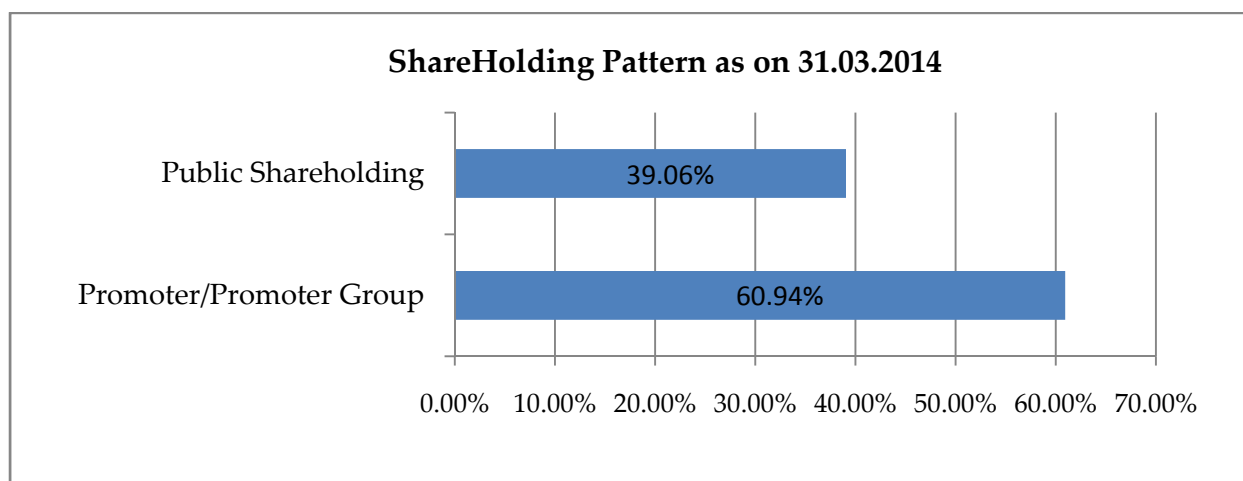
The Share Transfer system of the Company are processed by the Registrars and Share Transfer agents (RTA) and approved by the Share transfer Committee of the company.

x) Distribution of Shareholding as on 31st March, 2014

CATEGORY		SHARE HOLDERS		SHARE AMOUNT	
		NUMBER	% OF TOTAL NOS.	Shares(Rs)	% OF TOTAL AMOUNT
1	5,000	2	5.71%	2,000	0.00%
5,001	10,000	NIL	NIL	NIL	NIL
10,001	20,000	NIL	NIL	NIL	NIL
20,001	30,000	NIL	NIL	NIL	NIL
30,001	40,000	NIL	NIL	NIL	NIL
40,001	50,000	NIL	NIL	NIL	NIL
50,001	1,00,000	1	2.86%	593750	0.29
1,00,001	AND ABOVE	32	91.43%	205,256,130/-	99.71
TOTAL		35	100%	205,851,880/-	100%

xi) Shareholding Pattern for the year ended March 31, 2014

CLASS OF SHAREHOLDERS	NO OF SHARES	% OF SHARE CAPITAL
A. PROMOTERS/ PROMOTER GROUP		
A. Indian promoters	12,545,633	60.94%
B. Foreign promoter	Nil	0.00%
TOTAL FOR PROMOTER GROUP (A)	12,545,633	60.94%
B. PUBLIC SHAREHOLDINGS		
i Institutional	Nil	0.00%
ii Non institutional		
Bodies corporate	8,039,355	39.06%
Individuals	200	0.00%
TOTAL PUBLIC SHAREHOLDINGS (B)	8,039,555	39.06%
GRAND TOTAL (A) + (B)	20,585,188	100.00%



xii) Depository Registrar and Share Transfer Agent:

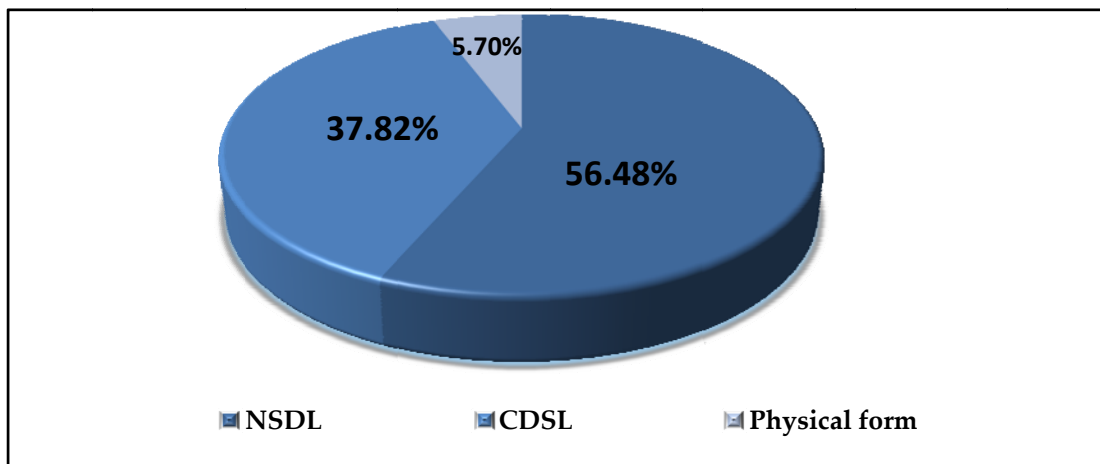
ABS Consultant Pvt. Ltd.
 "Stephen House", Room No. 99
 6TH Floor, 4 B. B. D. Bag (East)
 Kolkata-700001
 Ph: (033)2243-0153, 2220-1043
 E-mail: absconsultant@vsnl.net

xii) Dematerialization of Shares:

Trading in equity shares of the Company is permitted in demat form at NSDL and CDSL as per the notification issued by SEBI.

Details of shares held in dematerialized and physical form as on 31st March 2014

CATEGORY	NO. OF SHARES	% OF SHARES
Shares held in dematerialized form- NSDL	11626600	56.48
Shares held in dematerialized form- CDSL	7784688	37.82
Shares held in physical form	1173900	5.70
Total	20585188	100.00

**xiii) Outstanding GDRs/ADRs /Warrants or any convertible instruments, among others:**

The Company has not issued any GDR or ADR

xiv) Plant Locations:

- Ramdas Oil Mill Compound, Manifit, P.O: Telco, Jamshedpur, Jharkhand.
- Junglepur, PO: Andul Mouri, NH – 6, Howrah, West Bengal.
- G. T. Road (N), Ghusuri, Howrah, West Bengal.
- B-I, Phase-II, Adityapur Industrial Area, Jamshedpur, Jharkhand.
- M-1, Large Sector, Gamharia, Dist – Seraikella - Kharswar, Jamshedpur, Jharkhand.

xv) Address for Correspondence:

BMW Industries Limited
 119, Park Street, White House, 3rd Floor,
 Kolkata - 700 016, West Bengal, India
 Tel: (033) 4007-1704, 2226-8882, Fax: (033) 4007-1704
 Email: legal@bmwil.co.in

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
BMW Industries Limited

We have examined the compliance of conditions of corporate governance by BMW Industries Limited, for the year ended 31st March, 2014 as stipulated in Clause 49 of the Listing agreement of the said Company with stock exchanges in India.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to 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 `

As informed, no investor grievance is pending for a period exceeding one month against the Company. 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 DEOKI BIJAY & CO.
Chartered Accountants
Regn. No. 313105E

(CA D.N.Agrawal)
Partner

Place: Kolkata
Dated: the 30TH day of May, 2014

Membership No. 51157

DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

As provided under clause 49 of the Listing Agreement entered into with the Stock Exchange(s), it is hereby confirmed that all the Board Members and Senior Management Personnel of the Company have affirmed the compliance with the Code of Conduct for the year ended March 31, 2014.

