

BLB LIMITED

Registered Office: 4764/23-A, Ansari Road, Daryaganj, New Delhi- 110002

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 31ST ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY WILL BE HELD ON SATURDAY, THE 29TH DAY OF SEPTEMBER 2012 AT 11:30 A.M. AT THE PHD CHAMBER OF COMMERCE AND INDUSTRY, PHD HOUSE, 4/2 SIRI INSTITUTIONAL AREA, AUGUST KRANTI MARG, NEW DELHI-110016 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and the Statement of Profit and Loss for the year ended on that date together with the Notes, Reports of the Auditors' and Directors' thereon.
2. To Declare Dividend on equity shares for the Financial Year 2011-12.
3. To appoint a Director in place of Shri Brij Rattan Bagri who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Manas Jain who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint M/s Ram Rattan & Associates, Chartered Accountants, as Statutory Auditors of the Company to hold the office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to authorize Board of Directors to fix their remuneration.

SPECIAL BUSINESS

6. Re-appointment of Relative of a Director

To consider and if thought fit, to pass with or without modifications, the following resolutions as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 314 and Director's Relatives (Office or Place of Profit) Rule, 2003, as per the recommendation of the Selection Committee and all other applicable rules and provisions, if any, of the Companies Act, 1956 approval of the shareholders be and are hereby accorded for the re-appointment of Ms. Nanditaa Bagri, relative of a Director of the Company Mr. Brij Rattan Bagri, to hold an Office and Place of Profit with the designation as 'Vice President-Business Development' in the Company for a period of 5 years with effect from 01st October, 2012 at a cost to Company (hereinafter called as 'CTC') not exceeding Rs. 2,50,000/- per month.

RESOLVED FURTHER THAT any increment in the above cost to Company exceeding Rs.2,50,000/- per month shall be within the provisions of Section 314 and Director's Relative (Office or Place of Profit) Rule, 2003 and all other applicable rules and provisions, if any, of the Companies Act, 1956 and subject to approvals as may be required at the time of increment as per the laws, for the time being in force.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to give effect for such appointment within the said limit of salary inclusive of any other perquisites and benefits payable to her."

7. Re-appointment and payment of remuneration to Shri Satish Kumar Sharma as an Executive Director of the Company

To consider and if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Section 198, 269, 309, 310, Schedule XIII and other applicable provision, if any, of the Companies Act, 1956 and any amendment or re-enactment thereof and subject to such other approvals as may be necessary, the shareholders hereby accords its consent for the re-appointment of Shri Satish Kumar Sharma, as an Executive Director of the Company for a period of three years with effect from 01st October, 2012.

RESOLVED FURTHER THAT the consent of the shareholders be and are hereby accorded to the Board of Directors of the Company to fix and pay the remuneration to Shri Satish Kumar Sharma within the overall limit of Rs. 30 lacs per annum (gross) or in the event of loss or inadequacy of profits in any year during his tenure the aforesaid remuneration and perquisites shall be minimum remuneration subject to the compliance of Schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such further acts, deeds, things and to take all such actions as may be required to give effect to the above said resolution."

8. Remuneration to Shri Brij Rattan Bagri as Non-Executive Director

To consider and if thought fit, with or without modification, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 198, 309 (4) and other applicable provisions, if any, of the Companies Act, 1956 and/or any other law for the time being in force and subject to the approval of the Central Government, approval of the shareholders be and are hereby accorded for renewing the Special Resolution, authorizing the payment of commission to Shri Brij Rattan Bagri, Non-Executive Director of the Company, annually for a period not exceeding 5 years for each Financial Year of the Company commencing from 1st April, 2012, a sum not exceeding 5% per annum of the net profits of the Company calculated in accordance with the provisions of Section 198, 349 and 350 of the Companies Act, 1956.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such further acts, deeds, things and to take all such actions as may be required to give effect to the above said resolution."

