



BLUE CHIP INDIA LIMITED

TWENTY-EIGHTH ANNUAL REPORT, 2013

BOARD OF DIRECTORS

SHRI ARIHANT JAIN

Managing Director

SHRI AMIYA KUMAR BASU

SHRI SUBHABRATA TALUKDAR

SHRI PRANAB CHAKRABORTY

AUDITORS

AGRAWAL S. KUMAR & ASSOCIATES

Chartered Accountants

BANKERS

CANARA BANK

CITI BANK

HDFC BANK

ORIENTAL BANK OF COMMERCE

REGISTERED OFFICE

10, PRINCEP STREET, 2ND FLOOR

KOLKATA - 700 072

Phone : 4002-2880

E-mail : info@bluechipind.net

Website : www.bluechipind.net

REGISTRARS & SHARE TRANSFER AGENTS

MAHESHWARI DATAMATICS PVT. LTD.

6, MANGOE LANE, KOLKATA-700 001

Phone : (033) 2243-5029 / 5809

Fax : (033) 2248-4787

NOTICE

NOTICE is hereby given that the 28th Annual General Meeting of the company will be held on Thursday, 26th day of September, 2013 at 10.00 a.m. at the "Somani Conference Hall", Merchants Chamber of Commerce, 15B, Hemanta Basu Sarani, Kolkata - 700 001 to transact the business as mentioned in the notice being sent to the members individually.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and Statement of Profit and Loss for the year ended on that date together with the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Amiya Kumar Basu who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. Agarwal S.Kumar & Associates, Chartered Accountants, the retiring Auditors of the Company, as Auditors who shall hold office from the conclusion of this Annual General Meeting, until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS

4. Appointment of Shri Pranab Chakraborty as Director.

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

"RESOLVED that Shri Pranab Chakraborty, who was appointed on 5th March, 2013 as an Additional Director of the Company and holds office upto the date of this Annual General Meeting under Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company".

Registered Office :

10, Princep Street,
2nd Floor,
Kolkata - 700 072

Dated : 30th May, 2013

By the order of the Board
For **Blue Chip India Limited**

Arihant Jain
Managing Director

NOTES :

1. A Member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a Member of the Company. Proxies, in order to be effective, must be received at the Registered Office of the Company at 10, Princep Street, 2nd Floor, Kolkata 700 072, not less than forty-eight hours before the commencement of the Annual General Meeting.
2. Members/proxies should bring duly filled Attendance Slips along with copy of the Annual Report & Accounts to the Annual General Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 19th day of September, 2013 to Thursday, 26th day of September, 2013 (both days inclusive).
4. The Register of Directors Shareholding maintained under Section 307 of the Companies Act, 1956 will be available for inspection by the members at the Annual General Meeting.
5. Members are requested to notify immediately any change in their addresses to the Registrar and Share Transfer Agent, Maheshwari Datamatics Private Limited of 6, Mangoe Lane, 2nd Floor, Kolkata - 700 001.
6. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.
7. Additional information to be provided under Clause 49 of the Listing Agreement pertaining to the Directors being appointed/re-appointed, members are requested to kindly refer Para 2 of the Report on Corporate Governance forming part of this Annual Report.
8. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the Special Business is annexed.

ANNEXURE TO THE NOTICE**EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956****Item No. 4**

Pursuant to the Article 124 of the Articles of Association of the Company and in terms of section 260 of the Companies Act 1956, Shri Pranab Chakraborty was appointed as Additional Director w.e.f 5th day of March'2013 on the board of the Company. Pursuant to provisions of Section 260 of the companies Act, 1956, he holds office as Director upto the date of ensuing Annual General Meeting. The Company has received a notice under Section 257 of the Companies Act, 1956, from a shareholder proposing the name of Shri Pranab Chakraborty as Director of the Company. The board recommends that he may be appointed as Director liable to retire by rotation. Your Directors recommend the resolution for approval of the shareholders.

Shri Pranab Chakraborty is interested in the resolution to the extent of his appointment as Director.

DIRECTORS' REPORT

DEAR SHAREHOLDERS

Your Directors have pleasure in presenting the Twenty- Eighth Annual Report of the Company together with the Audited Accounts for the year ended 31st March, 2013.

1. FINANCIAL HIGHLIGHTS

The working results of the Company for the year under review are given below :

	Year ended 31.03.2013 (in Rs.)	Year ended 31.03.2012 (in Rs.)
Profit/(Loss) Before Tax	1,489,490.49	443,373.94
Less : Provision for Tax - Current	220,000.00	—
Deferred	—	7,269,082.00
Profit/(Loss) After Tax	1,269,490.49	7,712,455.94
Add : Previous year Adjustment	246,110.75	—
Profit/(Loss) for the year	1,515,601.24	7,712,455.94

2. DIVIDEND

To conserve the resources of the Company for future expansion, the Board have decided not to recommend any dividend for the year under review.

3. PERFORMANCE REVIEW

The performance of the Company during the current year has not been up to the expectation due to high volatility in the market. Your Directors are making all efforts to improve the performance of the Company further in future.

4. FIXED DEPOSITS

During the year under review, your Company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956 and the Rules made there under.

5. DIRECTORS

During the year, Shri Pranab Chakraborty was appointed as Additional Directors of the Company w.e.f. 5th March, 2013. He vacates the office at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

Shri Santosh Kumar Jain resigned from the Directorship of the company. His resignation was accepted with effect from 05/03/2013.

As per the provisions of the Articles of Association of the Company, Shri Amiya Kumar Basu, retires by rotation and being eligible offers himself for re-appointment. The Board recommends his re-appointment for consideration of the shareholders.

6. DIRECTOR'S RESPONSIBILITY STATEMENT

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

- a. That in the preparation of the accounts for the financial year ended 31st March, 2013, the applicable accounting standards have been followed along with the proper explanation relating to material departures;
- b. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- c. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. That the Directors have prepared the annual accounts for the financial year ended 31st March, 2013 on a going concern basis.

7. AUDITORS' REPORT

There are no items on which Auditors have commented which need further explanation from the Board of Directors.

8. AUDITORS

M/s. Agarwal S. Kumar & Associates, Chartered Accountants, Auditors of the Company, retire at the conclusion of the forthcoming Annual General Meeting and have consented to continue in office, if appointed. They have confirmed that their appointment, if made, will be in accordance with the limits specified in Section 224(1B) of the Companies Act, 1956.

9. EMPLOYEES

None of the employees were in receipt of remuneration in excess of the limits specified under Section 217(2A) of the Companies Act, 1956 read along with Companies (Particulars of Employees) Rules, 1975.

10. STATUTORY INFORMATION

The Company being basically in the financial sector, requirement regarding the disclosure of particulars of conservation of energy and technology absorption prescribed by the rules is not applicable.

11. FOREIGN EXCHANGE

The Company had no foreign exchange inflow or outflow during the year under review.

12. CORPORATE GOVERNANCE

As per the Listing Agreement with the Stock Exchanges, the Company has implemented the Code on Corporate Governance. The Corporate Governance compliance certificate obtained from the Auditors of the Company is attached to this report.

The Management Discussion and Analysis Report and the Report on Corporate Governance are given in the annexure attached to this report. The Board members and senior management personnel have confirmed compliance with the Code of Conduct.

13. EMPLOYER EMPLOYEE RELATIONSHIP

The Company has maintained a cordial relationship with its employees, which resulted in smooth flow of business operations during the year under review.

14. ACKNOWLEDGEMENTS

Your Directors acknowledge the support and owe a debt of gratitude to the Shareholders, Investors & Bankers. Your Directors are also thankful to its clients for their continued faith and support reposed in them. Last but not the least, your Directors' place on record their sense of appreciation for the valuable contribution made by the employees of the Company.

