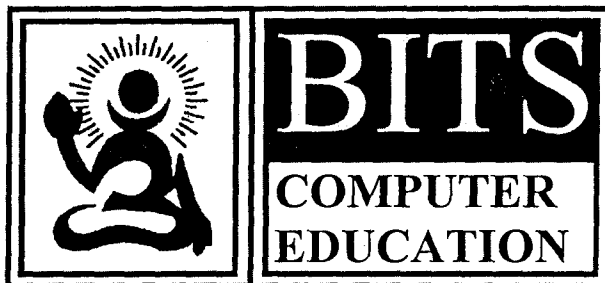




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20TH ANNUAL REPORT

2011-2012

Registered Office:

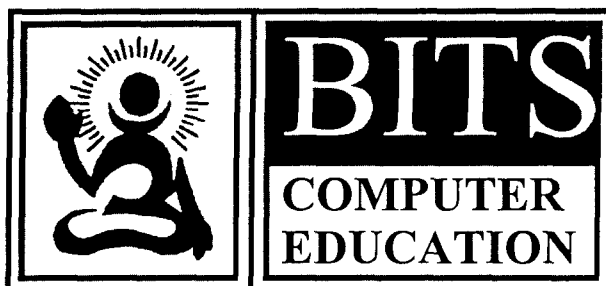
BITS Limited

4/18, IInd FLOOR, ASAF ALI ROAD, NEW DELHI-110002.



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**20TH ANNUAL REPORT
2011-2012**

Board of Directors: Mr. Ram Kumar Yadav - Whole Time Director
Mr. Akhilesh Chandra Khare
Mr. Ankit Rathi
Mr. Kapil Kumar
Mr. Ashok Agarwal

Registered Office: 4/18, IInd Floor,
Asaf Ali Road,
New Delhi-110002.

Mumbai Office: 23, Great Western Building, 1st Floor,
130/132, Apollo Street, SBS Road,
Fort, Mumbai-400023.

Auditors: M/s Soni Gulati & Co.
Chartered Accountants
G-79/212, Laxmi Nagar
Main Market, Delhi-110092.



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**Registrar & Transfer:
Agents:**

Mas Services Limited
T-34, Okhla Industrial Area,
Phase-II, New Delhi-110020.
Phone No.: 011-26387281/82/83
Fax No.: 011-26387384
Email id: info@masserv.com
Contact Person: Mr. Shravan Mangla

Bankers:

Standard Chartered Bank
Barakhamba Road, New Delhi-110001.

Development Credit Bank
Fort, Mumbai – 400 023.



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NOTICE

NOTICE is HEREBY GIVEN THAT 20th Annual General Meeting of the **BITS LIMITED** will be held at registered office of the Company at 4/18, IInd Floor, Asaf Ali Road, New Delhi-110002 on Saturday, September 29, 2012 at 10.00 A.M. to transact the following business:-

ORDINARY BUSINESSES:

1. To receive, consider and adopt the Audited Balance Sheet for the year as at 31st March, 2012 and Statement of Profit and Loss of the company for the year ended 31st March, 2012 and the Report's of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri. Ashok Agarwal, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s Soni Gulati & Co., Chartered Accountants as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESSES:

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

“RESOLVED THAT pursuant to the provisions of Section-372A and other applicable provisions, if any, of the Companies Act, 1956, approval of the members be and is hereby accorded to the Board of Directors of the Company for making investment in M/s Ujjwal Green Energy Private Limited subject to a maximum amount not exceeding Rs. 50 Crore (Rupees Fifty Crores Only) at any time in one or more trenches excluding the amount of loans already given and investments already made by the company in other bodies corporate, either through subscription or through acquisition from secondary market.



RESOLVED FURTHER THAT Mr. Ankit Rathi, Director of the Company, is authorized to do acts, deeds and things and to sign all such documents, papers and writing as may be necessary in this regard.”

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

“**RESOLVED THAT** pursuant to Section-293(1)(e) and other applicable provisions, if any, of the Companies Act, 1956, approval of the members be and is hereby accorded to the Board of directors of the Company for making donation of Rs. 25,00,000/- (Rupees Twenty Five Lakhs Only) in one or more trenches, to Devraha Foundation Trust, a Charitable Trust, formed under the Indian Trust Act, 1882.

RESOLVED FURTHER THAT Mr. Ankit Rathi, Director of the Company be and is hereby authorised to do all such acts, deeds and to sign all such documents as may be deemed expedient and necessary to give effect to this resolution.”