Registered Office:

4764/23A, Ansari Road,
Daryaganj, New Delhi-110002

Place : New Delhi

Date : 27.08.2012

**By Order of the Board of
BLB Limited**

**(Priyanka Sharma)
Company Secretary**

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE EFFECTIVE, PROXIES MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
2. Corporate Members are requested to send at the Registered Office of the Company, a duly certified copy of the Board / Committee Resolution, pursuant to Section 187 of the Companies Act, 1956, authorizing their representatives to attend and vote at the Annual General Meeting.
3. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business is appended below.
4. The Register of Members and the Share Transfer Books of the Company shall remain closed for the purpose of Annual General Meeting and Payment of Dividend, if declared at the Annual General Meeting for one day only on Friday, the 21st Day of September, 2012.
5. The dividend on Equity Shares as recommended by the Board of Directors for the year ended on 31st March, 2012, if approved at the meeting, will be payable:
 - a. to those members holding shares in physical form, whose names appear on the Register of Members at the close of business hours on Thursday, 20th September, 2012, after giving effect to all valid transfers in physical form lodged with the Company and/or its Registrar & Share Transfer Agent on or before Thursday, 20th September, 2012.
 - b. in respect of shares held in electronic form, on the basis of beneficial ownership as per the details furnished by National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL) for this purpose at the close of business hours on Thursday, 20th September, 2012.
6. Members, who have not encashed their dividend warrants, hereby requested to deposit their dividend warrant with their respective bank and get it encashed. The Dividend amount remaining Unclaimed/ Unpaid for a period of seven years from the date of declaration will be transferred to Investor Education And Protection Fund and no claim will be against those amount.
7. Members may send their queries relating to the accounts, if any, in writing, at the Registered Office of the Company at least 10 days in advance from the date of meeting so as to make the reply available at Annual General Meeting.
8. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID number for easy identification and attendance at the meeting.
9. Members attending the meeting are requested to bring their copy of Annual Report.
10. Members are requested to notify any change in their address to the Company / RTA / Depository Participant as the case may be.
11. Members requiring a soft copy of the Annual Report may write to the Company at the investorcomplaint@blblimited.com and at the address mentioned in Note 13 below. The Annual Report together with the Notice of the Annual General Meeting is also being hosted on the website of the Company.
12. Additional Information with respect to appointment/ re-appointment of Directors as per Clause 49 of the Listing Agreement is appended to this notice.
13. The documents referred in the Notice are available for inspection till the date of ensuing Annual General Meeting on all working days between 10:00 a.m. to 1:00 p.m.
14. The shareholders are requested to communicate all their correspondence to:

The Company Secretary,

BLB Limited

4764/23-A, Ansari Road, Daryaganj,

New Delhi-110002

Ph. No.: 011-32968110, 32968111

Fax No.: 011-23283159

Registered Office:

4764/23A, Ansari Road,
Daryaganj, New Delhi-110002

Place : New Delhi

Date : 27.08.2012

**By Order of the Board of
BLB Limited**

**(Priyanka Sharma)
Company Secretary**

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956

ITEM NO.6

The Members of the Company in their 26th Annual General Meeting held on 28th day of September, 2007 appointed Ms. Nanditaa Bagri, relative of Sh. Brij Rattan Bagri, Chairman of the Company as “Vice President-Business Development” of the Company with effect from 1st October, 2007 for a period of 5 years upto 30th September, 2012.

Ms. Nanditaa Bagri, relative of Shri Brij Rattan Bagri, Chairman of the Company is a Commerce Graduate and MBA and having considerable experience in the field of business and development activities. She is also the Director of your Subsidiary Company, namely Sri Chaturbhuj Properties Limited. Considering the contribution of Ms. Nanditaa Bagri towards overall achievement of organization goal of the Company. Your Board of Directors desired to avail her services and guidance and recommends to re-appoint her as “Vice President- Business Development” of the Company for further period of 5 years.

The appointment and remuneration of relative of Director to the Company requires approval by a Special Resolution in terms of Section 314 of the Companies Act, 1956.

Except Shri Brij Rattan Bagri, no other Director of the Company is concerned and interested in the resolution.

ITEM NO. 7

The Members of the Company in their 26th Annual General Meeting held on 28th day of September, 2007 appointed Shri Satish Kumar Sharma as Executive Director of the Company with effect from 01st October, 2007 for a period of 5 years upto 30th September, 2012.

Considering the contribution of Sh. Satish Kumar Sharma towards overall achievement of organization goal, the Board of Directors recommends to re-appoint Sh. Satish Kumar Sharma as an Executive Director of the Company for a further period of 3 years.