Registered Office :

10, Princep Street,
2nd Floor,
Kolkata - 700 072

Dated : 30th May, 2013

On behalf of the Board of Directors

For BLUE CHIP INDIA LIMITED

ARIHANT JAIN
Managing Director

PRANAB CHAKRABORTY
Director

REPORT ON CORPORATE GOVERNANCE

The Company's shares are listed in National Stock Exchange, Bombay Stock Exchange and Calcutta Stock Exchange. Accordingly, the Corporate Governance Report for the year 2012-2013, has been prepared as per the guidelines issued by SEBI and incorporated in Clause 49 of the Equity Listing Agreement :-

Para 1. CORPORATE GOVERNANCE PHILOSOPHY

Effective Corporate Governance is how an organisation is managed, which includes its culture, structure, policies and manner in which it deals with its stakeholders and not just mere compliance. It also relates to processes and systems that direct the resources of the organization and strategies of the management for maximizing the wealth of the stakeholders. Your Company firmly believes that such practices are founded upon the core values of transparency, accountability, independence, responsibility and fairness.

Your Company makes best endeavor to implement these core values in all facets of its operations. The Company continues to follow procedures and practices in conformity with the Code of Corporate Governance enshrined in the Listing Agreement.

Para 2. BOARD OF DIRECTORS

(i) Composition of the Board :

The Composition of the Board of Directors of the Company consists of qualified executive and non-executive Directors. The Board comprises of persons who have excelled in their respective areas and have good standing.

The composition of the Board of Directors as on 31st March, 2013 is given below :

Sr. No.	Name of Director	Executive/ Non-Executive	No. of other		
			Directorships(+)	Committee(++)	
				Chairman	Member
1	Shri Arihant Jain - Managing Director	Executive	5	Nil	Nil
2	Shri Amiya Kumar Basu	Non-Executive & Independent	Nil	Nil	Nil
3	Shri Subhabrata Talukdar	Non-Executive & Independent	Nil	Nil	Nil
4	Shri Pranab Chakraborty (*)	Non-Executive & Independent	Nil	Nil	Nil

(+) Excluding directorship held in private limited/foreign companies and companies incorporated under Section 25 of the Companies Act, 1956.

(++) Represents Chairmanship / Membership of the Audit Committee and Shareholder's/ Investors' Grievance Committee of other companies, in which they are Director.

(*) Shri Pranab Chakraborty was appointed as an Additional Director of the company and also as the member of Audit Committee & Share Transfer & Investor Grievance Committee. Shri Santosh Kr. Jain resigned from the directorship of the company w.e.f 5th March, 2013.

(ii) The attendance of the Directors at the Board meetings and the last AGM held are given below :

Name of the Director	No. of Meetings		Attendance at last AGM - held on 25th September, 2012
	Held	Attended	
Shri Arihant Jain - Managing Director	7	7	Yes
Shri Amiya Kumar Basu	7	7	Yes
Shri Subhabrata Talukdar	7	7	Yes
Shri Santosh Kumar Jain (Resigned w.e.f. 05.03.2013)	7	7	Yes
Shri Pranab Chakraborty (Appointed w.e.f. 05.03.2013)	7	1	NA

Particulars of the Directors to be appointed/re-appointed at the ensuing Annual General Meeting pursuant to revised Clause 49 of the Listing Agreement :

Name of the Director	Shri Amiya Kumar Basu (Re-appointment)	Shri Pranab Chakraborty (Appointment)
Date of Birth	13th January, 1954	16th August, 1984
Date of Appointment	21st December, 2005	5th March, 2013
Qualification	Chartered Accountant	Graduate
Expertise in specific functional area	Shri Basu is having vast experience in Corporate Finance, Audit and Taxation.	Shri Chakraborty is having vast experience in Accounts.
Directorship of other Companies (*)	Nil	Nil
Chairman/Membership in the Committees	Nil	Nil
Shareholding in Equity Shares of the Company and % of holding	Nil	Nil

(*) Excludes directorships in private limited companies and organizations other than public limited companies.

(iii) Directors' membership in board/committees of other companies :

As per the Listing Agreement, no director can be a Member in more than 10 (ten) committees or act as chairman of more than 5 (five) committees across all companies in which he is a Director.

In terms of the Listing Agreement, none of the directors of your Company were Members in more than 10 (ten) committees nor acted as chairman of more than 5 (five) committees across all companies in which they were Directors. Details of other directorships/committee membership/chairmanship held by them are given in Para 2(i) above.

(iv) Number of Board meetings held, dates on which held :

As per the Listing Agreement, the Board of Directors must meet at least four times a year, with a maximum gap of four months between any two meetings.

During the financial year 2012-13, Board met 7 (Seven) times on 25/04/2012, 28/05/2012, 13/08/2012, 08/11/2012, 01/02/2013, 11/02/2013 and 05/03/2012. The gap between any two Board Meetings did not exceed four months.

Para 3. AUDIT COMMITTEE**(i) Brief description of the terms of reference :**

The terms of reference of the Audit Committee cover the matters specified under revised Clause 49 of the Listing Agreement with Stock Exchanges read with Section 292A of the Companies Act, 1956.

The Audit Committee reviews, acts and reports to the Board of Directors with respect to :

- the appointment of Statutory Auditors of the Company,
- provide Board with additional assurance as to reliability of financial information and statutory financial statements and as to the adequacy of internal accounting and control systems,
- it acts as a link between the management, statutory auditors and the Board of Directors,
- Company's compliance with the legal and statutory requirements.

(ii) Composition and Name of Members :

The Audit Committee, presently, consists of 3 (three) Independent Members. The following directors are the present Members of the Committee :

Name of the Members	Designation	Nature of Membership
Shri Subhabrata Talukdar	Chairman	Independent & Non-Executive
Shri Amiya Kumar Basu	Member	Independent & Non-Executive
Shri Pranab Chakraborty (Appointed w.e.f. 05.03.2013)	Member	Independent & Non-Executive

Shri Santosh Kr. Jain resigned from the directorship of the company w.e.f 5th March, 2013.

All the Members of the Audit Committee are financially literate and Shri Subhabrata Talukdar, Chairman possesses financial /accounting expertise.

(iii) Meetings held and attendance during the year :

During the financial year 2012-13, the Audit Committee met 5 (Five) times on 25.04.2012, 26.05.2012, 11.08.2012, 07.11.2012 and 09.02.2013.

Sr. No.	Members of Audit Committee	No. of meetings held	No. of meetings attended
1	Shri Subhabrata Talukdar	5	5
2	Shri Santosh Kumar Jain (Resigned w.e.f. 05.03.2013)	5	5
3	Shri Amiya Kumar Basu	5	5
4	Shri Pranab Chakraborty (Appointed w.e.f. 05.03.2013)	Nil	Nil

Para 4. REMUNERATION COMMITTEE**Details of sitting fees, remuneration etc. paid to Directors :**

No remuneration/sitting fees has been paid to any Director during the year.

In view of this, no Remuneration Committee has been constituted.

Para 5. SHARE TRANSFER AND INVESTORS' GRIEVANCE COMMITTEE**Brief description of the terms of reference :**

The Share Transfer and Investors' Grievance Committee administers the following :

- a. Transfer of shares
- b. Transmission of shares
- c. Issuance of duplicate share certificates as and when required
- d. Shareholders' queries/complaints and its redressal as and when received
- e. Dematerialisation/Rematerialisation of shares
- f. Split/consolidation of shares
- g. Such other matters resulting from statutory amendments/modifications from time to time.

