21st Annual Report

2009-2010

BGIL

BGIL FILMS & TECHNOLOGIES LTD.

BGIL
Films & Technologies Ltd.

ANNUAL REPORT 2009-2010

BOARD OF DIRECTORS

Mr. Rakesh Bhhatia	*Chairman cum Managing Director*
Mr. Ashok Kumar Juneja	*Director*
Mr. Sanjay Kapoor	*Director*

COMPANY SECRETARY
Ms. Sonia Singh

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

BANKERS
ICICI Bank
Indian Bank

REGISTERED OFFICE
623, Devika Tower, 6, Nehru Place,
New Delhi – 110019
Email:- bgilfilms@bgilinfo.com
Website : www.bgilfilms.com

CORPORATE OFFICE
B-60, Sector-57, Noida,
Uttar Pradesh

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

REGISTRAR & SHARE TRANSFER AGENT
M/s. Mas Services Ltd.
T-34, 2nd Floor,
Okhla Industrial Area, Phase-II,
New Delhi - 110020

21st Annual General Meeting

Day	:	Wednesday
Date	:	September 29, 2010
Time	:	3.30 P.M.
Venue	:	A-81, Bipin Chandra Pal Memorial Trust, C.R. Park, New Delhi-110 019

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NOTICE

NOTICE is hereby given that the Twenty First Annual General Meeting (AGM) of the members of **BGIL Films & Technologies Limited** will be held on Wednesday, the 29th September 2010, at 3:30 P.M. at A-81, Bipin Chandra Pal Memorial Trust, C.R. Park, New Delhi-110019, to transact the following businesses:

ORDINARY BUSINESS

(1) To receive, consider and adopt the Audited Profit & Loss Account of the Company for the year ended 31st March, 2010 and the Balance Sheet as at that date together with the Director's Report on 31st March, 2010, and Auditor's Report thereon.

(2) To appoint Director in place of Mr. Ashok Kumar Juneja, who retires by rotation at this meeting and being eligible, offer himself for re-appointment.

"RESOLVED THAT Mr. Ashok Kumar Juneja, be and is hereby re-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 2010-2011 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, New Delhi, be and are hereby re-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 the Order of the Board
For BGIL Films & Technologies Limited

Sd/-
Sonia Singh
Company Secretary

Place : New Delhi
Date : 03rd September, 2010

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.
4. The Register of Members and the Share Transfer books of the Company will remain closed on 28th September 2010 to 29th September 2010 (both days Inclusive) for the purpose of Annual General Meeting.
5. The 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 to vote.

7. The communication address of our Registrar and Share Transfer Agent (RTA) is M/s. Mas Services Limited having its office at T-34, 2nd Floor, Okhla Indusrial Area, Phase-II, New Delhi-110020.

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.

9. Members, who hold shares in dematerialized form, are requested to bring their depository account number (Client Id and DP ID No) for easier identification and recording of attendance at the meeting.

By the Order of the Board
For BGIL Films & Technologies Limited

Sd/-
Sonia Singh
Company Secretary

Place : New Delhi
Date : 03rd September, 2010

DIRECTORS' REPORT

To the Members,

Your directors take pleasure in presenting the Twenty First Annual Report and Audited Statement of Accounts of the Company for the Financial Year ended on 31st March 2010.

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	Period Ended 31st March, 2010 (Rs. in Lacs)	Period Ended 31st March, 2009 (Rs. in Lacs)
Income from operations	2,653.84	2614.7
Other Income	5.18	5.66
Total Income	2,659.02	2620.37
Total Expenditure	2,512.20	2381.97
Profit Before Interest Depreciation & Tax	146.82	238.4
Less: Interest	0.31	0.68
Less: Depreciation	62.42	42.49
Profit before tax	84.09	195.23
Less: Provision for taxation	15.81	39.88
Less: Deferred Tax	13.05	31.12
Profit after tax	55.22	124.22
Amount available for Appropriation	259.25	204.02
Balance carried to Balance Sheet	259.25	204.02
Paid up Equity Share Capital	640.68	640.68
Reserve & Surplus	848.97	793.75

FINANCIAL YEAR

The Accounting Year under review is for the period ended 31st March, 2010.

