

# **19<sup>th</sup>** **Annual Report 2007-2008**

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**BGIL**  
***Films & Technologies Ltd.***

**"And in my opinion, entertainment in its broadest sense has become a necessity rather than a luxury in the life ... Walt Disney"**



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Films & Technologies Ltd.

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# **BGIL**

## **Films & Technologies Ltd.**

### **ANNUAL REPORT 2007-2008**

#### **BOARD OF DIRECTORS**

Mr. Rakesh Bhatia	<i>Chairman cum Managing Director</i>
Mr. Anil Kumar Agarwal	<i>Director</i>
Mr. Sanjeev Kumar Mittal	<i>Director</i>

#### **COMPANY SECRETARY**

Mr. Pankaj Kumar

#### **AUDITORS**

M/s SNMG & Co.  
Chartered Accountants  
E-35, LGF, Lajpat Nagar - III,  
New Delhi - 110024

#### **BANKERS**

Syndicate Bank  
ICICI Bank

#### **REGISTERED OFFICE**

623A, Devika Tower, 6, Nehru Place,  
New Delhi - 110019  
Email:- [bgilfilms@bgilinfo.com](mailto:bgilfilms@bgilinfo.com)  
Website : [www.bgilfilms.com](http://www.bgilfilms.com)

#### **BRANCH OFFICE**

C- Wing, Amaltas, Above HDFC Bank,  
Juhu Versova Link Road,  
Andheri (W), Mumbai - 400053

## NOTICE

NOTICE is hereby given that the Nineteenth Annual General Meeting (AGM) of the members of BGIL Films & Technologies Limited will be held on Friday, the 28th November, 2008, at 11:30 A.M. at New Delhi A-81, Bipin Chandra Pal Memorial Trust, C.R. Park, New Delhi-110 019, to transact the following businesses:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2008, Profit & Loss Account for the period ended on that date and the Reports of the Board of Directors & Auditors thereon.
2. To appoint a Director in place of Mr. Anil Kumar Agarwal who retires by rotation at this meeting and being eligible, offers himself for re-appointment.

**"RESOLVED THAT** Mr. Anil Kumar Agarwal be and is hereby appointed as a Director of the Company, liable to retire by rotation."

3. To consider, and if thought fit, to pass with or without modification (s), the following resolution for appointment and fixation of the remuneration for the Statutory Auditors for the Financial Year 2007-2008 as an **ORDINARY RESOLUTION**:

**"RESOLVED THAT** pursuant to the provisions of Section 224 and other applicable provision, if any, of the Companies Act, 1956, M/s SNMG & Co., Chartered Accountants, be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as may be decided by the Board of Directors of the Company."

By Order of the Board of Directors

Sd/-

**Rakesh Bhatia**

*Chairman cum Managing Director*

Place: New Delhi  
Date : 31st October, 2008

### NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY FORM IS ENCLOSED. THE INSTRUMENT APPOINTING A PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. All documents referred to in the notice or in the accompanying explanatory statement are open for inspection at the Registered Office of the Company between working hours on all working days upto the date of Annual General Meeting.
3. The details pertaining to the appointment/ reappointment of Directors are furnished in statement of Corporate Governance in the Director's Report/ in the Explanatory Statement in the notice.
4. The Register of Members and the Share Transfer books of the Company will remain closed on 27th November 2008 to 28th November 2008 (both days inclusive) for the purpose of Annual General Meeting.
5. Members/proxies should bring their copy of the Annual Report for reference at the meeting as also the attendance slip duly filled in for attending the meeting.
6. Members are informed that in case of joint holders attending the meeting, only such joint holder who is first in the order of names will be entitled vote.



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7. The communication address of our Registrar and Share Transfer Agent (RTA) is Beetal Financial & Computer Services (P) Limited having its office at Beetal House, 3rd Floor, 99, Near Dada harsukh Das Mandir, Behind local Shopping Complex, Madangir, New Delhi –110062
8. The members are requested to intimate changes if any, in their registered address to the Registrar & Share Transfer Agents for shares held in physical form & to their respective Depository participants for shares held in electronic form.

By Order of the Board of Directors

**Sd/-**

Place: New Delhi

**Rakesh Bhhatia**

Date : 31st October, 2008

*Chairman cum Managing Director*

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## DIRECTORS' REPORT

To the Members,

Your directors take pleasure in presenting the Nineteenth Annual Report and Audited Statement of Accounts of the Company for the period ended on 31st March 2008.