(i) Composition and name of the Chairman :

The Committee comprises of the following persons :

Name of the Members	Designation	Nature of Membership
Shri Amiya Kumar Basu	Chairman	Independent & Non-Executive
Shri Subhabrata Talukdar	Member	Independent & Non-Executive
Shri Pranab Chakraborty (Appointed w.e.f. 05.03.2013)	Member	Independent & Non-Executive

During the financial year 2012-13, the Share Transfer & Investors' Grievance Committee met 2 (Two) times on 16.08.2012 and 10.01.2013

(ii) Name and designation of compliance officer :

As per the requirements of the Listing Agreement, Ms. Jyoti Gupta, acts as the Compliance Officer.

(iii) to (iv) Details of the shareholders' complaints received and resolved during the year 2012-13 :

No. of complaints received	No. of complaints resolved	Pending
Nil	Nil	Nil

There have been no material grievances raised and all items referred have been dealt with. All the complaints were resolved to the satisfaction of shareholders.

As on 31st March 2013, there were no pending complaints and no pending share transfers.

Para 6. GENERAL BODY MEETINGS

(i) Location and Time of last three Annual General Meeting (AGM) :

The location and time of the last three AGMs are as follows :

Year	Date	Location	Time
2011-12	25.09.2012	"Somani Conference Hall" Merchants Chamber of Commerce, 15B Hemanta Basu Sarani, Kolkata - 700 001	10.30 A.M.
2010-11	26.09.2011	"Somani Conference Hall" Merchants Chamber of Commerce, 15B Hemanta Basu Sarani, Kolkata - 700 001	11.00 A.M.
2009-10	21.09.2010	"Somani Conference Hall" Merchants Chamber of Commerce, 15B Hemanta Basu Sarani, Kolkata - 700 001	11.00 A.M.

(ii-a) Details of special resolutions passed in the previous three AGMs :

No special resolution has been passed in the previous three AGMs.

(ii-b) Details of special resolutions passed in the previous three EGMs :

No special resolution has been passed in the previous three EGMs.

(iii) to (iv) Special resolution passed during the financial year 2012-13 through the Postal ballot :

No special resolution was passed through postal ballot during the financial year 2012-13.

(v) to (vi) Postal ballot during the current year :

For the financial year 2013-14, if resolutions are to be conducted through the Postal Ballot procedure, those will be taken up at the appropriate time.

Para 7. DISCLOSURES**(i) Disclosure of materially significant related party transactions :**

During the financial year 2012-13, the Company had not entered into any materially significant transaction with any related party that may have potential conflict with the interests of the Company at large. The transactions with related parties, in normal course of business, have been disclosed separately in the Notes on Accounts.

(ii) Details of non-compliance by the Company :

The Company has complied with all the requirements of the Listing Agreement with Stock Exchange as well as the Regulations and Guidelines prescribed by Securities and Exchange Board of India (SEBI) and there were no penalties or strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authorities for non-compliance on any matter related to capital markets during the last three years.

(iii) Whistle Blower Policy :

The Company has not established whistle blower policy.

(iv) Details of compliance with the mandatory requirements :

Your Company has complied with all the mandatory requirements of the revised Clause 49 of the Listing Agreement. The details of these compliances have been given in the relevant sections of this Report.

Para 8. MEANS OF COMMUNICATION**(i) Quarterly results :**

The Quarterly and Annual Results of the Company are communicated immediately to the stock exchanges upon conclusion of the Board Meeting convened to consider the same.

(ii) Newspapers wherein results are normally published :

The Financial Results of the Company are published in "Business Standard" and in "Dainik Lipi".

(iii) to (v) Any website, where displayed :

The Results are displayed on the Company's web-site at www.bluechipind.net.

The Company has adopted a Code of Conduct for its Directors and Senior Management Personnel. The Directors and Senior Management Personnel have affirmed the compliance with the same for the financial year 2012-13. A declaration to this effect is given elsewhere in this Annual Report.

Para 9. GENERAL SHAREHOLDER INFORMATION

(i) AGM : Date, time and venue :

The forthcoming Annual General Meeting of the Company will be held as given below :

Date & Time	26th September, 2013 at 10.00 a.m.
Venue	"Somani Conference Hall" Merchants' Chamber of Commerce, 15B, Hemanta Basu Sarani, Kolkata - 700 001

(ii) Financial year :

Financial Year is 1st April, 2013 to 31st March, 2014 and the quarterly results will be declared as per the following schedule :

Tentative schedule	
Financial Results for the quarter ending June 30, 2013	End of July 2013
Financial Results for the quarter ending September 30, 2013	End of October 2013
Financial Results for the quarter ending December 31, 2013	End of January 2014
Financial Results for the year ending March 31, 2014	End of May 2014
AGM for the year ending March 31, 2014	Mid of September 2014

(iii) Date of Book closure :

The Company's Register of Members and Share Transfer Books will remain closed from Thursday, 19th day of September, 2013 to Thursday, 26th day of September, 2013 (both days inclusive).

(iv) Dividend Payment Date :

No dividend has been recommended by the Board for the year under review.

(v) Listing on Stock Exchanges :

Your Company's shares are listed on the following stock exchanges as on 31st March, 2013.

1. Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai 400 001.
2. The Calcutta Stock Exchange Association Limited
7, Lyons Range, Kolkata 700 001.
3. National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No.C/1,'G' Block,
Bandra-Kurla Complex, Bandra (E), Mumbai 400 051.

Listing fees upto the financial year 2013-14 have been paid to NSE & BSE and CSE.

(vi) Stock Code :

Name of the Exchange	Code
Bombay Stock Exchange Limited	531936
National Stock Exchange of India Limited	BLUECHIP
The Calcutta Stock Exchange Limited	12057
International Securities Identification Number (ISIN)	INE657B01025
Depositories Connectivity	NSDL and CDSL

(vii) to (viii) Market Price Data : High, Low during each month in the last financial year :

Months (2012-13)	National Stock Exchange (in Rs.)		Bombay Stock Exchange (in Rs.)	
	High	Low	High	Low
April	0.90	0.75	0.99	0.72
May	0.80	0.65	0.84	0.62
June	0.80	0.65	0.80	0.62
July	0.90	0.65	0.85	0.64
August	0.80	0.60	0.80	0.60
September	0.70	0.55	0.72	0.51
October	0.80	0.60	0.78	0.58
November	0.80	0.60	0.86	0.60
December	0.70	0.60	0.72	0.60
January	0.70	0.55	0.70	0.53
February	0.60	0.50	0.62	0.48
March	0.60	0.45	0.70	0.42

(ix) Registrar and Transfer Agents :

The Board has delegated the work of processing of share transfers to Maheshwari Datamatics Private Limited, Registrar and Share Transfer Agents. Their complete address is as follows :

Maheshwari Datamatics Private Limited

6, Mangoe Lane, 2nd Floor,

Kolkata - 700 001

Tel. No. : (033) 2243-5029 / 5809

Fax No. : (033) 2248-4787

(x) Share Transfer System :

The transfer of shares in physical form is processed and completed by Maheshwari Datamatics Private Limited within the statutory time period. In case where shares are held in electronic form, the transfers are processed by NSDL/CDSL through the Depository Participants and Registrars.