Harsh Bansal
Managing Director

Place: Kolkata
Date: 30th May, 2014

CEO & CFO CERTIFICATION

The Board of Directors
BMW Industries Limited
Kolkata – 700016

Pursuant to the provisions of Clause 49(v) of the Listing Agreement, we, Ram Gopal Bansal, Chairman, and Harsh Bansal, Managing Director, responsible for the finance function certify that:

a) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2014 and that to the best of our knowledge and belief:

i) These statements do not contain any materially untrue statements 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 affair and are in compliance with the existing accounting standards, applicable laws and regulations.

b) To the best of our knowledge and belief, no transactions entered into the company during the year ended 31st March, 2014 are fraudulent, illegal or violative of the Company's code of conduct.

c) We accept responsibility for the establishing and maintaining internal control systems for financial reporting and we have evaluated the effectiveness of the internal controls systems of the Company pertaining to financial reporting and there have been no deficiencies in the design or operation of such internal controls.

d) We indicated to the auditors and the audit committee that:-

i) There have been no significant changes in internal control over financial reporting during the year;

ii) There have been no significant changes in accounting policies during the year.

iii) There have been no instances of significant fraud of which we have become aware.

Harsh Bansal
Managing Director

Ram Gopal Bansal
Chairman

Place: Kolkata
Date: 30th May, 2014

INDEPENDENT AUDITORS' REPORT

To
The Members of
BMW Industries Limited

Report on the Financial Statements

We have audited the accompanying financial statements of BMW Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

I. Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards notified under the Companies Act, 1956, read with General Circular 08/2014 dated 4 April 2014 issued by the Ministry of Corporate Affairs. The 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.

II. Auditor's 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, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

III. 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 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 as on that date.

IV. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2003 ("the order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified 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 explanation which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards notified under the Act, read with the General Circular 08/2014 dated 4th April, 2014 issued by the Ministry of Corporate Affairs";
 - e. in the basis of written representations received from the directors as on 31st March 2014, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act..
 - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For DEOKI BIJAY & CO.
Chartered Accountants
Regn. No. 313105E

(CA D.N.Agrawal)

Partner

Membership No. 51157

Place: Kolkata

Dated: the 30TH day of May, 2014

Annexure referred to in paragraph IV (1) of our report of even date to the members of BMW Industries Limited as at and for the year ended March 31, 2014.

- I. Having regard to the nature of the Company's business/activities/results during the year, clauses (VI),(X),(XII),(XIII),(XIV),(XIX) and (XX) of paragraph 4 of the Order not applicable to the Company.
- II.
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b) According to the information and explanations given to us, all fixed assets of the Company have been physically verified by the management according to a phased programme of verification, which in our opinion is reasonable, having regard to the size of the Company and the nature of its fixed assets. Pursuant to the program all the fixed asset was physically verified by the management during the year, no material discrepancies have been noticed on such verification.
 - c) The Company has not disposed off its fixed assets during the year and in our opinion going concern status of the company is not affected.
- III.
 - a) The inventories except scraps have been physically verified by the management during the year. In our opinion and according to the information and explanations given to us, the frequency of such verification is reasonable.
 - b) In our opinion, according to the information and explanations given to us, except for scraps as aforesaid, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) The Company has maintained proper records of inventories. As explained to us, discrepancies noticed on the physical verification of inventories as compared to the book records were not material and have been properly dealt with in the books of accounts.
- IV.
 - a. According to the information and explanations provided by the management in our opinion the Company has not granted secured or unsecured loan during the year under report to parties covered in the register maintained under Section 301 of the Act. As such provisions of clause III (b), (c), (d) of the Order are not applicable.
 - b According to the information and explanations provided by the management in our opinion the company has not taken unsecured loan during the year under report from companies covered in the register maintained under Section 301 of the Act. As such provisions of clause III (f), (g) of the Order are not applicable.
- V. In our opinion and according to the information and explanations given to us, and on the basis of test checks carried out by us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of

inventory and fixed assets and for the sale of goods and services. During the course of our audit, generally, we have not observed any continuing failure on the part of the management to correct major weaknesses with regard to internal control system.

- VI. (a) Based on audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained in that section.
- (b) As per the information and explanations given to us, each of such transactions in excess of Rs. Five lacs in respect of any party, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
- VII. The Company has appointed a firm of Chartered Accountants to carry out the internal audit. In our opinion the internal audit system is commensurate with the size and nature of the business.
- VIII. As explained to us, cost records in respect of steel pipes and tubes as prescribed by the Central Government under clause (d) of sub-section (1) of Section 209 of the Act is required to be maintained by the Company. We are of the opinion that prima facie's the prescribed cost records have been maintained. We have, however, not made detailed examination of the cost records with a view to determining whether they are accurate or complete.
- IX. According to the information and explanations given to us in respect of Statutory dues:
- a) The Company has generally been regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Investor Education & Protection Fund, Employees' State Insurance, Income Tax, Sales tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues as applicable to it. We are informed that there are no undisputed statutory dues as at the year end outstanding for a period of more than six months from the date they became payable.
- b) As informed by the management, there are no statutory dues outstanding on account of any dispute.
- X. In our opinion and on the basis of information and explanations provided by the management, the Company has not defaulted in repayment of dues, if any, to financial institutions and banks. The Company has not issued any debentures.
- XI. In our opinion and according to the information and explanations given to us, the terms and conditions on which the Company has given Corporate guarantees for loans taken by its subsidiaries from banks are not prima facie prejudicial to the interest of the Company.
- XII. Based on the information and explanation given to us and records of the Company examined by us, the term loans have been applied for the purpose for which such loans were obtained.
- XIII. According to the information and explanation given to us and based on an overall examination of the balance sheet of the Company, in our opinion, funds raised on short term basis have not been used during the year for long term investment.

XIV. During the year under audit, the Company has allotted equity shares on preferential basis pursuant to conversion of convertible Warrants issued in earlier year to parties and companies covered in the register maintained under Sec.301 of the Act. In our opinion the price of the issue are prima facie not prejudicial to the interest of the company.