By Order of the Board
For Bits Limited

Place: New Delhi
Date: 03.09.2012

sd
Ram Kumar Yadav
(Whole Time director)



NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED AND SIGNED AND MUST BE DEPOSITED, AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE AFORESAID MEETING. A BLANK PROXY FORM IS ATTACHED.**
2. The Explanatory Statement pursuant to section 173(2) of the Companies Act 1956 in respect of the Special Businesses mentioned at item no. 4 and 5 are annexed hereto and forms part of this notice.
3. All documents referred to in the accompanying notice and explanatory statement are open for inspection at the Registered Office of the Company during the office hours on all working days between 11: 00 A.M. to 1: 00 P.M up to the date of this Annual General Meeting.
4. Members / Proxies should bring the attendance slip sent herewith, duly filled in, for attending the meeting.
5. The Register of Members and Share Transfer Books shall remain closed on 28th September, 2012 and 29th September, 2012 (Both days inclusive).
6. Shareholders seeking any information with regard to accounts are requested to write to the Company at the earliest to keep the information ready.
7. Shareholders are requested to bring their copy of Annual Report to the Annual General Meeting.
8. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
9. Members may kindly note that no gift/gift coupons will be distributed at Annual General Meeting.
10. The Ministry of Corporate Affairs has introduced "Green Initiative" by allowing paperless compliances by the companies and has issued circulars stating the service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of Government in full measure, member who have not registered their e-mail addresses, so far are requested to register their e-mail addresses, in respect of electronic holdings with Depository through their concerned Depository Participant whereby the documents are permitted to be served on the members through electronic mode i.e. e-mail. This initiative is a step toward protection of environment and enabling faster communication with members.



Members holding shares in physical form are requested to intimate their e-mail address to M/s. Mas Services Limited either by info@masserv.com or by sending a communication at the M/s. Mas Services Limited, T-34, Okhla Industrial Area, Phase II, New Delhi-110020.

11. Information to Shareholders in pursuance of Clause 49(IV) (G) of Listing Agreement with reference to Appointment/ Re-appointment of Directors.

1.	Name	Mr. Ashok Agarwal
2	Date of Birth	20/06/1958
3	Qualification	Commerce Graduate
4	Expertise in Specific Functional area	Has an experience of about twenty years in managing the company affairs of various listed as well as unlisted companies being on board of respective companies.
5	Directorship in other Company	<ol style="list-style-type: none"> 1. Mitika Traders Private Ltd 2. K.K. Kargomail India Private Limited 3. Vizwise Commerce Private Limited 4. Tactfull Investments Limited 5. Pan India Corporation Limited 6. Amarpali Land Developers Private Limited 7. SPG Finvest Private Limited 8. Prurient I.T. Solutions Private Limited 9. Ujjwal Green Energy Private Limited
6	Membership in Audit and Investor Grievances Committees in other Company(ies)	<ol style="list-style-type: none"> 1. Tactfull Investments Limited 2. Pan India Corporation Limited
7	Date of Appointment(Initial)	26/02/1999
8	Shareholding in the Company	Nil



EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 IN RESPECT OF ITEM No. 4 OF ACCOMPANYING NOTICE ARE AS UNDER.

ITEM NO. 4

According to the provisions of Section 372A of the Companies Act, 1956, prior approval of the Company by way of a Special Resolution is required, if the Company proposes to make investment, loans, guarantees exceeding 60% of paid up share capital and free reserves or 100% of free reserves, whichever is higher.

The management of the Company feels that providing for such loans, guarantee or making investments is a common corporate practice to support the functioning and working of the associate companies.

Your company has been approached by M/s Ujjwal Green Energy Private Limited as mentioned in the resolution to acquire by way of subscription, purchase or otherwise the securities of this company and /or to provide loans through own /surplus funds / internal accruals and or any other sources.

As providing of the above mentioned investment attract the provisions of Section 372A, hence the approval of the shareholders is required for the same and therefore the requirement of passing the above resolution as a Special resolution is necessary. Also specified in the resolution are the details of loans and investments made/proposed to be made.

None of the Directors except Mr. Ashok Agarwal being Director of M/s Ujjwal Green Energy Private Limited of Company is interested in the proposed resolution.

Your Directors recommend the passing of the above resolution as a Special Resolution.

ITEM NO.5

Pursuant to section 293(1) (e) and other applicable provisions if any of the Companies Act, 1956 , the Company is required to take the approval of the shareholders in the General Meeting by passing an special resolution, when contribution to a charitable and other funds not directly relating to the business of the Company or welfare of its employees, any amounts the aggregate of which will, in any financial year, exceeds fifty thousand rupees, or five per cent, of its average net profits as determined in accordance



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with the provisions of section 349 and 350 during the three financial years immediately preceding, whichever is greater. As your company intends to make contribution as mentioned in the resolution, shareholders approval is required.

Thus, the Board recommends the item no.5 for your approval.

None of the Directors except Mr. Ashok Agarwal being Trustee of Devraha Foundation Trust is interested in the proposed resolution.

Your Directors recommend the passing of the above resolution as a Special Resolution.

**By Order of the Board
For Bits Limited**

Place: New Delhi
Date: 03.09.2012

**sd
Ram Kumar Yadav
(Whole Time Director)**