As per the provisions of Section 198, 269, 309, 310 read with Schedule XIII of the Companies Act, 1956, appointment and payment of remuneration to the Executive Director requires Shareholders approval in the General Meeting.

I. GENERAL INFORMATION:

- (1) **Nature of Industry** : Stock Broking and Allied Service
- (2) **Date of commencement of commercial operation** : 04.12.1981
- (3) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus** : Not Applicable

(4) Financial Performance: (Rs. In Lacs)

S. No.	Particulars	2011-12	2010-11
1.	Total Income	13228.46	70701.55
2.	Total Expenditure (Net of exceptional items)	13921.35	73822.87
3.	Profit/(Loss) before Tax	(692.89)	(3121.32)
4.	Profit/(Loss) after Tax	(468.34)	(1853.22)

- (5) **Export performance and net foreign exchange collaboration** : NIL
- (6) **Foreign investments or collaborators, if any** : NIL

II. INFORMATION ABOUT THE APPOINTEE:

- (1) **Background Details:** Sh. Satish Kumar Sharma, aged 49 years is a Postgraduate from the Meerut University and has a total work experience of 23 years. He holds 43400 Equity Shares in the Company.

(2) Past remuneration:

Name	Designation	Salary (Rs.)	Perquisites (Rs.)	Incentives (Rs.)	Total (Rs.)
Sh. Satish Kumar Sharma	Executive Director	17,34,865/-	9,360/-	16,340/-	17,60,565/-

- (3) **Job profile and his suitability, recognition or awards:** Sh. Satish Kumar Sharma is a Post Graduate by qualification and is contributing and advising on key matters related to Stock Market, Administration, etc. and has been instrumental in scaling the Company's performance to new heights.

- (4) **Remuneration Proposed:** As set out in the Special Resolution at the Item No. 7 of the Notice for convening the 31st Annual General Meeting of the Company.

The re-appointment and remuneration to Executive Director has been approved by the Remuneration Committee.

- (5) **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):** Taking into consideration the size of the Company, the profile of Sh. Satish Kumar Sharma and the responsibilities shouldered by him, the aforesaid remuneration package is commensurate with the remuneration packages paid to managerial position in other Companies.
- (6) **Pecuniary relationship directly or indirectly with the Company or relationship with managerial personnel, if any:** Besides, the remuneration proposed, Sh. Satish Kumar Sharma does not have any other pecuniary relationship with the Company and Managerial Personnel.

III. OTHER INFORMATION:

- (1) **Reasons of loss or inadequate profit:** For the past several years the Company has been earnings profits except past two years. The loss is basically on account of lack of business opportunities in the Capital Market in the vertical in which Company operates and consequent downsizing of business operation.
- (2) **Steps taken or proposed to be taken for improvement:**
The Company is optimistic to perform better in forthcoming Financial Years. The Company has taken suitable steps to uphold and improve the profitability in future.
- (3) **Expected increase in profitability:**
The Company shall take all the reasonable steps and measures to preserve and improve the profitability, however, the same cannot be predicted.

IV. DISCLOSURE

- (1) The disclosure on remuneration package payable to the Executive Director contained in the Notice for convening the 31st Annual General Meeting of the Company.
- (2) All the relevant information pertaining to the Executive Directors and other Directors required to be disclosed in the Directors' Report under the heading "Corporate Governance" is attached to the Annual Report.
The Board of Directors recommends re-appointing Sh. Satish Kumar Sharma as an Executive Director for a period of 3 years at a total remuneration as mentioned in the resolution and recommended the same for your approval as a Special Resolution.
The Explanatory Statement together with the accompanying resolution may also be regarded as an abstract and memorandum of interest for the terms of appointment and remuneration of Sh. Satish Kumar Sharma, as an Executive Director of the Company under Section 302 of the Companies Act, 1956.

ITEM NO. 8

Shri Brij Rattan Bagri who is a founder and promoter Director of the Company has been providing his best efforts, vision and guidance to the Company to achieve its goals and to become one of the leading Companies in the Capital Market.

At the Annual General Meeting of the Company held on 28th September, 2007 the members had, inter-alia, approved the payment of remuneration to Shri Brij Rattan Bagri, Non- Executive Director of the Company in the form of commission on net profits. As per the provisions of Section 309(7) of the Companies Act, 1956 the said resolution can be renewed from time to time by a Special Resolution for further periods of not more than five years.