(xi) Distribution of Shareholding :

The distribution of shareholding as on 31st March, 2013, pursuant to Clause 35 of the Listing Agreement is as under :

A. Shareholding Pattern of Equity Shares as on 31st March, 2013 :-

	Categories	No. of Shares held	% of Shareholding
A	Holding of Promoters & Promoter Group		
a.	Indian Individuals and HUF	179600	0.3247
b.	Indian Bodies Corporate	6198569	11.2081
	Sub-total (A)	6378169	11.5328
B	Non Promoter's Holdings		
1.	Non-Institutionals :		
a)	Bodies Corporate	14270754	25.8040
b)	Individual Shareholders	34459157	62.3083
c)	Others (Trust, Clearing Member, NRI etc.	196260	0.3548
2.	Institutional Investments	Nil	Nil
	Sub-total (B)	48926171	88.4671
	GRAND TOTAL	55304340	100.00

B. Distribution of Equity Shareholding as on 31st March, 2013 :

No. of Equity Shares held	No. of Shareholders holding shares in			No. of Shares held			% age of Equity Capital held in		
	Physical	NSDL	CDSL	Physical	NSDL	CDSL	Physical	NSDL	CDSL
1 To 500	59	4092	2312	9795	1077052	580118	.0177	1.9475	1.0490
501 To 1000	10	2478	1252	7075	2361544	1192278	.0128	4.2701	2.1558
1001 To 2000	3	1413	665	6000	2499603	1168125	.0108	4.5197	2.1122
2001 To 3000	11	565	249	24801	1542143	675850	.0448	2.7885	1.2221
3001 To 4000	0	296	127	0	1124714	475719	.0000	2.0337	.8602
4001 To 5000	3	514	214	15000	2536384	1053305	.0271	4.5862	1.9046
5001 To 10000	8	546	174	55500	4457937	1344851	.1004	8.0607	2.4317
10001 To above	7	419	135	196825	22092143	10807578	.3559	39.9465	19.5420
Total :	101	10323	5128	314996	37691520	17297824	.5695	68.1529	31.2776

(xii) Dematerialisation of shares and liquidity :

As on 31st March, 2013, 99.43% of the total equity capital was held in dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited.

(xiii) Outstanding GDRs/ADRs/Warrants or any Convertible instruments :

As of 31st March, 2013, there are no outstanding GDRs/ADRs/Warrants or convertible instruments which are likely to have an impact on the Equity Shares.

(xiv) Plant Locations :

The Company does not have any plant.

(xv) Address for correspondence :

Investors' correspondence may be addressed to :-

1. The Compliance Officer
Blue Chip India Limited
10, Princep Street,
2nd Floor,
Kolkata - 700 072.
Tel No. : 033 4002-2880
E-mail : info@bluechipind.net
2. Registrar & Transfer Agent
Maheshwari Datamatics Private Limited
6, Mangoe Lane,
2nd Floor,
Kolkata - 700 001.
Tel No. : (033) 2243-5029 / 5809
Fax No. : (033) 2248-4787

(xvi) E-mail ID of the grievance redressal division / compliance officer exclusively for the purpose of registering complaints by investors : info@bluechipind.net

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT :

The Management's Discussion and Analysis Report forms part of the Director's Report.

CODE OF CONDUCT :

The Company has adopted a Code of Conduct for its Directors and Senior Management Personnel. The Directors and Senior Management Personnel have affirmed the compliance with the same for the financial year 2012-13. A declaration to this effect is given elsewhere in this Annual Report.

RISK MANAGEMENT POLICY :

The Company has formulated a comprehensive Risk Management Policy to reduce the inherent risk associated with the business activities of the Company.

ANNUAL DECLARATION BY MANAGING DIRECTOR ON CODE OF CONDUCT PURSUANT TO CLAUSE 49(I)(D) OF THE LISTING AGREEMENT

I, Arihant Jain, Managing Director of BLUE CHIP INDIA LIMITED having its registered office at 10, Princep Street, 2nd Floor, Kolkata - 700 072 hereby declare that the Company has formulated a Code of Conduct for its Directors and Senior Management Personnel and that all Board Members and Senior Management Personnel have affirmed the compliance of the Code for the financial year 2012-13.

Place : Kolkata

Dated : 30th May, 2013

Sd/-
Arihant Jain
Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**To the Members of Blue Chip India Limited**

We have examined the compliance of conditions of Corporate Governance by Blue Chip India Limited ('the Company') for the year ended on 31st March, 2013, as stipulated in Clause 49 of the Listing Agreement of the Company with stock exchanges.

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 with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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 **Agrawal S. Kumar & Associates**
Chartered Accountants

Mukesh Jhawar
Partner
Membership No. 61308

Place : Kolkata

Dated : 30th May, 2013

**CERTIFICATION BY
MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER**

We hereby certify that for the financial year, ending 31st March, 2013, on the basis of the review of the financial statements and the cash flow statement and to the best of our knowledge and belief that :-

- a. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief :
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. To the best of our knowledge and belief, no transactions entered into by the company during the year ended 31st March, 2013 which are fraudulent, illegal or violative of the company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d. We have indicated, based on our most recent evaluation, wherever applicable, to the auditor and audit committee.
 - i. There has not been any significant changes in internal control over financial reporting during the year under reference.
 - ii. There has not been significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. We are not aware of any instance during the year of significant fraud with involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Arihant Jain
Managing Director

Manoj Saraogi
Chief Financial Officer

Place : Kolkata

Dated : 30th May, 2013

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Economic Overview :

A robust banking and financial sector is critical for activating the economy and facilitating higher economic growth. Financial Intermediaries like NBFCs have a definite and very important role in the financial sector. Particularly in a developing economy like ours. Indian's economy is diverse, encompassing agriculture, handicrafts, textile, manufacturing and a multitude of services. The advent of the digital age has gradually transformed India as an important "back office destination" for global outsourcing of customer service and technical support. The BSE Sensex barely moved despite the Prime Minister's economic advisory council forecasting a GDP growth of 5.6% in 2013-14, marginally better than the 5% pace at which India grew in 2012-13.

Industry Structure and Development – Overview :

NBFC's play a vital role in the context of Indian economy. They are indispensable part in the Indian financial system because they supplement the activities of banks in terms of deposit mobilization and lending. They supplement the role of the banking sector in meeting the increasing financial needs of the corporate sector, delivering the credit to the unorganized sector and to the small local borrowers. NBFC's has flexible structure than banks. Their flexible structure helps in broadening the market by providing the saver and investor a bundle of services on competitive basis.

With virtually all finance company business lines coming under greater competitive pressure, defining strategic initiatives and backing each with the necessary resources has become imperative for success. On the consumer side of the business, the ability to compete in various product offerings often is dictated by operational efficiencies and economies of scale. In this respect NBFC's face problems of high cost of funds because they lack the nation wide branch network and have a comparatively lower Tier-I and Tier- II capital base.

We witness that NBFC sector, in India are facing stiff competition from different banks and financial institutions. The cost of funds of banks is lower as compared to NBFC's. Not only this, they have a very wide network and huge capital base which makes them more attractive than NBFC's. However as the market is volatile in nature, the long term growth of capital market calls for a matter of concern.

Opportunities, threats, risks and concerns :

Your Company has operations in finance and equity investments. The independent finance industry issues debt and lends the proceeds to individuals (consumer finance companies) and corporations (commercial finance companies) on both a secured and unsecured basis. Unlike the commercial banks, whose deposit taking ability adds significantly to funding availability, finance companies rely almost exclusively on institutional borrowings and access to the public debt markets for funding. Consequently, the ability to access the short, medium and long-term markets at competitive rates is critical to their ongoing viability. Your company faces tough competition from Nationalized, Foreign and Private Sector Banks due to their inability to grant loan at a considerably low rate of interest.

Your Company is exposed to external and internal risks associated with the business. It is exposed to strong competitive pressures and financial risks from changes in interest rate, economic cycles etc.

There is a major threat coming from Banks. Banks have reduced the rate of interest, this has reduced the spread, thereby reducing the margin. The volatile nature of market also poses another threat. Your Company also faces stiff competition from Nationalised, Foreign and Private Sector Banks as they provide loans at a very low rate of interest.