XV

During the course of our examination of books of account carried out in accordance with generally accepted auditing practices in India, prima facie, we have neither come across any incidence of fraud on or by the Company nor have we been informed of such cases by the management.

For DEOKI BIJAY & CO.
Chartered Accountants
Regn. No. 313105E

(CA D.N.Agrawal)
Partner
Membership No. 51157

Place: Kolkata

Dated: the 30TH day of May, 2014

BMW INDUSTRIES LIMITED
Balance Sheet as at March 31, 2014

(Amount in Rs.)

	Notes	March 31, 2014	March 31, 2013
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	205,851,880	190,109,380
Reserves and Surplus	4	3,078,304,790	2,638,239,311
		<u>3,284,156,670</u>	<u>2,828,348,691</u>
Non-Current Liabilities			
Long Term Borrowings	5	3,494,782,503	3,503,954,135
Deferred Tax liabilities (Net)	6	208,793,363	163,692,043
Long Term Provisions	7	6,750,000	1,000,000
		<u>3,710,325,866</u>	<u>3,668,646,178</u>
Current Liabilities			
Short Term Borrowings	8	2,408,363,912	1,721,108,190
Trade Payables	9	258,796,897	627,941,946
Other Current Liabilities	10	719,541,572	538,280,833
Short Term Provisions	11	125,706,324	99,764,969
		<u>3,512,408,705</u>	<u>2,987,095,938</u>
TOTAL		<u>10,506,891,241</u>	<u>9,484,090,807</u>
ASSETS			
Non Current Assets			
Fixed Assets			
Tangible Assets			
Tangible Assets	12	5,439,723,368	1,496,255,145
Capital Work-in-Progress		316,315,741	2,747,306,061
Non-Current Investments	13	98,362,262	98,325,985
Long Term Loans and Advances	14	35,757,576	1,116,563,196
Other Non-Current Assets	15	1,900,000	1,900,000
		<u>5,892,058,947</u>	<u>5,460,350,387</u>
Current Assets			
Inventories	16	1,646,480,739	1,353,498,423
Trade Receivables	17	1,818,604,358	1,653,678,207
Cash and Bank Balances	18	67,770,566	48,271,088
Short Term Loans and Advances	19	1,081,230,092	967,601,821
Other Current Assets	20	746,539	690,881
		<u>4,614,832,294</u>	<u>4,023,740,420</u>
TOTAL		<u>10,506,891,241</u>	<u>9,484,090,807</u>

Significant Accounting Policies 2

The accompanying notes are an integral part of the financial statements

As per our Report of even date

For and on behalf of the Board of Directors

For **DEOKI BIJAY & CO.**

Chartered Accountants

Firm Regn. No. 313105E

Ram Gopal Bansal
Chairman

(CA. D.N.AGRAWAL)

Partner

Membership No. 051157

Harsh Bansal
Managing Director

Kolkata

Dated : 30th day of May, 2014

Namrata Modi
Company Secretary

BMW INDUSTRIES LIMITED
Statement of Profit and Loss for the year ended March 31, 2014

				(Amount in Rs.)	
	Notes	Year ended March 31, 2014		Year ended March 31, 2013	
Income					
Revenue from Operations (gross)	21	5,687,397,196		7,696,337,717	
Less: Excise Duty		214,137,478		248,313,865	
Revenue from Operations (net)		<u>5,473,259,718</u>		<u>7,448,023,852</u>	
Other Income	22	56,532,614		71,975,973	
Total Revenue		<u>5,529,792,332</u>		<u>7,519,999,825</u>	
Expenses					
Cost of Raw Materials & Components Consumed	23	3,731,700,367		5,786,127,436	
Purchases of Stock - in - Trade		122,026,208		323,028,500	
Changes in Inventories of Finished Goods, Work in progress and saleable scrap	24	(123,925,998)		(5,559,105)	
Employee Benefits Expenses	25	123,349,230		142,441,984	
Finance Costs	26	404,345,962		333,925,673	
Depreciation	12	283,480,069	90,459,551		
Less: Recoupment from Revaluation Reserve		<u>8,361,035</u>	<u>275,119,034</u>	8,361,035	82,098,516
Other expenses	27	734,929,864		513,818,667	
Total Expenses		<u>5,267,544,667</u>		<u>7,175,881,671</u>	
Profit before Tax		<u>262,247,665</u>		<u>344,118,154</u>	
Tax expense					
Current tax		54,968,422		95,000,000	
MAT Credit		(54,968,422)		-	
Deferred tax		45,101,317		9,281,576	
Wealth Tax		360,000		400,000	
Total tax expense		<u>45,461,316</u>		<u>104,681,576</u>	
Profit for the year		216,786,349		239,436,578	
Earnings per equity share (in Rs.)	28	11.28		17.92	
[Nominal value of Rs. 10/- each]					
Basic & Diluted					
Significant Accounting Policies	2				

The accompanying notes are an integral part of the financial statements

As per our Report of even date

For and on behalf of the Board of Directors

For **DEOKI BIJAY & CO.**

Chartered Accountants
Firm Regn. No. 313105E

Ram Gopal Bansal
Chairman

(CA. D.N.AGRAWAL)
Partner
Membership No. 051157

Harsh Bansal
Managing Director

Kolkata
Dated : 30th day of May, 2014

Namrata Modi
Company Secretary

BMW INDUSTRIES LIMITED.
CASH FLOW STATEMENT (Indirect Method)
FOR THE YEAR ENDED 31ST MARCH 2014

	(Amount in Rs.)	
	31st March, 2014	31st March, 2013
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX & EXTRAORDINARY ITEMS	262,247,665	344,118,152
ADJUSTMENTS FOR -		
Depreciation	275,119,034	82,098,516
Interest Paid	404,345,962	333,925,673
Interest Received	(12,082,058)	(4,329,204)
Prior Period Adjustments	-	135,827
proposed Dividend	4,497,336	
Provision For Gratuity	5,750,000	500,000
OPERATING EXPENSES BEFORE WORKING CAPITAL CHANGES	939,877,939	756,448,964
ADJUSTMENTS FOR -		
Trade & other receivables	(164,926,151)	(229,432,365)
Inventories	(292,982,316)	(84,661,883)
Trade Payable	(369,145,049)	(96,247,667)
Other Current Liabilities	31,325,361	6,381,903
Short Term Provision	25,941,355	31,335,633
Long Term Advances	1,080,805,620	(497,810,444)
Short Term Advances	(113,628,271)	13,879,266
Other Current Assets	(55,658)	(348,495)
Other Non Current Assets	-	-
CASH GENERATED FROM OPERATIONS	1,137,212,830	(100,455,088)
Direct Taxes Paid	(4,000,000)	-
NET CASH FLOW FROM OPERATING ACTIVITIES	1,133,212,830	(192,486,202)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(4,226,948,290)	(1,706,320)
Expenses in Upcoming Project	2,430,990,320	(2,023,122,682)
Sale Of Fixed Assets	-	234,662
Interest Received	12,082,058	4,329,204
Purchase of Non Current Investments	(31,793,313)	-
Sale Of Non Current Investments	31,757,040	(1,783,912,184)
NET CASH FLOW FROM INVESTING ACTIVITIES	(1,783,912,184)	(1,969,578,862)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	(404,345,962)	(333,925,673)
Proceeds From Bank Borrowing	408,700,000	1,017,127,400
Foreign Exchange Fluctuation	80,170,000	
Repayment Of Bank Borrowing	(286,794,858)	(160,834,731)
Equity Shares	251,880,000	1,057,750,080
Proceeds From Long Term Unsecured Loan	-	551,796,270
Repayment of Long Term Unsecured Loan	(59,995,153)	-
Dividend Paid including corporate dividend tax	(6,670,916)	(7,205,950)
Short Term Borrowings	687,255,722	5,143,177
NET CASH FLOW FROM FINANCING ACTIVITIES	670,198,834	2,129,850,573
NET INCREASE IN CASH & CASH EQUIVALENTS (A+B+C)	19,499,478	(32,214,491)
Cash & Cash Equivalents (Opening Balance)	48,271,088	80,485,579
Cash & Cash Equivalents (Closing Balance)	67,770,566	48,271,088