Since the approval is only upto the Financial Year 2011-2012 and a fresh approval of the shareholders is required for payment of commission of 5% per year on net profits of the Company from the current Financial Year 01st April, 2012 for next 5 years subject to necessary approvals.

The Board of Directors recommends the same for your approval.

The Board recommends the resolution for your approval as Special Resolution.

Except Shri Brij Rattan Bagri, no other Director of the Company is concerned or interested in the resolution.

Registered Office:

4764/23A, Ansari Road,
Daryaganj, New Delhi-110002

Place : New Delhi
Date : 27.08.2012

By Order of the Board of
BLB Limited

(Priyanka Sharma)
Company Secretary

PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT, THE BRIEF RESUME OF THE DIRECTORS TO BE RE-APPOINTED AT THE ENSUING ANNUAL GENERAL MEETING ARE ENUMERATED BELOW:

At the ensuing Annual General Meeting, Shri Brij Rattan Bagri and Shri Manas Jain, Directors of the Company are liable to retire by rotation and being eligible, offer themselves for their re-appointment. Pursuant to Clause 49 of the Listing Agreement, their brief particulars are mentioned herein below:

SHRI BRIJ RATTAN BAGRI

Shri Brij Rattan Bagri, aged 61 years is a B.Sc. Graduate, MBA and is a Businessman by profession. He being the Promoter of the Company, has been associated with the Company since its inception. During his association, Company has been enriched by his glorious experience of around 38 years in Capital Market. He has expertise in the matters relating to various facets of stock broking, investment, depository operations, etc. It is due to his vision, farsightedness, valuable guidance and able leadership that the Company has achieved such great heights. He has proved himself as an asset for the Company by his long continued sincerity and dedication.

Shri Brij Rattan Bagri is a Non Executive Director cum Chairman of the Company holding 32309490 Equity Shares of the Company. He holds Directorships in BLB Commodities Limited, BLB Institute of Financial Markets Limited, Sri Chaturbhuji Properties Limited and BLB Global Business Limited, subsidiary companies of your Company. He is also a Member of the Audit Committee and Remuneration Committee of your Company.

Shri Brij Rattan Bagri hold Chairmanship and Membership of Audit Committee and Remuneration Committee of BLB Commodities Limited, Wholly Owned Subsidiary of your Company and does not hold any Chairmanship/ Membership of the Audit Committee, Shareholders' / Investor Grievance Committee or Remuneration Committee of other Public Limited Company whether listed or not.

SHRI MANAS JAIN

Shri Manas Jain, aged 28 years is a Graduate and B.Tech, IIT Kanpur (Electrical Engineering). He has a sound experience of around 6 years in the field of IT Analytics in the booming IT Sector.

The Board considers the re-appointment of Shri Manas Jain as Non Executive Independent Director in the interest of the Company and accordingly recommends the same.

He is neither a Director nor a member of any Committee of any other Public Company. Furthermore, he does not hold any shares in your Company.

ATTENDANCE SLIP**BLB LIMITED**

Regd. Office: 4764/23-A, Ansari Road, Daryaganj, New Delhi - 110002

PLEASE FILL THIS ATTENDANCE SLIP AND HANDOVER THE SAME AT THE ENTRANCE OF THE MEETING HALL

DP ID*	
Client ID*	

Folio No.	
No. of Shares	

Full name of the Shareholder/Proxy.....

I hereby record my presence at the 31st Annual General Meeting of the Company held on Saturday, the 29th day of September, 2012 at 11:30 A.M. at PHD Chamber of Commerce and Industry, PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi-110016.

.....
Signature of the Shareholder/Proxy

Note Applicable for Investors holding shares in Electronic Form.*

**ATTENDANCE SLIP****BLB LIMITED**

Regd. Office: 4764/23-A, Ansari Road, Daryaganj, New Delhi - 110002

PLEASE FILL THIS ATTENDANCE SLIP AND HANDOVER THE SAME AT THE ENTRANCE OF THE MEETING HALL

DP ID*	
Client ID*	

Folio No.	
No. of Shares	

Full name of the Shareholder/Proxy.....