The company has its own specific risks that are particular to its business including default risk, fluctuation of interest rates, economic cycles etc. Moreover existing banks are moving into retail sector and regional banks like Assamese banks are coming into play, which poses major concern for your company. The volatility in the market is a matter of concern. However economic parameters being strong will upsurge the economy. Your company has a well defined and prudent business practice and a comprehensive Risk Management Policy to manage this risk.

"Notwithstanding their diversity, NBFCs are characterized by their ability to provide niche financial services in the Indian economy. Because of their relative organizational flexibility leading to a better response mechanism, they are often able to provide tailor made services relatively faster than banks and financial institutions, which are capable of enhancing the functional efficiency of the financial system, instances of unsustainability, often on account of high rates of interest on their deposits and periodic bankruptcies, underscore the need for reinforcing their financial viability. Your Company sees opportunities in the market with existing and new customers. Your Company has dedicated accounts team to focus on each customer. Rising input costs and volatility in material, energy are some of the key challenges that your company is addressing by specific initiatives for each.

Future Outlook :

Your Company intends to invest in businesses related to infrastructure, telecommunication, soft ware etc. and wide variety of products and services. in the coming years since it sees good prospect in these areas. It would definitely try to establish itself and remain as a strong player in the finance industry. With the Capital market expected to be in a better mode than the previous few years and with our efforts we can look forward to a prosperous year for the company.

Internal Control Systems and their adequacy :

The Company has in place adequate internal control systems and procedures commensurate with the size and nature of its business. These procedures are designed to ensure :

- That all assets and resources are used efficiently and are adequately protected;
- That all internal policies and statutory guidelines are complied within letter & spirit;
- The accuracy and timing of financial reports and management information.

Material Development in Human Resources/Industrial relations front number of people employed :

The Company believes that people are the key ingredient to the success of an organization. Looking after people makes good business sense because, if people are motivated, service excellence will follow. The relations remain cordial throughout the year between employees and the management. The Company recognizes the importance and contribution of its Human resources for its growth and development and is committed to the development of its people.

Financial and Operational Performance :

The performance of the company during the current year has not improved in comparison to previous year.

Cautionary Statement :

Statement in the Management's Discussion and Analysis describing the Company's projections estimates, expectations or predictions may be forward looking predictions within the meaning of applicable securities laws and regulations. These forward-looking statements are based on certain assumptions and expectations of future events over which the Company exercises no control. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. Actual results may differ materially from such estimates, projections, etc. whether expressed or implied.

AUDITORS' REPORT

To The Members of
BLUE CHIP INDIA LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **BLUE CHIP INDIA LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

1. As required by section 227(3) of the Act, we report that :
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - 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.

Place : Kolkata

Dated : 30th day of May, 2013

For Agrawal S. Kumar & Associates
Chartered Accountants
Firm Regn No. 322324E
Hitesh Lilha
Partner
Membership No. 069536

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of Blue Chip India Limited, on the accounts of the company for the year ended 31st March, 2013.

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

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
(c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses 3 (b), 3 (c) and 3 (d) of the order are not applicable to the Company.
(e) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, there were no contracts or arrangements referred to in section 301 of the Act entered during the financial year.
(b) Since there were no transaction so this clause does not apply.
6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
8. To the best of our knowledge the Central Government has not prescribed the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 for any of the products of the Company.
9. (a) According to the records of the company, undisputed statutory dues including Provident Fund,

Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no Statutory dues outstanding as on 31.03.2013 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there is no Income Tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
10. The Company have accumulated loss more than 50% of its Net Worth. However the Company has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
 11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
 12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
 13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
 14. According to information and explanations given to us, the Company is trading in Shares, Mutual funds & other Investments. Proper records & timely entries have been maintained in this regard & further investments specified are held in their own name.
 15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
 16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
 17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2013, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
 18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
 19. The Company has no outstanding debentures during the period under audit.
 20. The Company has not raised any money by public issue during the year.
 21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For Agrawal S. Kumar & Associates
Chartered Accountants
Firm Regn No. 322324E
Hitesh Lilha
Partner
Membership No. 069536

Place : Kolkata

Dated : 30th day of May, 2013

BALANCE SHEET as at 31st March, 2013

BALANCE SHEET as at 31st March, 2013

Particulars	Notes No.	(In ₹)	
		As at 31.03.2013	As at 31.03.2012
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	110,608,680.00	110,608,680.00
(b) Reserves and Surplus	2	(98,211,131.13)	(99,726,732.37)
(2) Non-Current Liabilities			
(a) Long Term Borrowings	3	7,373,377.85	12,505,126.68
(b) Other Non Current Liabilities	4	—	2,642,029.00
(c) Other Long Term Liabilities	5	53,720,860.00	—
(3) Current Liabilities			
(a) Trade Payables	6	15,717,547.20	17,211,736.40
(b) Other Current Liabilities	7	1,680,324.75	55,428,685.00
(c) Short-Term Provisions	8	3,805,614.00	3,585,614.00
Total		94,695,272.67	102,255,138.71
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	9	4,373,585.75	4,925,599.75
(b) Deferred tax assets (net)		15,629,898.00	15,629,893.00
(c) Long term Loans & Advances	10	24,817,451.23	13,419,009.23
(2) Current Assets			
(a) Inventories	11	42,381,773.04	47,621,430.04
(b) Trade receivables	12	454,118.15	14,178,678.97
(c) Cash and cash equivalents	13	2,340,331.02	1,714,758.24
(d) Other current assets	14	4,698,120.48	4,765,769.48
Total		94,695,272.67	102,255,138.71

Significant Accounting Policies

Notes to Accounts

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As per our Report of even date
For **Agrawal S. Kumar & Associates**
Chartered Accountants
Firm Registration No. 322324E

Arihant Jain
Managing Director

Place : Kolkata

Date : 30th day of May, 2013

Hitesh Lilha
Partner
Membership No. 069536

Pranab Chakraborty
Director

STATEMENT OF PROFIT & LOSS for the year ended 31st March, 2013

(In ₹)

<u>Sr. No.</u>	<u>Particulars</u>	<u>Notes No.</u>	<u>As at 31.03.2013</u>	<u>As at 31.03.2012</u>
I.	Revenue from operations	15	335,216,617.62	605,389,825.38
II.	Other Income	16	3,236,273.71	3,282,938.28
III.	Total Revenue		338,452,891.33	608,672,763.66
IV.	Expenses			
	Cost of shares purchased	17	326,075,586.69	575,804,669.00
	Changes in inventories of Shares	18	5,239,657.00	25,447,139.44
	Employee Benefit Expense	19	856,131.00	459,836.00
	Depreciation & Amortised Cost	20	574,520.00	566,713.00
	Other Expenses	21	4,217,506.15	5,951,032.28
	Total Expenses		336,963,400.84	608,229,389.72
V.	Profit before tax and exceptional items	(III - IV)	1,489,490.49	443,373.94
VI.	Exceptional Items		—	—
VII.	Profit before tax	(V - VI)	1,489,490.49	443,373.94
VIII.	Tax expense :			
	(1) Current Tax		220,000.00	—
	(2) Deferred tax		—	7,269,082.00
IX.	Profit(Loss) after tax	(VII - VIII)	1,269,490.49	7,712,455.94
	Add: Previous Year Adjustment		246,110.75	—
X.	Profit/(Loss) for the year	(VIII - IX)	1,515,601.24	7,712,455.94
XI.	Earning per equity share:			
	(1) Basic & Diluted (in Rs.)		0.03	0.14

Significant Accounting Policies

Notes to Accounts

30

As per our Report of even date
For Agrawal S. Kumar & Associates
Chartered Accountants
Firm Registration No. 322324E