Note: 1. Cash & Cash Equivalents includes Rs.5,64,23,906 /- kept as margin money with banks.

2. The Cash Flow Statement has been prepared under the indirect method as set out in Accounting standard (AS) 3 "Cash Flow Statement" as specified in the Companies (Accounting Standard) Rules 2006.

As per our report of even date

For and on behalf of the Board of Directors

For Deoki Bijay & Co.
Chartered Accountants
(Firm Regn No. 313105E)

Ram Gopal Bansal
Chairman

(CA. D.N.AGRAWAL)
Partner
Membership No. 051157

Harsh Bansal
Managing Director

Kolkata
Dated : 30th day of May, 2014

Namrata Modi
Company Secretary

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2014

1. Corporate Information

BMW Industries Limited (the 'Company'), was incorporated at Kolkata, State of West Bengal. The main activities of the Company include manufacturing of TMT Bars, Steel Structures, Steel Pipes and Tubes, GP Coils, CR Coils, Tower Sleeves and components and processing of Steel.

2. Summary of Significant Accounting Policies

a) Basis of Accounting and preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 read with General Circular 8/2014 dated 4th April 2014 issued by the Ministry of Corporate Affairs. The financial statements have been prepared on an accrual basis under the Historical Cost Convention.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI (Revised) to the Companies Act, 1956. Based on the nature of services rendered by the Company and the time between the cost incurred for rendering the services and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

The accounting policies applied by the Company are consistent with those used in the previous year.

b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures relating to contingent liabilities as at the Balance Sheet date and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognized as and when, the results are known / materialized.

c) Revenue Recognition

- i) Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and it can be reliably measured. Revenue to the extent considered receivable, unless specifically stated to be otherwise, are accounted for on mercantile basis.
- ii) Revenue from Operations include sale of goods, services and excise duty but excludes Value Added Tax (VAT)/ sales tax, service tax.
- iii) Revenue in respect of claims of insurance, exports incentives etc. are recognized only when there is reasonable certainty as to the ultimate collection.
- iv) In respect of construction contracts, revenue is recognized on percentage completion basis when completion level is minimum 10%. Completion level is the percentage of revenue earned to total contract value net of discount. Warranty cost, penalties or possible losses that

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2014

are dependent upon future events are recognized as and when these are ascertained/ascertainable.

- v) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- vi) Dividend income is recognized when right to receive dividend is established.

d) Fixed Assets

- i) Fixed assets are stated at cost less accumulated depreciation and net of impairments, if any. Pre-operation expenses including trial run expenses (net of revenue) are capitalized. Borrowing costs during the period of construction is added to the cost of eligible assets.
- ii) Depreciation on fixed assets is provided for on straight line method in the manner and at the rates specified in Schedule XIV of the Companies Act, 1956.
- iii) Leasehold land is being amortised over the period of lease.
- iv) Administrative and other preoperative expenditure incurred during the pre-operation period, after setting off recoveries incidental thereto and adjustments to be made there against, are allocated to respective assets.

e) Impairment

Fixed assets are reviewed at each balance sheet date for impairment. In case, events and circumstances indicate any impairment, recoverable amount of fixed assets is determined. An impairment loss is recognized, whenever the carrying amount of assets exceeds the recoverable amount. The recoverable amount is greater of assets net selling price or its value in use. In assessing the value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rates. An impairment loss is reversed if there has been change in the recoverable amount and as such, loss no longer exists or has decreased. Impairment loss/reversal thereof is adjusted to the carrying value of the respective assets.

f) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Non-current investments are carried at cost. However, provision for diminution in value of investment is made to recognize a decline other than temporary in the value of these investments.

g) Inventories

Inventories are valued at lower of cost or net realisable value.

- i) Cost of raw materials includes the purchase price as well as incidental expenses such as conversion cost, other cost including manufacturing overhead incurred in bringing them to their respective present location and situation. The cost in respect of raw materials is determined on First in First out basis.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2014

- ii) Finished goods are valued at lower of weighted average cost and on net realisable value. Excise duty is considered as cost for valuation. Cost of finished goods and work in progress represents materials, direct labour and appropriate portion of overhead expenses allocated against the same.
- iii) Scrap generated is valued at net realisable value.
- iv) Cost in respect of stores and spares is determined on weighted average basis.
- v) Work-in-progress is valued at weighted average cost, or on net realisable value whichever is lower

h) Retirement and Other Employee Benefits

Retirement benefits are accounted for on accrual basis. Contribution to gratuity funds is being made under scheme of Life Insurance Corporation of India. Contributions to Provident Funds are charged to the Statement of Profit and Loss.

i) Foreign Currency Transaction

Transactions in foreign currencies are accounted for at the exchange rate prevailing on the date of transaction. Foreign currency monetary assets and liabilities at the year end are translated using the closing exchange rates whereas non-monetary assets are translated at the rate on the date of transaction. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expenses and are adjusted to the Statement of Profit and Loss except in cases where (a) such liabilities and/or transactions relate to fixed assets/projects and were entered into before 1.4.2004, (b) fixed assets have been acquired from a country outside India in which case, these are adjusted to the cost of respective fixed assets.

j) Government Grants

Government grants available to the enterprise are considered for inclusion in account where such benefits have been earned or it is reasonably certain that ultimate collection will be made. Grants from Government relating to fixed assets are shown as a deduction from the gross value of fixed assets and those of the nature of capital subsidy are credited to Capital Reserve. Other Government grants including incentives etc. are credited to the Statement of Profit and Loss or deducted from the related expenses.