I hereby record my presence at the 31st Annual General Meeting of the Company held on Saturday, the 29th day of September, 2012 at 11:30 A.M. at PHD Chamber of Commerce and Industry, PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi-110016.

.....
Signature of the Shareholder/Proxy

Note Applicable for Investors holding shares in Electronic Form.*

PROXY FORM

BLB LIMITED

Regd. Office: 4764/23-A, Ansari Road, Daryaganj, New Delhi - 110002

DP ID*	
Client ID*	

Folio No.	
No. of Shares	

I/We.....
 being a member/members of BLB Limited hereby appoint.....
 of.....
 or failing him..... of.....
 or failing him..... of.....
 as my/our proxy to attend and vote for me/us and on my/our behalf at the 31st Annual General Meeting of the Company to be held on Saturday, the 29th day of September, 2012 at 11:30 A.M. at PHD Chamber of Commerce and Industry, PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi-110016 and at any adjournment thereof.

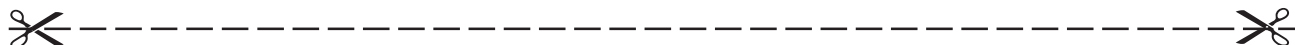
Signed this.....day of.....2012

Signature.....

Affix
Revenue
Stamp

** Applicable for Investors holding shares in Electronic Form.*

Note: The proxy form must be deposited at the Registered Office of the Company at 4764/23-A, Ansari Road, Darya Ganj, New Delhi-110002, not less than 48 hours before the time of the meeting.



PROXY FORM

BLB LIMITED

Regd. Office: 4764/23-A, Ansari Road, Daryaganj, New Delhi - 110002

DP ID*	
Client ID*	

Folio No.	
No. of Shares	

I/We.....
 being a member/members of BLB Limited hereby appoint.....
 of.....
 or failing him..... of.....
 or failing him..... of.....
 as my/our proxy to attend and vote for me/us and on my/our behalf at the 31st Annual General Meeting of the Company to be held on Saturday, the 29th day of September, 2012 at 11:30 A.M. at PHD Chamber of Commerce and Industry, PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi-110016 and at any adjournment thereof.

Signed this.....day of.....2012

Signature.....

Affix
Revenue
Stamp

** Applicable for Investors holding shares in Electronic Form.*

Note: The proxy form must be deposited at the Registered Office of the Company at 4764/23-A, Ansari Road, Darya Ganj, New Delhi-110002, not less than 48 hours before the time of the meeting.



**31st
Annual Report**

BLB Limited

2011 - 2012

DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear Shareholders,

Your Directors take immense pleasure in presenting their Thirty First Directors' Report together with the Audited Accounts for the Financial Year ended on 31st March, 2012.

FINANCIAL PERFORMANCE

For the Financial Year Ended on 31st March, 2012

(₹ in lacs)

Particulars	Year Ended March 31, 2012	Year Ended March 31, 2011
Profit/(Loss) before tax	(692.89)	(3121.32)
Less: Provision for Taxation		
— Current Tax	1.00	3.70
— Deferred Tax	(219.73)	(1271.80)
— Relating to earlier years	(5.82)	—
Profit/(Loss) after tax	(468.34)	(1853.22)
Add: Balance brought forward from last year	8504.79	10419.66
Surplus available for appropriation	8036.45	8566.43
Less: Appropriations		
— Dividend on Equity Shares		
— Proposed	52.87	52.87
— Interim	—	—
— Dividend Distribution Tax	8.58	8.78
— Transfer to General Reserve	—	—
Surplus carried to Balance Sheet	7975.00	8504.79

During the year under review, your Company has incurred Loss After Tax of ₹ 468.34 Lacs as against ₹ 1853.22 Lacs incurred during Financial Year 2010-2011.

DIVIDEND

Your Directors recommend a dividend of ₹ 0.10 (i.e. 10%) on the equity shares of ₹ 1/- each fully paid-up from the accumulated profits of the Company, subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.

RESERVES

During the year under review, your Company has not transferred any sum to General Reserves.

MANAGEMENT DISCUSSION ANALYSIS REPORT

The Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section which forms part of the Annual Report.

