



BLB LIMITED

**32nd Annual Report
2012 - 2013**

Board of Directors	Sh. Brij Rattan Bagri	Chairman
	Sh. Vikram Rath	Executive Director
	Sh. Satish Kumar Sharma	Executive Director
	Sh. Keshav Chand Jain	Director
	Sh. Rajesh Kumar Damani	Director
	Sh. Manas Jain	Director
Chief Financial Officer	Sh. Vikash Rawal	
Company Secretary	Ms. Priyanka Sharma	
Principal Bankers	HDFC Bank Limited	
	ICICI Bank Limited	
	The Royal Bank of Scotland N.V.	
Auditors	M/s. Ram Rattan & Associates	
	Chartered Accountants	
	New Delhi	
Secretarial Auditors	M/s. Chandrasekaran Associates	
	Company Secretaries	
	New Delhi	
Registered Office	3 rd Floor, ECE House, Annexe - II, 28A, Kasturba Gandhi Marg, New Delhi - 110 001	
Listing at	National Stock Exchange of India Limited BSE Limited	

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DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear Shareholders,

Your Directors take immense pleasure in presenting their Thirty Second Directors' Report together with the Audited Accounts for the Financial Year ended on 31st March, 2013.

FINANCIAL PERFORMANCE

For the Financial Year ended on 31st March, 2013

(₹ in lacs)

Particulars	Year Ended	Year Ended
	March 31, 2013	March 31, 2012
Profit/(Loss) before tax	(406.22)	(692.89)
Less: Provision for Taxation		
– Current Tax	6.92	1.00
– Deferred Tax	(136.28)	(219.73)
– Relating to earlier years	0.00	(5.82)
	<hr/>	<hr/>
Profit/(Loss) after tax	(276.86)	(468.34)
Add: Balance brought forward from last year	7975.00	8504.79
	<hr/>	<hr/>
Surplus available for appropriation	7698.14	8036.45
Less: Appropriations		
– Dividend on Equity Shares		
- Proposed	52.87	52.87
- Interim	–	–
– Dividend Distribution Tax	8.98	8.58
– Transfer to General Reserve	–	–
	<hr/>	<hr/>
Surplus carried to Balance Sheet	7636.29	7975.00

During the year under review, your Company has incurred Loss after Tax of Rs. 276.86 Lacs as against Loss after Tax Rs. 468.34 Lacs incurred during Financial Year 2011-12.

DIVIDEND

Your Directors recommend a dividend of Re. 0.10 (i.e. 10%) on the equity shares of Re. 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 of the Company enclosed with the Annual Report prepared in accordance with Accounting Standard-21 (AS-21). In view of the general exemption granted by the Ministry of Corporate Affairs vide General Circular No. 2/2011 dated 8th February, 2011 the Balance Sheet, Statement of Profit and Loss and other documents of the subsidiary companies are not attached with your Company's Annual Accounts. However the financial information of the subsidiary companies is disclosed in the Annual Report in compliance with the said circular. The Company will make available the Annual Accounts of the subsidiary companies and the related information to any member of the Company who may be interested in obtaining the same. The Annual Accounts of the subsidiary companies will also be kept open for inspection at the registered office of the Company and that of the respective registered offices of subsidiary companies. The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary companies.

During the year under review, M/s BLB Institute of Financial Markets Limited, a Subsidiary Company has decided to amalgamate with M/s BLB Global Business Limited. The said Scheme of Amalgamation is under consideration with the Hon'ble High Court of Delhi, the appointed date for amalgamation is 01st April, 2012.

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 2013-14 to both the exchanges where the shares are listed.

DIRECTORS

Shri Keshav Chand Jain and Shri Rajesh Kumar Damani, Non-Executive Independent Directors of the Company are liable to retire by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment. Your Directors recommend their re-appointment for your approval.