k) Borrowing Costs

Borrowing cost incurred in relation to the acquisition, construction or production of a qualifying asset is capitalised as part of the cost of such asset up to the date when such assets are ready for intended use or sale. A Qualifying Asset is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are charged as an expense in the year in which they are incurred.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2014

l) Taxation

Tax expenses consist of current and deferred tax. Current Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income-tax Act, 1961 after taking into consideration benefits admissible under the Income-tax Act, 1961. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax assets and liabilities arising on account of timing differences, which are capable of reversal in subsequent periods are recognised using tax rates and tax laws, which have been enacted or substantively enacted. Deferred Tax Assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realized. In case of carry forward of unabsorbed depreciation and tax losses, deferred tax assets are recognized only if there is "virtual certainty" that such deferred tax assets can be realized against future taxable profits.

m) Earnings per Share

Basic Earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

n) Provisions

Provisions involving substantial degree of estimation in measurement (without discounted to its present value) are recognized when there is a present obligation as a result of past event and it is probable that an outflow of resources and a reliable estimate can be made of the amount of obligation. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

o) Contingencies

Contingent Assets are neither recognized nor disclosed in the financial statements. Contingent liabilities are not provided for and are disclosed by way of notes.

p) Cash and Cash equivalents

Cash and Cash equivalents as indicated in the Cash Flow Statement comprise of cash at bank and in hand and deposits with maturity of three months or less.

BMW INDUSTRIES LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2014

(Amount in Rs.)

	As at March 31, 2014	As at March 31, 2013
3. SHARE CAPITAL		
a) Authorised		
5,00,00,000 (5,00,00,000) Equity shares of Rs. 10/- each	500,000,000	500,000,000
	<u>500,000,000</u>	<u>500,000,000</u>
b) Issued, Subscribed and paid-up		
2,05,85,188 (1,90,10,938) Equity shares of Rs. 10/- each fully paid up	205,851,880	190,109,380
	<u>205,851,880</u>	<u>190,109,380</u>

During the year the company has allotted 15,74,250 equity shares of face value of Rs 10/- each at a price of Rs 160/- per equity share including a premium of Rs 150/- per equity share ranking pari-passu with existing equity shares, to the promoters and Non-Promoters of the company on preferential allotment basis in accordance with SEBI (Issue of capital and disclosure requirements) regulation, 2009

c) 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 shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amount in proportion to the number of equity shares held by the shareholders.

d) Shares held by the holding company/the ultimate holding company and / or their subsidiaries / associates

The Company does not have any holding co.

e) Details of shareholders holding more than 5% shares in the Company

Equity shares of Rs. 10/- each fully paid up	March 31, 2014		March 31, 2013	
	No. of shares	% holding	No. of shares	% holding
Ram Gopal Bansal	3,575,000	17.37%	3,575,000	18.80%
Harsh Kumar Bansal	1,844,725	8.96%	1,735,350	9.13%
Vivek Kumar Bansal	1,402,208	6.81%	1,401,375	7.37%
Bansal Business Pvt.Ltd	993,800	4.83%	993,800	5.23%
Jani Fincom Pvt Ltd	1,092,375	5.31%	1,092,375	5.75%
Murray Financial Services Pvt. Ltd.	1,014,601	4.93%	1,014,601	5.34%

f) Reconciliation of no. of shares and amount outstanding is set out below:-

	March 31, 2014		March 31, 2013	
	No. of shares	Amount	No. of shares	Amount
Shares outstanding at the beginning of the year	19,010,938	190,109,380	12,400,000	124,000,000
Shares issued during the year	1,574,250	15,742,500	6,610,938	66,109,380
Shares bought back during the year	-	-	-	-
Shares outstanding at the close of the year	<u>20,585,188</u>	<u>205,851,880</u>	<u>19,010,938</u>	<u>190,109,380</u>

BMW INDUSTRIES LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2014

(Amount in Rs.)

4. RESERVES AND SURPLUS

	As at March 31, 2014	As at March 31, 2013
Capital Reserves		
State Capital Investment Subsidy from State Government	1,500,000	1,500,000
Securities Premium Account		
Balance as per the last Balance Sheet	1,143,640,700	152,000,000
Add: Premium on issue of shares under preferential issue.	236,137,500	991,640,700
Closing Balance	1,379,778,200	1,143,640,700
Revaluation Reserve		
Balance as per the last Balance Sheet	59,754,603	68,115,638
Less: Amount transferred to the Statement of Profit and Loss	8,361,035	8,361,035
Closing balance	51,393,568	59,754,603
General Reserve		
Balance as per the last Balance Sheet	191,254,827	191,254,826
Surplus in the Statement of Profit and Loss		
Balance as per the last Balance Sheet	1,242,089,182	1,010,416,240
Add:- Profit for the year	216,786,349	239,436,575
	1,458,875,531	1,249,852,815
Less:- Appropriations		
Proposed Dividend	1,029,259	6679972
Previous year Dividend	2,834,553	
Corporate dividend tax	174,923	1083661
Previous year Corporate dividend tax	458,601	4,497,336
Net Surplus in the Statement of Profit and Loss	1,454,378,195	1,242,089,182
Total	3,078,304,790	2,638,239,311

5. LONG TERM BORROWINGS

	Non-current portion		Current maturities	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
Secured				
Term Loan from Banks	3,002,981,387	2,952,157,866	582,440,104	431,188,484
Current Maturities disclosed under Note 10				
	3,002,981,387	2,952,157,866	582,440,104	431,188,484
Unsecured				
From Body Corporates	491,801,116	551,796,269	-	-
	491,801,116	551,796,269	-	-
Total	3,494,782,503	3,503,954,135	582,440,104	431,188,484

BMW INDUSTRIES LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2014

(Amount in Rs.)