SUBSIDIARY COMPANIES

The following may be read in conjunction with the Consolidated Financial Statements enclosed with the Accounts, prepared in accordance with Accounting Standard 21 (AS-21). In view of the general exemption granted by the Ministry of Corporate Affairs vide the General Circular No. 2/2011 dated 8th February, 2011 and resolution passed by the Board of Directors in its Meeting held on 27.08.2012, the required reports and accounts of Subsidiary Companies are not required to be attached to your Company's Accounts. However a statement, in terms of Section 212 of the Companies Act, 1956 and as mentioned in above said Circular, is attached with the Annual Accounts of your Company.

Shareholders desirous of obtaining the report and accounts of your Company's Subsidiaries may obtain the same upon request to the Company. The report and accounts of the subsidiary companies will be kept for inspection at your Company's Registered Office and those of the subsidiary companies. Further, the same will also be available at the "Investor Relations" section of your Company's website, www.blblimited.com in a downloadable format.

During the year under review, the name of your Subsidiary Company BLB Commodities Private Limited has been changed to BLB

Commodities Limited pursuant to conversion of the Company from Private Limited to Public Limited and has expanded its business operations by undertaking Export and Import of Agri Commodities in the international market. It has also acquired the Membership of NCDEX Spot Exchange.

Your Company has also incorporated one Wholly Owned Subsidiary Company (WOS) in the name of BLB Global Business Limited (BGBL) to carry on the Export and Import business of Agri Commodities. Further, your WOS BGBL has incorporated Wholly Owned Subsidiary companies in Dubai and Singapore to undertake physical commodities business in the international market.

PUBLIC DEPOSITS

Your Company has not accepted any Public Deposits during the year under review.

DISCLOSURES

During the year under review, your Company had downsized its jobbing and arbitrage business significantly due to lack of business opportunities in order to safeguard itself from the potential losses.

CORPORATE GOVERNANCE

As required by Clause 49 of the Listing Agreement, a separate report on Corporate Governance is appended along with the Compliance Certificate from M/s Ram Rattan & Associates, Statutory Auditors of the Company, which forms part of this report.

LISTING OF SHARES, PAYMENT OF LISTING FEES

The Company's Equity Shares are presently listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company has paid the annual listing fees for the Financial Year 2012-13 to both the exchanges where the shares are listed.

DIRECTORS

As per the provisions of Companies Act, 1956 and Article 89 of the Article of Association of the Company, Sh. Brij Rattan Bagri, Non-Executive Director and Sh. Manas Jain, Non-Executive Independent Director of the Company are liable to retire by rotation at the forthcoming Annual General Meeting and being eligible offered themselves for re-appointment. As stipulated in terms of Clause 49 of Listing Agreement, the brief resume of Sh. Brij Rattan Bagri and Sh. Manas Jain, is provided in the Notice of the 31st Annual General Meeting of the Company. Your Directors recommend their re-appointment for your approval.

The tenure of Mr. Satish Kumar Sharma, Executive Director is going to be expire on 30.09.2012. The Board of Directors recommended his re-appointment as an Executive Director of the Company for a further period of three years.

The Company had obtained the approval from the Central Government for payment of commission to Mr. Brij Rattan Bagri, Non Executive-Chairman of the Company as per your approval granted on 28th September, 2007 at the Annual General Meeting for a period of five years since 01st April, 2007(FY 2007-2008). The approval was till the Financial Year 2011-2012. The Board has decided to seek the fresh approval for payment of commission to Mr. Brij Rattan Bagri, Non Executive-Chairman of the Company subject to the approval of shareholders for a further period of five years.

PARTICULARS OF EMPLOYEES

There is no employee in the Company drawing salary beyond the limit as specified under Section 217 (2A) of Companies Act, 1956.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of section 217(2AA) of the Companies Act, 1956, your directors confirm that:

- In the preparation of the annual accounts, the applicable Accounting Standards have been followed;
- 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 loss of the Company for the year under review;
- The Directors have taken proper and sufficient care of 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 prevention and detecting fraud and other irregularities;
- The Directors have prepared the accounts for the year ended 31st March, 2012 on a going concern basis.

AUDITORS

The Auditors, M/s. Ram Rattan & Associates, Chartered Accountants, New Delhi retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received a certificate from the auditors to the effect that their re-appointment, if made, would be in accordance with Section 224(1B) of the Companies Act, 1956