The tenure of Sh. Vikram Rathi, as Executive Director will expire on 29.01.2014. Sh. Vikram Rathi is having extensive and rich experience in the field of Capital and Commodity Market. The Remuneration-cum-Selection Committee as well as the Board of Directors recommended his re-appointment as an Executive Director of the Company for a further period of three years.

Further, none of the Directors are disqualified for being appointed as a Director of the Company in terms of section 274(1)(g) of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES

There is no employee in the Company drawing salary beyond the limit as specified under Section 217 (2A) of the 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, 2013 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 the Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for re-appointment within the meaning of Section 226 of the said Act. Your Board recommends their re-appointment for your approval.

AUDITORS' REPORT

The Auditors' Report to the shareholders does not contain any reservation, qualification or adverse remark.

SECRETARIAL AUDIT

In order to strengthen the internal audit of the secretarial department of your Company, a comprehensive audit is being conducted by M/s. Chandrasekaran Associates, Company Secretaries, New Delhi at specified intervals.

DISCLOSURES UNDER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956

In terms of section 217(1)(e) read with Companies (Disclosure of Particulars in Report of the Board of Directors) Rules, 1988 of the Companies Act, 1956 your Directors furnish the information as below:

Conservation of Energy:	The Company is a stock broking Company and has taken necessary energy conservation measures to the extent applicable.	
Technology Absorption:	The Company is engaged in the Stock Broking Business and accordingly has not absorbed any Technology.	
Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans.	The Company is not engaged in Export Activities.	
Foreign Exchange Earnings And Outgo	Current Year	Previous Year
Out flow:	NIL	NIL
Inflow:	NIL	NIL

ACKNOWLEDGEMENTS

Your Directors would like to express their sincere thanks to various Bodies and Statutory Authorities, Bankers etc for their co-operation. The Board is also thankful to the Shareholders for their co-operation and the confidence they reposed in the management.

**For and on behalf of the Board of Directors of
BLB Limited**

Place : New Delhi
Date : 30th May, 2013

(Brij Rattan Bagri)
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

The Financial Statements have been prepared in compliance with the requirements of the Companies Act, 1956, guidelines issued by Securities and Exchange Board of India (SEBI) and Generally Accepted Accounting Principles (GAAP) in India.

REVIEW OF OPERATIONS

Your Company has incurred a Loss after Tax of Rs. 276.86 Lacs for the Financial Year 2012-13 as compared to the Loss after Tax of Rs. 468.34 Lacs for the previous financial year. The loss in the year under review is basically on account of administrative and other expenses incurred by the company in absence of any major income owing to lack of business opportunities in the Capital Market, particularly in the segment in which the company functions.

OUTLOOK/OPPORTUNITIES & THREATS

The year under review was full of challenges for the company due to lack of business opportunities in the jobbing and arbitrage segment, being the main business vertical of the Company. This was mainly on account of lack of depth in the securities market on account of low investors' participation caused due to lack of corporate confidence leading to low GDP growth, weak domestic and global economic environment, decline in industrial growth, high volatility etc.

As the future of the Jobbing and Arbitrage segment in which the Company operates is full of apprehensions and challenges, your Company is exploring various other segments & sectors for developing new business avenues. Subsequently your Company has also increased investment in other subsidiary companies.

Your company feels that the commodity segment is more stable and reliable sector as compared to the capital market segment. Company has made substantial investment in subsidiary companies for undertaking imports, exports, domestic trading in agri commodities.

RISK AND CONCERNS

Company performance is closely linked to the Indian Capital Market and the risk associated with it.

Your Company has a full fledged Compliance department headed by Compliance Officer, which ensures all Regulatory Compliances from time to time so as to enable the Company to function in a compliant environment.

INTERNAL CONTROL SYSTEMS

Your Company has adequate internal control system to ensure efficient and effective control over the activities of the Company. Your Company has Internal Audit team which monitors the Business Activities performed by various departments and furnishes feedback reports to the management for their appraisal.