COMPANY'S PERFORMANCE

The total revenues increased to Rs. 2659.02 Lacs from Rs. 2620.37 Lacs in the previous year. The operating profit earned during the year is Rs. 146.82 Lacs and Profit after tax is Rs. 55.22 Lacs against Rs. 124.22 Lacs as compared to last year.

The Company's operations have been discussed in the Management Analysis & Discussion Report in details.

SHARE CAPITAL

There has been no change in the Authorised and paid up Share Capital of the Company during the period.

PUBLIC DEPOSITS

The company has not accepted any deposits from the public during the period under reference.

DIRECTORS

During the year, under review there is no change in the compostion of the Board of Directors of the Company.

AUDITORS REPORT

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

AUDITORS

M/s SNMG & Co., Chartered Accountants, New Delhi, retire at the ensuing Annual General Meeting and being eligible offer themselves for reappointment as the Auditors of the Company. The Company received confirmation

that their appointment, if made, would be within the limits prescribed under Sec. 224(1B) of the Companies Act, 1956.

DIVIDEND

As the Company has recently entered into 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 Limited only.

PARTICULARS OF EMPLOYEES

There is no employee whose particulars are required to be given in the terms of provisions of Section 217 (2AA) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

TECHNOLOGY, ABSORPTION, ADAPTATION AND THE 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 Particulars in the Report of Board of Directors) Rules, 1988, are not applicable.

FOREIGN EXCAHNGE EARNINGS & OUTGO

There is no Foreign Exchange Earnings & Foreign Exchange Outflow during the year.

COMPANY SECRETARY

During the year, Ms. Sonia Singh is appointed as the Company Secretary of the Company.

CORPORATE GOVERNANCE

The Company is proactively 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 Exchange(s) are complied with.

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 the Listing Agreement of the Stock Exchange(s).

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

The Board of Directors hereby confirms that:

1. In the preparation of the Annual Accounts all the Applicable Accounting Standards has been followed along with proper explanations relating to material departures.
2. Your Directors have selected such accounting policies, which are in the best interest of the company and applied them consistently and made judgements and estimates that are reasonable and 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 Financial Year 2009-2010.
3. Your Directors had taken proper and sufficient care for the maintenance of adequate accounting records for the year ended 31st March 2010 in accordance with provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. Your Directors have prepared the Annual Accounts for the year 2009-2010 on the going concern basis.

ACKNOWLEDGEMENT

The Directors wish to place on record their appreciation for the wholehearted cooperation received from the Shareholders, Clients, Dealers, Bankers, Agencies and for the value advice and support received from other Business Associates and expects the same in future as well for sustaining the results achieved in the past.

The Directors also wish to thank to all the employees at all the levels of their services.

By the Order of the Board
For BGIL Films & Technologies Limited

Sd/-
Rakesh Bhhatia
Chairman Cum Managing Director

Place : New Delhi
Date : 03rd September, 2010

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 signification 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 highly experienced professionals. All directors including Non-Executive Directors are suitably qualified, experienced and competent. During the period under review, at present, the Board of BGIL Films & Technologies Limited consists of three members out of which one is Managing Director, who is Promoter & Director of the Company and the remaining two are Non Executive Director/ Independent Director. 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 Bhhatia	Chairman & Managing Director	Executive Director
2	Mr. Sanjay Kapoor (appointed w.e.f. 31.01.2009)	Director	Non-Executive Director/ Independent Director
3	Mr. Ashok Kumar Juneja (appointed w.e.f. 12.01.2009)	Director	Non-Executive Director/ Independent Director

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

Mr. Rakesh Bhhatia

49 years of age, he has more than 20 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 like 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 uncertainly and Challenges.