### FINANCIAL RESULTS

The financial results of the Company for the period under review are summarized below. The previous figures in the financial statements have been regrouped, wherever necessary

PARTICULARS	2007-2008 (Rs. in Lacs)	2006-2007 (Rs. in Lacs)
Income from Operation	2060.89	1027.99
Other Income	0.02	4.75
Total Income	2060.91	1032.74
Total Expenditure	1935.58	997.15
PBID & Tax	125.33	35.59
Interest	0.50	0.12
Depreciation	19.68	7.45
Profit before Tax	105.15	28.02
Provision for Taxation	14.99	4.25
Deferred Tax	18.32	8.19
Profit after Tax (PAT)	71.84	15.58
Amount available for Appropriation	79.98	8.47
Balance carried to Balance Sheet	79.98	8.47
Paid up Equity Share Capital	640.68	640.68
Reserve & Surplus	669.70	598.19

### FINANCIAL YEAR

The accounting year under review is for the period of 12 months ended 31st March 2008.

### OPERATIONS

The total revenues increased to Rs.2060.91 Lacs from Rs 1032.74 in the previous year. The operating profit earned during the year is Rs 125.33 Lacs and profit after tax is Rs.71.84 Lacs

### SHARE CAPITAL

There has been no change in Authorised and Paid-up share capital of the Company during the period

### DIRECTORS

During the period under review, Mr. Ravi Kumar Sharma Resigned from the Directorship of the Company, w.e.f. 30.08.2007.

The Board records its sincere appreciation for the valuable services rendered by them.

Mr. Anil Kumar Agarwal, Director retires by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.

Mr. Rakesh Bhatia resumed office as the Managing Director during the year, w.e.f 29th August, 2007.

### CHANGE OF ADDRESS OF REGISTERED OFFICE.

During the Year the Registered Office has been shifted to following address:

623A, Devika Towers, 6, Nehru Place, New Delhi-110019.

**BGIL***Films & Technologies Ltd.***EXTENSION OF ANNUAL GENERAL MEETING**

As per the Provision of the Companies Act 1956, latest due date for holding 19th Annual General Meeting was 30.09.2008. However the Company had applied to the Registrar of Companies, NCT, Delhi & Haryana for extension for holding 19th Annual General Meeting due to pendency of petition before Honorable High Court of Delhi, regarding Shares litigation belongs to Promoters and Associates Group. The Registrar of Companies, NCT, Delhi & Haryana has grant the extension for holding the 19th Annual General Meeting by allowing to hold the Annual General Meeting by 30th November 2008, vide letter dated 08.09.2008.

**PUBLIC DEPOSIT**

Your company has never invited/accepted any deposit from the public with the meaning of Section 58A of the Companies Act, 1956 and the Rules made there under during the period under review.

**APPOINTMENT OF STATUTORY AUDITORS**

M/s SNMG & Co. Chartered Accountants New Delhi retiring as the Statutory Auditors, at the conclusion of the forthcoming Annual General Meeting of the company and being eligible ,offer themselves for reappointment which, if made will be in accordance with section 224(1B) of the Companies Act,1956.Your Directors recommend their reappointment.

**AUDITORS REPORT**

The observation made by the Auditors in their report is self-explanatory and does not require any clarification.

**DIVIDEND**

As the Company has recently entered into the new activities & there are requirements of funds, so that, no dividend has been proposed.

**LISTING OF SHARES**

At present the equity shares of the Company are listed at Bombay Stock Exchange only.

**DIRECTORS RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217(2AA) OF COMPANIES ACT, 1956:**

The Board of Directors hereby confirms that:

1. In the preparation of the annual accounts, all the applicable accounting standards had been followed.  
Your Directors had selected the accounting policies, which are in the best interest of the company and are as prudent so as to give a true and fair view of state of affairs of the company and of the profit or loss of the company for the accounting period ended 31st March 2008.
2. Your Directors had taken proper and sufficient care for the maintenance of accounting records for the period ended 31st March 2008 in accordance with provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
3. Your Directors had prepared annual accounts for the period 2007-2008 on a going concern basis.