HUMAN RESOURCES

One of the main components for the successful performance of the organization is its Human Resource. Your Company gives significant importance to its human capital and is dedicated for continuous enhancement of their skills and knowledge by way of training and supervision. The Company provides intensive training to the staff at regular intervals to meet the changing business requirements.

CAUTIONARY NOTE

Certain statements in the Management Discussion and Analysis describing the Company's objectives, predictions may be "forward-looking statements" within the meaning of applicable laws and regulations. Actual results may vary significantly from the forward-looking statements contained in this document due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India, volatility in interest rates, new regulations and government policies that may impact the Company's business as well as its ability to implement the strategy. The Company does not undertake to update these statements.

CORPORATE GOVERNANCE REPORT

BLB Limited governance framework enjoins the highest standards of ethical and responsible conduct of business to create value for all stakeholders. We continue to focus on good corporate governance, in line with emerging local and global standards. Besides adhering to the prescribed corporate governance practices as per clause 49 of the listing agreement, the Company voluntarily governs itself as per highest standards of ethical and responsible conduct of business in all facets of operations and in all interactions with its stakeholders, including shareholders, employees, consumers, lenders and the community at large.

The Company is committed to benchmark itself with the best standards of Corporate Governance, not only in form but also in spirit. This report, along with the report on Management Discussion and Analysis and Additional Shareholders Information provides the details of implementation of the Corporate Governance Code by your Company as per Clause 49 of the Listing Agreement:

Company's Philosophy on Code of Governance

Corporate Governance is based on the principle of fairness, equity, transparency, accountability and proper dissemination of information. At BLB Limited, Corporate Governance is the driving force which brings direction and control to the affairs of the Company in a fashion that ensures optimum return for stakeholders. We believe that the governance process should ensure that the resources are utilized in a manner that meets stakeholder's aspirations and societal expectations.

Simultaneously, in keeping with the best practices, your company seeks to execute the practices of corporate governance by maintaining strong business fundamentals and by delivering high performance through relentless focus on the following:

- *Maintenance of full transparency and disclosures at all levels of Management.*
- *Committed to work for the betterment of stakeholders and company.*
- *Adherence to follow and comply with all legal and regulatory frame work.*
- *To take decision keeping in view the shareholders values and rights.*
- *Believes in providing best and quality services in their working segments with implementing total quality management.*

I.) MANDATORY REQUIREMENT

1. BOARD OF DIRECTORS

A. COMPOSITION AND SIZE OF THE BOARD

The size and composition of the Board as on March 31, 2013 complies with the requirements of Clause 49 of the Listing Agreement with the Stock Exchange(s). The Company's Board of Directors comprises of six Directors out of which two are Executive and four are Non-Executive Directors with a Non-Executive Chairman, who is also the promoter of the Company. None of the Directors on the Board is a member of more than 10 Committees or Chairman of more than 5 Committees across all the companies in which they are Director. Necessary disclosures regarding Committees position in other public companies as on March 31, 2013 have been provided by the Directors of the Company. The following is the percentage of Executive and Non Executive Directors of the Company:

Category of Directors	No. of Directors	Percentage (%) to total no. of Directors
Executive	2	33.33
Non-Executive	4	66.67
Total	6	100.00

B. DETAILS OF BOARD MEETINGS DURING THE FINANCIAL YEAR

During the Financial Year ended 31st March, 2013, ten (10) meetings of the Board were held, details of which are as follows:

Sl. No.	Date of Board Meeting	Board Strength	No. of Directors present
1	07.04.2012	6	5
2	14.05.2012	6	5
3	09.06.2012	6	5
4	10.07.2012	6	6
5	09.08.2012	6	6
6	27.08.2012	6	6
7	16.10.2012	6	6
8	08.11.2012	6	6
9	12.12.2012	6	6
10	31.01.2013	6	5

The constitution of the Board and attendance record of Directors at the Board Meetings / Committee Meetings, last Annual General Meeting (AGM) and details of other Directorships and Committee positions held by them are as follows:

Sl. No.	Name of the Director	Category of Directorship/ Designation	Attendance Particulars			No. of Directorship held in other Public Companies as on 31.03.2013*	No. of Membership/s Chairmanship/s of Board Committees in other Public Companies	
			No. of Board Meetings during FY 2012-13		At AGM held on September 29, 2012		Member	Chairman
			Held	Attended	Attended			
1.	Sh. Brij Rattan Bagri	Promoter & Non-Executive Director	10	8	Yes	4	1	1
2.	Sh. Vikram Rathi	Executive Director	10	9	Yes	4	1	1
3.	Sh. Satish Kumar Sharma	Executive Director	10	10	Yes	1	Nil	Nil
4.	Sh. Keshav Chand Jain	Independent Non-Executive Director	10	10	Yes	Nil	Nil	Nil
5.	Sh. Rajesh Kumar Damani	Independent Non-Executive Director	10	10	No	Nil	Nil	Nil
6.	Sh. Manas Jain	Independent Non-Executive Director	10	9	No	1	2	Nil

* This does not include any Directorship of Private Company and foreign Company.

C. INFORMATION AVAILABLE TO THE BOARD

BLB Board meets at least once in every quarter to discuss and review the quarterly results and other items of agenda, including the information required to be placed before the Board, as required under Annexure 1A of Clause 49 of the Listing Agreement and additional meetings are held as and when required. The date of Board meetings are fixed in advance and agenda papers are normally circulated at least seven working days ahead of the meeting. The Board has periodically reviewed compliance report of all laws applicable to the Company.

D. CODE OF CONDUCT

The Company has laid down a Code of Conduct ("Code") for all Board members and senior management of the Company. The code is available on the website of the Company i.e. www.blblimited.com. The Code has been circulated to all the members of the Board and senior management and they have affirmed compliance with the Code. A declaration signed by the Executive Director (ED) to this effect is attached to this Annual Report.

BOARD LEVEL COMMITTEES

2. AUDIT COMMITTEE

I. TERMS OF REFERENCE

The terms of reference of the Audit Committee of Directors is to monitor the effectiveness of operations of the audit function of the Company, review the systems and procedures of internal control, oversee the Company's Financial Reporting process, review the Periodical and Annual Financial Statements before submission to the Board with the management and ensure compliance with the Regulatory Guidelines.

II. COMPOSITION, MEETINGS AND ATTENDANCE OF THE COMMITTEE

The Audit Committee of Directors of the Company has been constituted as per the requirements of Clause 49 of the Listing Agreement. The Audit Committee presently comprises four (4) Non- Executive Directors, three (3) of whom are Independent Directors as members of the committee. The Chairman of the Committee is an Independent Director. The Chief Financial Officer, representing the Finance function and the representative of the Statutory Auditors are invitees to the Audit Committee and the Company Secretary acts as the Secretary to the Committee. All members of the Committee possess sound knowledge of accounts, audit and finance etc.

During the Financial Year 2012-13, the Audit Committee met seven (7) times. The meetings were held on May 14, 2012, June 16, 2012, August 09, 2012, August 27, 2012, November 08, 2012, December 31, 2012 and January 31, 2013. The time gap between the two meetings did not exceed four months. The attendance of Directors at the Meetings is given below:

Sl. No.	Name of Director	Category	Designation	No. of Meetings during FY 2012-13	
				Held	Attended
1.	Sh. Keshav Chand Jain	Non-Executive Independent Director	Chairman	7	6
2.	Sh. Brij Rattan Bagri	Non-Executive Director	Member	7	5
3.	Sh. Rajesh Kumar Damani	Non-Executive Independent Director	Member	7	7
4.	Sh. Manas Jain	Non-Executive Independent Director	Member	7	6

Note: Number of meetings represents the meetings held during the period in which the Director was Member of the Committee.