Hitesh Lilha

Partner

Membership No. 069536

Arihant Jain
Managing Director

Pranab Chakraborty
Director

Place : Kolkata

Date : 30th day of May, 2013

CASH FLOW STATEMENT

DESCRIPTION	Year ended 31st March, 2013 (Rs.)	Year ended 31st March, 2012 (Rs.)
A. Cash Flow from Operating Activities		
Net Profit, Before Tax & Extraordinary Items	1,489,490.49	443,373.94
Depreciation	574,520.00	566,713.00
Previous Year Adjustment	246,110.75	—
Operating Profit before Working Capital Changes	2,310,121.24	1,010,086.94
Changes in Working Capital		
Inventories	5,239,657.00	25,447,139.44
Trade Receivables	13,724,560.82	(12,093,041.24)
Short Term Loan and Advances	—	—
Long Term Loan and Advances	(11,398,442.00)	1,668,823.00
Other Current Assets (Deferred Tax Liabilities)	67,649.00	—
Trade payable	(1,494,189.20)	(61,557,121.00)
Other Current Liabilities	(53,748,360.25)	55,428,685.00
Other Long Term Liabilities	48,589,111.17	(9,373,626.53)
Other Non Current Liabilities	(2,642,029.00)	408,325.44
Net Cash from Operating Activities (A)	648,078.78	939,271.05
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	—	(12,350.00)
Dividend Received	(22,506.00)	—
Net Cash Flow from Investing Activities (B)	(22,506.00)	(12,350.00)
C. Cash Flow from Financing Activities		
	—	—
	—	—
Net Increase in Cash and Cash Equivalents (A+B+C)	625,572.78	926,921.05
Cash and Cash Equivalents (Opening Balance)	1,714,758.24	787,837.19
Cash and Cash Equivalents (Closing Balance)	2,340,331.02	1,714,758.24

As per our Report of even date
For **Agrawal S. Kumar & Associates**
Chartered Accountants
Firm Registration No. 322324E
Hitesh Lilha

Partner
Membership No. 069536

Arihant Jain
Managing Director

Pranab Chakraborty
Director

Place : Kolkata

Date : 30th day of May, 2013

Notes on Financial Statement for the year ended 31st March, 2013

Sr. No.	Particulars	(In ₹)	
		31.03.2013	31.03.2012
Notes : 1 Share Capital			
1	AUTHORIZED CAPITAL		
	107,500,000 Equity Shares of Rs. 2/- each.	215,000,000.00	215,000,000.00
		215,000,000.00	215,000,000.00
2	ISSUED, SUBSCRIBED & PAID UP CAPITAL		
	55,304,340 Equity Shares of Rs. 2/- each fully paid up in Cash	110,608,680.00	110,608,680.00
	Total	110,608,680.00	110,608,680.00

Notes : 1a Shareholders holding more than 5%

	31-03-2013		31-03-2012	
	No. of Shares	%	No. of Shares	%
1 Bahubali Properties Ltd	3,982,980	7.20%	3,982,980	7.20%
2 Lalita Jain	—	—	179,600	0.32%
3 Herald Commerce Ltd	—	—	1,885,441	3.41%
4 Silicon Valley Infotech Ltd	—	—	330,145	0.60%
Total	3,982,980		6,378,166	

	(In ₹)	
	31.03.2013	31.03.2012
Notes : 2 Reserve & Surplus		
1 Amalgamation Reserve	12,831,689.45	12,831,689.45
2 Reserve Fund	3,974,640.00	3,974,640.00
3 Share Premium	27,393,500.00	27,393,500.00
4 Surplus /(defecit) in statement of Profit & Loss		
Balance as per last account	(143,926,561.82)	(151,639,017.76)
Add : Net Profit/(loss) for the period	1,515,601.24	7,712,455.94
Total	<u>(98,211,131.13)</u>	<u>(99,726,732.37)</u>

Notes : 3 Long Term Borrowings

Secured Loans	7,373,377.85	12,505,126.68
Total	<u>7,373,377.85</u>	<u>12,505,126.68</u>

Notes on Financial Statement for the year ended 31st March, 2013 (Contd.)

Sr. No.	Particulars	31.03.2013	31.03.2012
(In ₹)			
Notes : 4 Other Long Term Liabilities			
	Income Tax Payable	—	56,853.00
	Outstanding Liabilities	—	361,611.00
	Fringe Benefit Tax Payable	—	7,110.00
	TDS Payable - IIFL	—	601,149.00
	TDS Payable - Motilal	—	1,615,306.00
	Total	—	2,642,029.00
Notes : 5 Other Long Term Liabilities			
	Advance Received	53,720,860.00	—
	Total	53,720,860.00	—
Notes : 6 Trades Payable			
	Trade Payables	15,717,547.20	17,211,736.40
	Total	15,717,547.20	17,211,736.40
Notes : 7 Other Current Liabilities			
	Advance Received	—	55,428,685.00
	Income Tax Payable	56,853.00	—
	Outstanding Liabilities	180,535.75	—
	Fringe Benefit Tax Payable	7,110.00	—
	TDS Payable - IIFL	601,149.00	—
	TDS Payable - Motilal	834,677.00	—
	Total	1,680,324.75	55,428,685.00
Notes : 8 Short Term Provisions			
	Provision for Taxation	3,585,614.00	3,585,614.00
	Provision for Taxation (AY: 2013-14)	220,000.00	—
	Total	3,805,614.00	3,585,614.00

Notes on Financial Statement for the year ended 31st March, 2013 (Contd.)

Notes : 9

FIXED ASSETS

PARTICULARS	G R O S S B L O C K			D E P R E C I A T I O N			N E T B L O C K		
	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2013
									WDV as on 31.03.2012
Tangible Assets									
Land	10,00,000.00	—	—	10,00,000.00	—	—	—	—	10,00,000.00
Computer	4,88,567.00	22,506.00	—	5,11,073.00	3,60,943.00	—	86,436.00	4,47,379.00	63,694.00
Electrical Install	2,52,163.00	—	—	2,52,163.00	50,898.00	—	11,984.00	62,882.00	1,89,281.00
Office Equipment	15,69,895.00	—	—	15,69,895.00	3,65,171.00	—	74,564.00	4,39,735.00	11,30,160.00
Vehicles	27,35,979.00	—	—	27,35,979.00	15,41,773.00	—	2,59,912.00	18,01,685.00	9,34,294.00
Furniture & Fixture	22,37,350.00	—	—	22,37,350.00	10,39,569.25	—	1,41,624.00	11,81,193.25	10,56,156.75
TOTAL	82,83,954.00	22,506.00	—	83,06,460.00	33,58,354.25	—	5,74,520.00	39,32,874.25	43,73,585.75
									49,25,599.75

Notes on Financial Statement for the year ended 31st March, 2013 (Contd.)

		(In ₹)	
<u>Sr. No.</u>	<u>Particulars</u>	<u>31.03.2013</u>	<u>31.03.2012</u>
Notes : 10 Long term Loans and Advances			
	Others	24,817,451.23	13,419,009.23
	Total	24,817,451.23	13,419,009.23

Remarks: The above loans to body corporates and loan to others had been given at 9% per annum.