Secured Loan	Non Current Portion		Current Portion	
	March 31, 2014	31st March 2013	March 31, 2014	31st March 2013
a) Term Loan Secured primarily by exclusive 1st charge on the fixed assets of the Structural/Wire Rod Rolling Mill at NH VI, Argori, Howrah, both present & future, by way of equitable mortgage of the immoveable assets and hypothecation of plant & machineries and other movable fixed assets of the Rolling Mill Unit at Howrah. Further secured by personal guarantee of two directors of the Company repayable in 24 quarterly installments: Starting from 31.03.2011 and 30.06.2011 and carries interest rate:- B.R+2.25%	89,459,431	131,262,000	47,930,000	88,076,714
b) Term Loan Secured primarily by exclusive 1st charge on the fixed assets of the Bokaro Steel Plant, Bokaro, both present & future, by the immoveable assets and hypothecation of plant & machineries and way of equitable mortgage of other movable fixed assets of the Steel Plant at Bokaro. Further secured by personal guarantee of two directors of the Company. repayable in 24 instalment Starting from 31.03.2013 and carries interest rate:- B.R+2.60%	-	349,345,741	214,749,544	3,186,584
c) Term Loan Secured primarily by exclusive 1st charge on the fixed assets of the company's Unit at Adityapur, Gamharria, Jharkand (existing as well as that of the Proposed Project) both present & future, by way of equitable mortgage of the immoveable assets and hypothecation of plant & machineries and other movable fixed assets of the Steel Plant at Bokaro. Further secured by personal guarantee directors of the Company. repayable in 28 instalment Starting from 31.12.2013 and carries interest rate: Bank Of Baroda-B.R+3%(for Rupee loan), LIBOR + 4.5%(for ECB) Note: Includes ECB loan of \$ 17250000.00 from Bank of Baroda to be repaid in 28 quarterly instalment starting from 31.08.2014	2,513,479,240	2,284,260,015	127,921,531	206,310,321
d) Term Loan Secured primarily by exclusive charge over office property located at park street and all fixed assets at Hazibagan, Howrah both present & future, by way of equitable mortgage of the immoveable assets and hypothecation of plant & machineries and other movable fixed assets of the Hazibagan unit Further secured by personal guarantee of the directors Repayable in 20 instalment starting from 31.12.2013 and carries interest rate B.R + 3.55%	137,461,918	185,000,000	65,000,000	130,006,674
e) Term Loan Secured primarily by first charge over all fixed assets located at Manifit and Adityapur both present & future, by way of equitable mortgage of the immoveable assets and hypothecation of plant and machineries of the Hazibagan unit. Further secured personal guarantee of the directors. Repayable in 8 installment starting from 31.03.2014 and carries interest rate LTLR - 5.00%	93,696,859	-	125,000,000	-
f) Term Loan Secured primarily by first charge over all fixed assets located at GT Road both present & future, by way of equitable mortgage of the immoveable assets and hypothecation of plant and machineries of the GT Road. Further secured personal guarantee of the directors Repayable in 28 installment starting from 30.06.2015 and carries interest rate B.R. + 2.60%	162,719,580	-	-	-
Other finances from Banks (secured by hypothecation of vehicles & other machinery acquired)	6,164,359	2,290,110	1,839,029	3,608,190
Total	3,002,981,387	2,952,157,866	582,440,104	431,188,483
Unsecured Loan	491,801,116	551,796,269	-	-
The unsecured loans are not repayable in the next 12 months				

BMW INDUSTRISES LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2014

(Amount in Rs.)

6. DEFERRED TAX LIABILITIES (NET)

	As at March 31, 2014	As at March 31, 2013
Deferred Tax Liability		
Timing difference on depreciable assets	208,793,363	163,692,043
Total	208,793,363	163,692,043

7. LONG TERM PROVISIONS

	As at March 31, 2014	As at March 31, 2013
For Employee Benefits :		
Gratuity	6,750,000	1,000,000
Total	6,750,000	1,000,000

8. SHORT TERM BORROWINGS

	As at March 31, 2014	As at March 31, 2013
Secured		
Cash credits from banks	2,408,363,912	1,721,108,190
Total Secured	2,408,363,912	1,721,108,190
Unsecured		
Loan from a director	13,800,000	-
Total Unsecured	-	-
Total	2,408,363,912	1,721,108,190

Cash credits from banks are secured by hypothecation of current assets including inventories and book debts and collateral security of pari passu charge over fixed assets of the company and guaranteed by directors. It is repayable within one year.

9. TRADE PAYABLES

	As at March 31, 2014	As at March 31, 2013
Creditors for goods & services (including acceptances)	258,796,897	627,941,946
Total	258,796,897	627,941,946

10. OTHER CURRENT LIABILITIES

	As at March 31, 2014	As at March 31, 2013
Current maturities of Term loan from Banks (Note 5)	582,440,104	431,188,484
Current maturities of Term loans from other parties (Note 5)	-	-
Advance from customers	20,811,746	30,111,573
Statutory Payables	16,721,717	12,972,532
Other Liabilities	98,864,246	58,965,385
Interest accrued & due on borrowings	703,759	5,042,859
Total	719,541,572	538,280,833

11. SHORT TERM PROVISIONS

	As at March 31, 2014	As at March 31, 2013
Income Tax (Net)	106,769,548	79,005,827
Fringe Benefit Tax	-	-
Wealth Tax	760,000	400,000
Provision for WCT	12,595,509	12,595,509
Proposed Dividend	3,863,912	6,679,972
Corporate Dividend Tax	1,717,355	1,083,661
Total	125,706,324	99,764,969

BMW INDUSTRIES LTD.

Notes to Financial Statements as at and for the year ended March 31, 2014

Note 12 : Fixed Assets

(Amount in Rs.)

Tangible Assets	Freehold Land & Building	Leasehold Land & Land Development	Buildings	Plant & Machinery	Furniture & Fixtures	Vehicles	Total
Gross Block as at 01.04.2013	73,395,458 (73,395,458)	53,866,849 (53,866,849)	505,841,284 (505,841,284)	1,469,223,957 (1,469,458,619)	26,729,988 (26,729,988)	59,072,951 (57,366,631)	2,188,130,488 (2,186,658,829)
Additions during the year	10,093,388 -	- -	222,638,367 -	3,918,373,547 -	12,260,419 -	14,429,064 (1,706,320)	4,177,794,785 (1,706,320)
Deductions during the year	- -	- -	- -	- (234,662)	- -	- -	- (234,662)
Exchange fluctuations Capitalised during the year	- -	- -	- -	49,153,505 -	- -	- -	49,153,505 -
Gross Block as at 31.03.2014	83,488,846 (73,395,458)	53,866,849 (53,866,849)	728,479,650 (505,841,284)	5,436,751,009 (1,469,223,957)	38,990,407 (26,729,988)	73,502,015 (59,072,951)	6,415,078,778 (2,188,130,487)
Accumulated Depreciation as at 01.04.2013	-	-	94,352,176 (77,547,784)	570,969,375 (505,346,414)	6,322,938 (4,639,051)	20,230,853 (13,882,542)	691,875,342 (601,415,791)
Depreciation during the year	-	1,218,060	19,128,311 (16,804,392)	254,561,790 (65,622,961)	1,926,115 (1,683,887)	6,645,793 (6,348,311)	283,480,069 (90,459,551)
Accumulated Depreciation as at 01.04.2013	-	1,218,060	113,480,487 (94,352,176)	825,531,165 (570,969,375)	8,249,053 (6,322,938)	26,876,645 (20,230,853)	975,355,410 (691,875,342)
Net Block as at 31.03.2014	83,488,846 (73,395,458)	52,648,789 (53,866,849)	614,999,163 (411,489,108)	4,611,219,844 (898,254,582)	30,741,354 (20,407,050)	46,625,371 (38,842,098)	5,439,723,368 (1,496,255,145)

Note:-

(i) Figures in brackets relates to previous year

(ii) Depreciation includes Rs.83,61,035 related to incremental value of assets on revaluation is adjusted with Revaluation Reserve.

BMW INDUSTRIES LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2014

(Amount in Rs.)