**PARTICULARS OF EMPLOYEES**

The Directors hereby wish to place their appreciation for the efficient and loyal services rendered by the staff of the Company. The Company has not paid any remuneration attracting the provisions, of the Companies (Particulars of Employees) Rules, 1975 read with section 217(2A) of the Company Act, 1956. Hence, no information is required to be appended to this regard.

**CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION**

Since the Company does not own any manufacturing facility, the provision of Section 217(1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of particular in the Report of Board of Directors) Rules 1988, are not applicable.

**FOREIGN EXCHANGE EARNINGS & OUTGO**

There is no Foreign Exchange earnings & Foreign Exchange Outflow during the year under review.

**CORPORATE GOVERNANCE**

The Company is proactive following the principles & practices of good corporate governance. The Company has taken adequate steps to ensure that the conditions of corporate governance as stipulated in Clause 49 of the Listing Agreements of the Stock Exchanges are complied with.



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A separate statement on Corporate Governance is produced as a part of the Annual Report with a certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under clause 49 of Listing Agreement of the Stock Exchanges.

**ACKNOWLEDGEMENT**

Your Board of Directors wishes their sincere thanks to Shareholders, Customers, Dealers, Bankers, Agencies and Business Associates who have extended their continued support.

Your Directors also wish to place on record their appreciation for the wholehearted and sincere contribution made by the employees at all level.

By Order of the Board of Directors

Place : New Delhi  
Date : 31st October, 2008

Sd/-  
**Rakesh Bhhatia**  
*Chairman cum Managing Director*

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## CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

BGIL Films & Technologies Ltd. (BGFT) believes in good corporate Governance, which results in corporate excellence by practicing and attaining maximum level of transparency, disclosure, accountability and equity in all interaction with its stakeholders. Corporate Governance envisages disclosure on various facets of the Company's operations to achieve corporate excellence.

The Company's Corporate Governance policies recognize the Company's Commitment to good and efficient Corporate Governance. The Board of Directors, the highest policymaking body, is committed in its responsibility for all decisions to all constituents, including investors, employees and regulatory authorities. Transparency and accountability are the fundamental principles to good Corporate Governance. Corporate Governance assumes a significant role in the business life of BGFT. The driving forces of Corporate Governance at BGFT are its core values-belief in people, Entrepreneurship, Customer Orientation & the Pursuit of excellence. The Company recognizes that the shareholders are ultimately the persons who are catalyst to the economic activities and also the ultimate beneficiaries thereof.

### 2. BOARD OF DIRECTORS COMPOSITION OF THE BOARD

The Company is managed by well- professionals. All directors including Non-Executive Directors are suitably qualified, experienced and competent. At present, the Board consist of three members comprising of Non-executive & Independent Directors i.e. Mr. Anil Kumar Agarwal & Mr. Sanjeev Kumar Mittal The Independent Directors do not have any pecuniary relationships of transaction with the Company, promoters, management that may affect their judgment in any manner.

The List of Directors of the Company are as under:

S. No.	Name of the Director	Designation	Status of the Director
1	Mr. Rakesh Bhatia	Chairman & Managing Director	Executive Director
2	Mr. Anil Kumar Agarwal	Director	Non- Executive & Independent Director
3	Mr. Sanjeev Kumar Mittal	Director	Non-Executive & Independent Director
4	Mr. Ravi Kumar Sharma (Ceased w.e.f. 30.08.2007)	Director	Non-Executive & Independent Director

#### Brief Resume of the Directors to be appointed/re-appointed:

##### MR. RAKESH BHATIA

47 years of age, he has more than 18 years experience in Corporate Law & Finance, Information Technology, Investment Banking and activities relating to Media & Entertainment. He is M. Com, Fellow Member of The Institute of Companies Secretaries of India and Fellow Member of All India Management Association. He is the Chairman of the Company and also the Managing Director of M/s Bharatiya Global Infomedia Limited. He successfully promoted various companies, and these M/s Visesh Infotecnics Ltd and M/s Bharatiya Global Infomedia Limited, demonstrated ability to collaborate with all levels of management to address strategic business challenges including shaping business strategy, acquisitions, divestitures, change management, recruitment, training and strategic business planning and thrives even in dynamic, challenging environments with a great deal of uncertainty and Challenges

##### Mr. ANIL KUMAR AGARWAL,

47 years of age, he is a dynamic business entrepreneur. He is M.Com. from Jeevaji University, Gwalior, and having more than 20 years experience in various Industries mainly in to Print media with Indian Express Group at top Management level and also relating to Industry relating to chemical.