		(In ₹)			
Sr. No.	Particulars	No. of Share 31.03.2013	Amount 31.03.2013	No. of Share 31.03.2012	Amount 31.03.2012
Notes : 11 Inventories					
	Quoted Shares	1,744,407	42,322,149.04	1,895,622	38,759,569.15
	Unquoted Shares	5,740	59,624.00	4,620	2,205,624.00
	Mutual Funds	—	—	489,221	6,653,999.99
	Debentures	—	—	220	2,236.90
	Total	1,750,147	42,381,773.04	2,389,683	47,621,430.04

MARKET VALUE OF QUOTED SHARE AND DEBENTURE

43,168,407.19	43,168,407.19
----------------------	----------------------

Sr. No.	Particulars	(In ₹)	
		31.03.2013	31.03.2012

Notes : 12 Trade Recievables**1 Outstanding for less than six months**

a) Unsecured, Considered Good :

	454,118.15	14,178,678.97
Total	454,118.15	14,178,678.97

Notes : 13 Cash & Cash Equivalent**1 Cash-in-Hand**

Cash Balance	1,789,594.34	231,570.34
Sub Total (A)	1,789,594.34	231,570.34

2 Bank Balance

With Fixed Deposit	—	100,000.00
With Canara Bank (Princep Street)	151,794.00	317,558.82
With Oriental Bank of Commerce	8,331.67	5,991.08

Notes on Financial Statement for the year ended 31st March, 2013 (Contd.)

Sr. No.	Particulars	31.03.2013	(In ₹) 31.03.2012
Notes : 13 Cash & Cash Equivalent (Contd.)			
	Citi Bank	104,411.45	107,800.78
	HDFC Bank	286,199.56	951,837.22
	Sub Total (B)	550,736.68	1,483,187.90
	Total [A + B]	2,340,331.02	1,714,758.24
Notes : 14 Other Current Assets			
1	Tax Deducted at Sources	1,378,322.48	1,378,322.48
2	Income Tax Paid	3,269,792.00	3,337,441.00
3	Fringe Benefit Tax Paid	50,006.00	50,006.00
	Total	4,698,120.48	4,765,769.48
Notes : 15 Revenue from Operations			
1	Sale of Shares	335,216,617.62	605,389,825.38
	Total	335,216,617.62	605,389,825.38
Notes : 16 Other Income			
1	Interest Received	—	1,065.21
2	Profit & Loss on Share Dealing	2,211,526.46	1,724,590.00
3	Dividend Received	1,024,747.25	1,557,283.07
	Total	3,236,273.71	3,282,938.28
Notes : 17 Cost of shares Purchased			
a) PURCHASES OF Shares			
1	Quoted Shares & Unquoted Shares	326,075,586.69	575,804,669.00
	Total	326,075,586.69	575,804,669.00
Notes : 18 Change in Inventories			
1	Opening Stock	47,621,430.04	73,068,569.48
2	Closing Stock	42,381,773.04	47,621,430.04
	Total	5,239,657.00	25,447,139.44

Notes on Financial Statement for the year ended 31st March, 2013 (Contd.)

Sr. No.	Particulars	31.03.2013	(In ₹) 31.03.2012
Notes : 18 Change in Inventories			
1	Opening Stock	47,621,430.04	73,068,569.48
2	Closing Stock	42,381,773.04	47,621,430.04
	Total	5,239,657.00	25,447,139.44
Notes : 19 Employment Benefit Expenses			
1	Employee expenses	856,131.00	459,836.00
	Total	856,131.00	459,836.00
Notes : 20 Depreciation & Amortised Cost			
1	Depreciation	574,520.00	566,713.00
	Total	574,520.00	566,713.00
Notes : 21 Other Expenses			
1	Advertisement	83,075.00	54,425.00
2	Audit fees	36,719.00	34,000.00
3	Bank Charges	4,163.00	4,510.90
4	Business Promotion	10,113.00	—
5	Computer Stationery	98,406.00	193,560.00
6	Custodian Charges	154,484.89	146,477.15
7	Delay Charges	4,473.68	—
8	Debit Balance Written Off	—	—
9	Electricity Charges	85,410.00	71,798.00
10	Filling Fees	2,000.00	2,000.00
11	Insurance Charges	13,500.00	16,000.00
12	Interest Paid	1,791,458.46	2,515,200.97
13	Listing Fees	121,348.80	146,148.00
14	Membership & Subscription	—	18,354.00
15	Miscellaneous Expenses	—	9,962.00
16	Motar Car Expenses	—	—
17	Postage & Courier Charges	8,750.00	7,490.00
18	Previous Year Adjustment	66,968.00	31,640.00
19	Printing & Stationery	34,997.00	49,986.00
20	Professional Charges	22,198.00	3,700.00
21	Professional Tax	—	3,300.00

Notes on Financial Statement for the year ended 31st March, 2013 (Contd.)

Sr. No.	Particulars	31.03.2013	31.03.2012
(In ₹)			
Notes : 21 Other Expenses (Contd.)			
22	Profit/(Loss) Share Dealing	—	—
23	Rent Rates & Taxes	373,960.00	373,410.00
24	Registrar & Depository Fees	—	—
25	Repairs & Maintenance	134,755.92	58,411.00
26	Share Trading Statutory & Other Expenses	973,953.84	1,835,776.22
27	Software Expenses	—	141,360.00
28	Telephone Charges	178,570.56	200,733.04
29	Travelling & Conveyance	18,201.00	32,790.00
Total		4,217,506.15	5,951,032.28

(Annexed to and forming part of the Accounts for the year ended 31st March, 2013)

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS**SIGNIFICANT ACCOUNTING POLICIES :****(22) BASIS OF ACCOUNTING :**

The Financial Statements have been prepared under the Historical Cost Convention and one on accrual basis.

(23) INCOME RECOGNITION :

All revenues/incomes except Dividend, Interest on Debentures are recognised on accrual basis of accounting.

(24) PRINCIPAL ACCOUNTING POLICIES :

Accounting Policies unless specifically stated to be otherwise, and are consistent and are in consonance with generally accepted accounting principles.

(25) GRATUITY :

The Company has taken Group Gratuity Policy from LIC of India for its employees and contribution paid during the year has been charged to Profit & Loss Account.

(26) STOCK IN TRADE :

Stock in Trade are valued at lower of Cost and Market Value.

(27) FIXED ASSETS :

Fixed Assets are stated at cost of acquisition less depreciation.

(28) DEPRECIATION :

Depreciation has been provided on Straight Line Method at the rates prescribed in Schedule XIV to the Companies Act, 1956.

(29) CONTINGENT LIABILITIES :

Contingent liabilities are generally not provided for in the books of accounts of accounts and are separately shown in the Notes on Accounts.

(30) NOTES ON ACCOUNTS**(A) Quantitative details of goods traded :**

	S H A R E S		S H A R E S	
	As on 31.03.2013		As on 31.03.2012	
	Qty. (Nos.)	Amount (Rs.)	Qty. (Nos.)	Amount (Rs.)
Opening Inventory	23,89,683	4,76,21,436.04	19,55,019	7,30,68,569.48
Purchases	51,73,588	32,60,75,586.69	68,26,746	57,58,04,669.00
Sales	58,13,124	33,54,46,320.12	63,92,082	60,53,89,825.38
Closing Inventory	17,50,147	4,23,81,773.04	23,89,683	4,76,21,436.04

(B) In the opinion of the Management, the Sundry Debtors, Loan & Advances and Current Assets have a value on realisation in the ordinary course of business atleast equal to the amount at which they are stated in the Balance Sheet.

(C) Earning & Expenditure in foreign currency.

(D) Certain balances of Sundry Debtors, Sundry Creditors and Loans & Advances are subjects to confirmation.

(E) Since the company has operated only in one segment, i.e. Trading in Shares & Securities, provision relating to segment wise Report as per AS- 17 are not applicable.

(F) Related Party Disclosures :

List of Related Parties with whom transactions have been taken place during the year :

(a) Key Management Personnel, Directors Relatives :

1) Arihant Jain	Managing Director
2) Pranab Chakraborty	Director
3) Amiya Kumar Basu	Director
4) Subhabrata Talukdar	Director

(b) Enterprises over which above person has signification infulence :

NIL

(c) Transaction with the persons mentioned in(A) above :

Remuneration

NIL

(d) Transaction with the persons mentioned in (A) above :

Purchase of Shares during the year	—
Sale of Shares during thr Year	—

(G) Deferred Tax :

In view of no virtual certainty of future profits to set off losses, no provision for deferred tax has been made as required.