Mr. Sanjay Kapoor

50 years of age, he is a commerce graduate and a fellow member (FCA) of the Institute of Chartered Accountants of India (I.C.A.I) and possesses over 22 years of Experience in Corporate Accounting & Finance, Information Technology, Investment Banking and Taxation. During this total 22 years of experience he has been promoting various Companies. He has been a practicing Chartered Accountant since 1988.

Mr. Ashok Kumar Juneja

56 years old, he is Post graduation in Commerce. He is a renewed corporate layer and consultant and has a corporate exposer of more than 35 years with qualification of company secretaryship (F.C.S.), Cost Accountant (A.I.C.W.A.), Law Draduate (L.L.B.), Diploma in Business Finance (D.B.F.), and M. Com. etc. He has also under gone foundation course for investment professionals from European Private Equity and Venture Capital Association.

He has more than 34 years of experience in Merchant Banking, Finance, Corporate Laws, Legal, Commercial Information Technology (IT) & Management.

BOARD MEETINGS AND ATTENDANCE

Fourteen Board Meetings were held during the period under review i.e for the year ended 31st March, 2010. The Board regularly met to consider amongst other business matters, the quarterly performance of the Company, financial results & other ongoing activities. Directors attending the meeting actively participated in the deliberations at these meetings.

The information as required under Annexure IA to Clause 49 of the Listing Agreement is made available to the Board. Agenda for the Board Meeting is sent to the Directors sufficiently in advance to allow them to examine and interact on the issues involved.

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	01.04.2009	10	15.11.2009
2	15.04.2009	11	06.12.2009
3	18.05.2009	12	30.01.2010
4	30.05.2009	13	23.02.2010
5	30.06.2009	14	28.03.2010
6	31.07.2009		
7	27.08.2009		
8	20.10.2009		
9	26.10.2009		

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, 2009 to 31st March, 2010)	Attendance at the last AGM held on 29.09.2009	No. of Directorships in Boards of other Companies*	No. of Membership in other Board/ Committees held in other Companies**	
				Chairman	Director
Mr. Rakesh Bhhatia	13	Yes	6	–	–
Mr. Sanjay Kapoor	10	Yes	–	–	–
Mr. Ashok Kumar Juneja	11	Yes	1	–	–

* Directorship in Private Companies, Companies incorporated outside India is excluded for this purpose.
** Represents Membership/Chairmanship in Audit Committee and Shareholder's/Investors' Grievance Committee in Public Limited Companies.

(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. Sanjay Kapoor. 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.

Composition, Name of Members, Chairman and other details

This Committee consists of three members i.e.

Mr. Sanjay Kapoor	:	Chairman/Independent Director
Mr. Rakesh Bhhatia	:	Executive Director
Mr. Ashok Kumar Juneja	:	Non Executive Director /Independent Director

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

(4) REMUNERATION COMMITTEE

The Remuneration Committee is headed by Mr. Ashok Kumar Juneja as the Chairman of the Committee. The Remuneration Committee was to constituted to recommend and review remuneration package of Directors and Senior Executives and to present report to the Board on remuneration package of Directors and Senior Management Officials.

The Remuneration Committee of the company comprises of three Directors

Mr. Ashok Kumar Juneja	:	Chairman/Independent Director
Mr. Rakesh Bhhatia	:	Executive Director
Mr. Sanjay Kapoor	:	Non Executive/Independent Director

During the period under review, the Committee met four times. 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. Rakesh Bhhatia, 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 comprises of three Directors

Mr. Sanjay Kapoor	:	Chairman/Independent Director
Mr. Rakesh Bhhatia	:	Executive Director
Mr. Ashok Kumar Juneja	:	Non Executive/Independent Director

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

Shareholders queries/Complaints received during the period under review

* No. of valid complaint received as on 31.03.2010 : Nil
* No. of queries/ Valid complaints pending/ Unsettled as on 31.03.2010 : Nil

(6) CODE OF CONDUCT

The Board has laid down a code of conduct for all Board Members and senior Management of the Company. The Code of Conduct is available on the website of the Company. All the Board Members and Senior Management Personnel have affirmed the compliance with the code of conduct. A declaration signed by the Managing Director to this effect is enclosed at the end of this Report.