##### MR. SANJEEV KUMAR MITTAL

46 years of age, he is a qualified Computer Engineer (B-Tech) from Aligarh Muslim University and has vast experience of 18 years in the fields of Computer Hardware/ Software. Presently he is an entrepreneur involved in Information Technology (IT) related activities. He has varied kind of practical exposure relating to IT industry. He has a dynamic approach for creating markets & providing working platform.

#### BOARD MEETINGS AND ATTENDANCE

Fourteenth meeting of the Board of Directors held during the period under review. The Board regularly met to consider amongst other business matters, the quarterly performance of the Company, financial results & activities. Directors attending the meeting actively participated in the deliberations at these meetings.

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During the period under review, the date on which Board meetings were held are as follows:

S. No	Date of Meeting	S. No	Date of Meeting
1	23.04.2007	2	30.04.2007
3	02.06.2007	4	30.06.2007
5	31.07.2007	6	29.08.2007
7	30.08.2007	8	22.09.2007
9	15.10.2007	10	31.10.2007
11	27.11.2007	12	01.12.2007
13	31.01.2008	14	03.03.2008
15	20.03.2008		

**ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETING AND LAST ANNUAL GENERAL MEETING (AGM) AND NUMBER OF COMPANIES WHERE HE IS DIRECTOR/MEMBER (AS ON THE DATE OF DIRECTOR'S REPORT)**

Name of the Directors	No. of Board meetings attended (1st April 2007 to 31st March 2008)	Attendance at the last AGM held on 29.09.2007	No. of Memberships in Boards of other Companies*	No. of Membership in other Board/ Committees held in other Companies**	
				Chairman	Member
Mr. Rakesh Bhhatia	15	Yes	2	Nil	Nil
Mr. Sanjeev Kumar Mittal	10	Yes	-	Nil	Nil
Mr. Anil Kumar Agarwal	13	Yes	-	Nil	Nil
Mr. Ravi Kumar Sharma	6	No	1	Nil	Nil

\* Directorship in Private Companies, Companies incorporated outside India is excluded for this purpose.

\*\* For this purpose Audit Committee, Shareholders/Investors' Grievance Committee and Remuneration Committee is considered.

**(3) AUDIT COMMITTEE**

To provide assistance to the Board of Directors of the Company the Audit Committee was constituted. It consists of three members including Chairman. The Committee was re-constituted and now headed by Mr. Sanjeev Kumar Mittal. This Committee consists three members i.e. Mr. Sanjeev Kumar Mittal, Mr. Rakesh Bhhatia & Mr. Anil Kumar Agarwal. The Audit Committee provides direction to and oversees the audit and risk management functions, reviews the financial accounts, interact with statutory auditors and reviews matters of special interest.

During the period under review, the Audit Committee met four times. The meetings were attended by all the members of the committee.

**(4) REMUNERATION COMMITTEE**

The Remuneration Committee is headed by Mr. Anil Kumar Agarwal as the chairman of the Committee. The Remuneration Committee of the company comprises of three Directors consisting of Mr. Sanjeev Kumar Mittal, Mr. Rakesh Bhhatia & Mr. Anil Kumar Agarwal. All the members of the committee attended the meeting. As on date there are no directors who are drawing remuneration from the Company.

**(5) SHARE TRANSFER & SHAREHOLDERS/ INVESTORS GRIEVANCE COMMITTEE**

The Share Transfer & Shareholders/ Investors Grievance Committee provides assistance to the Board of Directors in ensuring that the transfer of shares takes place within the stipulated period. The Share Transfer Committee was constituted and it is now headed by Mr. Anil Kumar Agarwal, to look after all matters pertaining to share transfers, Transmissions, issuance of duplicate shares, transpositions etc & also to provide the shareholders of the company with additional assurance that sufficient information is being provided to enable them to form a reasoned opinion on the working of the company & to ensure speedy redressal of their grievances pertaining to share related issues. The Committee consisting members Mr. Sanjeev Kumar Mittal & Mr. Rakesh Bhhatia.