(H) Information Pursuant to paragraph 9BB Non Banking Financial Companies Prudential Norms (Reserve Bank) Direction, 1998 has been given in Annexure - II.**(I) Retirement Benefits :**

Provision for retirement benefits has been made as no employee has put in the qualifying period of service for entitled of the benefit.

(J) Earnings per Share :

The Company reports basic and diluted earnings per equity share in accordance with Accounting Standard - 20 'Earnings per Share' issued by the Institute of Chartered Accountants of India :

	<u>2012 - 13</u>	<u>2011 - 12</u>
a) Numerator used : Profit after Tax	15,15,601.24	77,12,455.94
b) Denominator used : No. of Equity Shares of Rs. 10/- each outstanding during the year	5,53,04,340	5,53,04,340
c) Earning per Share	0.03	0.14

(L) Figures in brackets represent previous year figures.**(M) Schedule "A" TO "R" annexed here with are forming part of the Balance Sheet and the Profit & Loss Account.**

As per our Report of even date
For Agrawal S. Kumar & Associates
 Chartered Accountants
 Firm Registration No. 322324E
Hitesh Lilha
 Partner
 Membership No. 069536

Arihant Jain
 Managing Director

Place : Kolkata

Date : 30th day of May, 2013

Pranab Chakraborty
 Director

ANNEXURE - II

Schedule to the Balance Sheet of a non-deposit taking non-banking financial company
(as required in terms of **Paragraph 13** on Non-Banking Financial (Non-Deposit Accepting or Holding)
Companies Prudential Norms (Reserve Bank) Directions, 2007)

(Rs. in Lakhs)

	Particulars		
	Liabilities Side :		
1.	Loans and advances availed by the Non-banking Financial Company inclusive of interest accrued thereon but not paid :	Amount Outstanding	Amount Overdue
	(a) Debentures : Secured	NIL	NIL
	Unsecured (other than falling within the meaning of public deposits*)	NIL	NIL
	(b) Deferred Credits	NIL	NIL
	(c) Term Loans	248.17	NIL
	(d) Inter-corporate Loans and Borrowings	NIL	NIL
	(e) Commercial Paper	NIL	NIL
	(f) Other Loans (specify nature)	NIL	NIL
	*Please see Note 1 below		
	Assets Side :		
		Amount Outstanding	
2.	Break-up of Loans and Advances including bills receivables (other than those included in (4) below) :		
	(a) Secured	NIL	
	(b) Unsecured	73.73	
3.	Break-up of Leased Assets and Stock on hire and other assets counting towards AFC activities :		
	(i) Lease assets including lease rentals under sundry debtors :		
	(a) Financial Lease	NIL	
	(b) Operating Lease	NIL	
	(ii) Stock on hire including hire charges under sundry debtors :		
	(a) Assets on hire	NIL	
	(b) Repossessed Assets	NIL	
	(iii) Other loans counting towards AFC activities :		
	(a) Loans where assets have been repossessed	NIL	
	(b) Loans other than (a) above	NIL	

	Particulars	Amount Outstanding
4.	Break-up of Investments :	
	Current Investments :	
	1. Quoted :	
	(i) Shares : (a) Equity	423.22
	(b) Preference	NIL
	(ii) Debentures and Bonds	NIL
	(iii) Units of Mutual Funds	NIL
	(iv) Government Securities	NIL
	(v) Others (please specify)	NIL
	2. Un-Quoted :	
	(i) Shares : (a) Equity	0.57
	(b) Preference	NIL
	(ii) Debentures and Bonds	NIL
	(iii) Units of Mutual Funds	NIL
	(iv) Government Securities	NIL
	(v) Others (Please specify)	NIL
	Long Term Investments :	
	1. Quoted :	
	(i) Shares (a) Equity	NIL
	(b) Preference	NIL
	(ii) Debentures and Bonds	NIL
	(iii) Units of Mutual Funds	NIL
	(iv) Government Securities	NIL
	(v) Others (please specify)	NIL
	2. Un-Quoted :	
	(i) Shares (a) Equity	NIL
	(b) Preference	NIL
	(ii) Debentures and Bonds	NIL
	(iii) Units of Mutual Funds	NIL
	(iv) Government Securities	NIL
	(v) Others (please specify)	NIL

5.	Borrower group-wise classification of assets financed as in (2) and (3) above : Please see Note 2 below			
	Category	Amount net of provisions		
		Secured	Unsecured	Total
	1. Related Parties**			
	(a) Subsidiaries	NIL	NIL	NIL
	(b) Companies in the same group	NIL	NIL	NIL
	(c) Other related parties	NIL	NIL	NIL
	2. Other than related parties	NIL	248.17	248.17
	Total	NIL	248.17	248.17

6.	Investor group-wise classification of all investments (Current and Long Term) in shares and securities (both quoted and unquoted) : Please see Note 3 below		
	Category	Market Value/Break-up or Fair Value or NAV	Book Value (Net of Provisions)
	1. Related Parties**		
	(a) Subsidiaries	NIL	NIL
	(b) Companies in the same group	NIL	NIL
	(c) Other related parties	NIL	NIL
	2. Other than related parties		
	Total		

** As per Accounting Standard of ICAI (Please see Note 3).

7.	Other Information :	
	Particulars	Amount
	(i) Gross Non-Performing Assets	
	(a) Related Parties	NIL
	(b) Other than related parties	NIL
	(ii) Net Non-Performing Assets	
	(a) Related Parties	NIL
	(b) Other than related parties	NIL
	(iii) Assets acquired in satisfaction of debt	NIL

Notes :

- As defined in paragraph 2(1)(xii) of Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value / NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.

BLUE CHIP INDIA LIMITED

Regd. Office : 10, Princep Street, 2nd Floor, Kolkata - 700 072

PROXY FORM

Shares held
Registered Folio No.

DP ID No.
Client ID No.

I/We of
..... being a member/(s) of
the above Company, hereby appoint
..... of
or failing him/her
of
as my/our Proxy to vote for me/us and on my/our behalf at the 28th ANNUAL GENERAL MEETING of the
Company, to be held at "Somani Conference Hall", Merchants Chamber of Commerce, 15B, Hemanta Basu
Sarani, Kolkata - 700 001 on Thursday, 26th September, 2013 at 10.00 a.m.

Signed this.....day of.....2013.

Signed by the said.....

Affix
Rs. 1/-
Revenue
Stamp

NOTE : The proxy to be effective should be deposited at the Registered Office of the Company not less than 48
hours before the commencement of the meeting.

BLUE CHIP INDIA LIMITED

Regd. Office : 10, Princep Street, 2nd Floor, Kolkata - 700 072

ATTENDANCE SLIP

(Please complete this Attendance Slip and hand it over at the entrance of the Meeting Hall)

Shares held
Registered Folio No.

DP ID No.
Client ID No.

..... (Please write your name in BLOCK Letters)

I hereby record my presence at the 28th ANNUAL GENERAL MEETING of the Company, to be held at "Somani
Conference Hall", Merchants Chamber of Commerce, 15B, Hemanta Basu Sarani, Kolkata - 700 001 on Thursday,
26th September, 2013 at 10.00 a.m.

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

NOTES :

1. Members/Proxy holders are requested to bring their copies of the Annual Report with them at the Meeting.
2. Please carry with you this Attendance Slip and hand over the same duly signed at the space provided, at the entrance of the Meeting Hall.