13. NON-CURRENT INVESTMENTS

	As at		As at	
	March 31, 2014		March 31, 2013	
	No. of shares	Amount	No. of shares	Amount
Trade investments (valued at cost unless stated otherwise)				
In fully paid up equity shares				
Unquoted				
Subsidiary Companies				
Sail Bansal Service Centre Limited (Face Value Rs.10 each)	4,800,000	48,000,000	4,800,000	48,000,000
Bansal Nepal Private Limited (Face Value Rs.62.50 each)	508,693	31,793,313	-	-
Utkarsh Tubes Pvt. Ltd. (Face Value Rs.10 each)	-	-	607,600	31,757,036
Confident Financial Consultancy Pvt. Ltd. (Face Value Rs.10 each)	293,000	1,738,399	293,000	1,738,399
Perfect Investment Consultancy Pvt. Ltd. (Face Value Rs.10 each)	304,000	1,953,950	304,000	1,953,950
Sidhant Finvest Advisory Pvt. Ltd. (Face Value Rs.10 each)	498,000	3,264,260	498,000	3,264,260
Sidhi Vinayak Comosales Pvt. Ltd. (Face Value Rs.10 each)	295,000	1,866,440	295,000	1,866,440
Shri Hari Vinicam Pvt. Ltd. (Face Value Rs.10 each)	329,000	2,181,270	329,000	2,181,270
Narayana Dealcom Pvt. Ltd. (Face Value Rs.10 each)	422,000	2,679,240	422,000	2,679,240
Fairplan Vintrdae Pvt. Ltd.(Face Value Rs.10 each)	394,000	2,538,950	394,000	2,538,950
Nageshwara Tradelink Pvt. Ltd.(Face Value Rs.10 each)	370,000	2,346,440	370,000	2,346,440
		98,362,262		98,325,985
Aggregate amount of quoted investments		-		-
Aggregate amount of unquoted investments		98,362,262		98,325,985
Market value of quoted investments		-		-

14. LONG TERM LOANS AND ADVANCES

	As at	As at
	March 31, 2014	March 31, 2013
Unsecured, considered good unless stated otherwise		
Security Deposits	16,657,576	16,335,376
Other advances	19,100,000	19,100,000
Capital Advance	-	1,081,127,820
Total	35,757,576	1,116,563,196

15. OTHER NON CURRENT ASSETS

	As at	As at
	March 31, 2014	March 31, 2013
Balances with Bank	1,900,000	1,900,000
Total	1,900,000	1,900,000
(Represents bank deposits not due for realisation within 12 months from the balance sheet date.)		

BMW INDUSTRIES LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2014

(Amount in Rs.)

16. INVENTORIES (Valued at lower of cost and net realizable value)	As at March 31, 2014	As at March 31, 2013
Raw materials & components	831,285,786	983,449,598
Finished goods	437,517,133	313,591,135
Conversion Work in Progress	304,971,285	-
Stores & spares	72,706,535	56,457,690
Total	1,646,480,739	1,353,498,423
17. TRADE RECEIVABLES		
	As at March 31, 2014	As at March 31, 2013
Unsecured, considered good unless stated otherwise		
Outstanding for a period exceeding six months from the date they are due for payment	8,160,795	8,660,796
Others	1,810,443,563	1,645,017,411
Total	1,818,604,358	1,653,678,207
18. CASH AND BANK BALANCES		
	As at March 31, 2014	As at March 31, 2013
Cash and cash equivalents		
Balances with banks:		
in current accounts	10,081,252	10,600,170
Cash in hand	1,265,408	138,708
	11,346,660	10,738,878
Other bank balances		
Deposits with original maturity for more than 3 months but less than 12 months	56,423,906	37,532,210
Margin money deposit	56,423,906	37,532,210
Total	67,770,566	48,271,088
19. SHORT TERM LOANS AND ADVANCES		
	As at March 31, 2014	As at March 31, 2013
Unsecured, considered good unless stated otherwise		
Security Deposits	7,317,408	250,882
Advance recoverable in cash or kind	683,028,006	587,880,670
Balance with statutory/ government authorities	321,911,442	256,293,510
Others short term Loans & advances	56,828,422	108,365,062
Loans & Advances to employees	12,144,814	14,811,697
Total	1,081,230,092	967,601,821
20. OTHER CURRENT ASSETS		
	As at March 31, 2014	As at March 31, 2013
Prepaid expenses	746,539	690,881
	746,539	690,881

BMW INDUSTRIES LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2014

(Amount in Rs.)

21. REVENUE FROM OPERATIONS	As at March 31, 2014	As at March 31, 2013
Revenue from operations		
Sale of products	4,550,913,475	6,532,357,673
Sales of Services	1,136,483,721	1,163,980,044
	<u>5,687,397,196</u>	<u>7,696,337,717</u>
Less: Excise duty	214,137,478	248,313,865
Total	<u>5,473,259,718</u>	<u>7,448,023,852</u>
<u>Details of products sold:-</u>		
Finished goods		
Steel structure	51,221,588	2,129,469,174
TMT	1,671,539,795	2,909,863,057
Steel Pipes & Tubes	124,181,766	208,729,702
Raw materials & others sales	596,933,028	266,855,612
Scrap & byproduct	100,322,176	158,414,966
Towers	217,178,292	535,569,894
Sales others	1,789,536,830	323,455,268
	<u>4,550,913,475</u>	<u>6,532,357,673</u>
Details of services rendered		
Processing of Steel	1,136,483,721	1,163,980,044
	<u>1,136,483,721</u>	<u>1,163,980,044</u>
Revenue from operation	<u>5,687,397,196</u>	<u>7,696,337,717</u>
22. OTHER INCOME	As at March 31, 2014	As at March 31, 2012
Export Incentive/Sale of Licence	-	3,955,680
Interest on deposits and others	12,082,058	4,329,204
Miscellaneous income	44,450,556	63,691,089
Total	<u>56,532,614</u>	<u>71,975,973</u>
23. COST OF RAW MATERIALS & COMPONENTS CONSUMED	As at March 31, 2014	As at March 31, 2013
Cost of raw materials & component consumed	<u>3,731,700,367</u>	<u>5,786,127,436</u>
Details of raw materials & components consumed		
Indegenous		
Billets & ingots	1,309,632,459	2,708,411,502
HR Coil Sheets	447,077,993	2,096,707,942
Zinc	372,932,519	60,075,235
Angle	691,520,047	251,563,419
Others	910,537,348	669,369,338
	<u>3,731,700,367</u>	<u>5,786,127,436</u>
Imported	-	-

BMW INDUSTRIES LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2014

(Amount in Rs.)

24. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE	As at March 31, 2014	As at March 31, 2013
Closing Stock		
Finished Goods/ Stock-in-trade	437,517,133	313,591,135
	<u>437,517,133</u>	<u>313,591,135</u>
Opening Stock		
Finished Goods/ Stock-in-trade	313,591,135	308,032,030
	<u>313,591,135</u>	<u>308,032,030</u>
(Increase)/Decrease	(123,925,998)	(5,559,105)
	<u>As at March 31, 2014</u>	<u>As at March 31, 2013</u>
25. EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages and Bonus	93,580,547	123,416,905
Contribution to Provident & other Funds	5,468,143	3,011,721
Gratuity Expense	5,793,920	693,985
Staff Welfare Expenses	18,506,620	15,319,373
Total	<u>123,349,230</u>	<u>142,441,984</u>
	<u>As at March 31, 2014</u>	<u>As at March 31, 2013</u>
26. FINANCE COSTS		
Interest expenses	404,345,962	333,925,673
Total	<u>404,345,962</u>	<u>333,925,673</u>
	<u>As at March 31, 2014</u>	<u>As at March 31, 2013</u>
27. OTHER EXPENSES		
Consumption of stores & spares	367,536,142	193,761,549
Power & Fuel	142,752,572	100,293,376
Carriage inward	38,412,838	32,945,276
Exchange Gain	10,426,670	-
Excise duty on increase in stock *	13,638,775	7,795,574
Repairs to		
Plant and machinery	3,769,857	1,923,621
Buildings	274,012	65,364
Others	5,704,203	9,576,038
Rent	6,473,257	4,134,809
Rates & Taxes (excluding Income Tax)	4,930,163	11,979,543
Telephone and communication	2,523,153	3,001,680
Insurance	1,398,593	1,492,754
Hire Charges	300,078	4,823,298
Advertising and sales promotion	4,372,543	6,337,263
Brokerage and Commission	250,441	210,671
Travelling and conveyance	9,178,484	6,907,608
Carriage outward	1,205,812	7,036,184
Legal and professional fees	5,774,984	5,322,633
Directors' Remuneration	5,804,000	15,975,000
Payment to Auditors (refer details below)	425,000	697,192
Loading and unloading Charges	2,932,077	3,154,646
Bank Charge	13,344,819	7,959,506
Security Charges	8,951,598	11,589,204
Miscellaneous expenses	84,549,793	76,835,878
Total	<u>734,929,864</u>	<u>513,818,667</u>

BMW INDUSTRIES LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2014

(Amount in Rs.)

	<u>As at March 31, 2014</u>	<u>As at March 31, 2013</u>
Directors' Remuneration		
a) Remuneration to managing and whole time directors		
Salary	5,804,000	15,975,000
	<u>5,804,000</u>	<u>15,975,000</u>
 Note:- Director remuneration of Rs. 50,00,000 (Rs.39,00,000) capitalized during the year		
Payment to Auditors		
As auditor		
Audit fee	350,000	350,000
Tax audit fees	50,000	106,180
In other capacity		
Other services (certification fees)	25,000	216,012
Reimbursement of expenses	-	25,000
	<u>425,000</u>	<u>697,192</u>

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2014

28. Earnings per Share (EPS)	March 31, 2014	March 31, 2013
i. Profit after tax	Rs.21,67,86,347/-	Rs.23,94,36,576/-
ii. Present weighted average no. of equity share	1,92,13,650	1,33,59,944
iii. Nominal value of each share	Rs.10/-	Rs.10/-
iv. Earnings per share Basic/ Diluted	Rs.11.28	Rs. 17.92

29. Related Party Disclosures

Names of related parties and related party relationship:

Subsidiaries Companies

Sail-Bansal Service Centre Ltd.
Confident Financial Consultancy Pvt. Ltd.
Perfect Investment Consultancy Pvt. Ltd.
Sidhant Investment Advisory Pvt. Ltd.
Siddhi Vinayak Commosales Pvt. Ltd.
Shri Hari Vincom Pvt. Ltd.
Narayan Dealcom Pvt. Ltd.
Fairplan Vintrade Pvt. Ltd.
Nageshwara Tradelink Pvt. Ltd.
Bansal Nepal Pvt.Ltd.

Key Management Personnel:

Ramgopal Bansal
Harsh Bansal
Vivek Bansal

Relatives of Key Management: Personnel

Premlata Bansal
Pratiti Bansal
Shalini Bansal

Enterprises over which Key Managerial Personnel has Significant influence

: JIT Transport Organization.

30. Capital Commitment	March 31, 2014	March 31, 2013
Capital Commitment	NIL	Rs. 65,32,03,569/-

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2014

31. Contingent Liabilities	March 31, 2014	March 31, 2013
a) Counter guarantees issued by the Company to banks, in respect of bank guarantees issued	Rs.23,43,85,200/-	Rs.21,14,70,110/-
b) Corporate Guarantee issued by the Company, on behalf of Subsidiary Company- Sail Bansal Service Centre Limited	Rs. 6,00,00,000/-	Rs. 6,00,00,000/-
32. Depreciation on incremental value of Plant and Machinery and Buildings due to revaluation has been charged at the rates as prescribed under Schedule XIV to the Companies Act, 1956 and equivalent amount has been transferred from Revaluation Reserve to the Statement of Profit and Loss Rs. 83,61,035/- (Previous Year Rs. 83,61,035/-)		
33. Escalation bills are accounted for on the basis of rates notified by the Customers/ authorities upto the year end.		
34. In the opinion of the management, current assets and loans and advances will have value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.		
35. There are no dues to Micro and Small enterprises as at 31st March, 2014. This Information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.		
36. Since the accounts of the subsidiaries were finalized after the accounts of the company, consolidated accounts as required under Accounting Standard -21 on "Consolidated Financial Statements" were not prepared for financial year 2013-14.		
37. Deposit with Government and other authorities include Rs.191234/- (Previous Year Rs. 2,50,882/-) on account of earnest money deposit with Government Authorities/ Departments against orders and tenders.		
38. Expenditure in foreign currency :	31.03.2014	31.03.2013
Travelling & others	Rs.2,86,191/-	Rs. 6,25,550/-
Interest on Loan (ECB)	Rs.5,60,11,234/-	Rs. 5,11,02,701/-

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2014

39. Earnings in foreign exchange	31.03.2014	31.03.2013
FOB value of exports	NIL	Rs. 10,37,69,158/-
40. C.I.F. value of imports	31.03.2014	31.03.2013
Raw Material and Stores & Spares	NIL	Rs. 2,43,41,326/-
Capital Goods	Rs. 11,68,81,677/-	Rs. 5,87,06,687/-

41. Disclosures as required in terms of Accounting Standard 7 on "Accounting for construction Contracts" as follows:

(Amount in Rs.)

Particulars	2014	2013
(a) Contract Revenue Recognition for the year	58496338	29301583
(b) Total costs incurred and recognized profits for contracts in progress at the reporting date	58005836	29032206
(c) Advance Received	-	-
(d) Amount of retentions for contracts in progress at reporting date	4142173	1958745
(e) Gross Amount due from customers for contract work	5671234	8452367

42. Miscellaneous Expenses include Rs. 6,87,06,391/- (Previous Year Rs. 7,12,25,254/-) incurred for processing / job charges.

43. Previous year's figures including those given in brackets have been regrouped/rearranged wherever considered necessary.

For Deoki Bijay & Co.
Chartered Accountants
(FRN: 313105E)

Ram Gopal Bansal
Chairman

(CA. D.N.AGRAWAL)
Partner
(M.No. 051157)

Harsh Bansal
Managing Director

Place: Kolkata
Dated: 30th day of May, 2014

Namrata Modi
Company Secretary