3. REMUNERATION COMMITTEE

I. TERMS OF REFERENCE

The broad terms of reference of the Remuneration Committee are as under:

- To approve the Remuneration and Commission/Incentive payable to the Executive Directors/Non-Executive Directors/Senior Management Officials, whenever if required;
- To approve the Remuneration and Annual Performance Bonus payable to the Executive Directors/Non-Executive Directors/Senior Management Officials for each financial year, if any;
- Such other matters as the Board may, from time to time, request the Remuneration Committee to examine and recommended / approve.

II. COMPOSITION, MEETINGS AND ATTENDANCE OF THE COMMITTEE

The composition of the Remuneration Committee and the details of meetings attended by the members of the Remuneration Committee during the year are given below:

Sl. No.	Name of Director	Category	Designation	No. of Meetings during FY 2012-13	
				Held	Attended
1.	Sh. Manas Jain	Non- Executive Independent Director	Chairman	2	2
2.	Sh. Brij Rattan Bagri	Non-Executive Director	Member	2	2
3.	Sh. Rajesh Kumar Damani	Non- Executive Independent Director	Member	2	2
4.	Sh. Keshav Chand Jain	Non- Executive Independent Director	Member	2	2

Further, the Company Secretary acts as the Secretary to the Committee. During the Financial Year 2012-13, two (2) meetings of the committee were held on August 27, 2012 & October 16, 2012. Both the meetings were attended by all the Committee members.

III. DETAILS OF REMUNERATION PAID TO DIRECTORS

The following are the details of the remuneration paid to the managerial personnel during the Financial Year 2012-13:

• Executive Directors

Name	Salary (Rs.)	Perquisites (Rs.)	Incentive (Rs.)	Total (Rs.)	Service Contract
Sh. Vikram Rathi	18,67,958	9,360	0	18,77,318	3 yrs
Sh. Satish Kumar Sharma	15,04,944	9,360	0	15,14,304	3 yrs

• Non-Executive Directors

No remuneration/commission or Sitting fees was paid to any Non- Executive Director(s) for attending Board Meetings / Committee Meetings, by the Company for the Financial Year 2012-2013.

IV. REMUNERATION POLICY

The remuneration paid to Executive Directors/Non-Executive Directors/Relative of Director is recommended by the Remuneration Committee and approved by the Board of Directors in the Board Meeting, subject to the subsequent approval by the shareholders at the General Meeting and such other authorities, as the case may be. The Company does not have any Employee Stock Option Plans (ESOPs) till March 31, 2013. The remuneration policy of the Company is to remain competitive in the industry to attract and retain talent and appropriately reward the contribution made towards growth of the Company.

4. SHAREHOLDER'S/INVESTORS' GRIEVANCE-CUM-SHARE TRANSFER COMMITTEE

The Company has an Investors' Grievance Committee under the nomenclature "Shareholders'/Investors' Grievance-cum-Share Transfer Committee". The Committee looks after the redressal of grievances of the Shareholders/investors and approves transfer/transmission, sub-division, consolidation and issue of duplicate share certificates, non-receipt of dividend/notices/ annual reports etc.

I. **COMPOSITION, MEETINGS AND ATTENDANCE OF THE COMMITTEE**

The composition of the Shareholder's/Investor's Grievance-cum-Share Transfer Committee and the details of meetings attended by the members of the above said Committee during the year are given below:

Sl. No.	Name of Director	Category	Designation	No. of Meetings during FY 2012-13	
				Held	Attended
1.	Sh. Manas Jain	Non- Executive Independent Director	Chairman	19	18
2.	Sh. Keshav Chand Jain	Non-Executive Independent Director	Member	19	17
3.	Sh. Vikram Rathi	Executive Director	Member	19	19

Further, the Company Secretary acts as the Secretary to the Committee. During the year under review, the Shareholder's/Investor's Grievance-cum-Share Transfer Committee of members met nineteen (19) times. The meetings were held on April, 16, 2012, April 30, 2012, May 16, 2012, May 31, 2012, June 16, 2012, June 30, 2012, July 14, 2012, July 31, 2012, August 16, 2012, August 31, 2012, September, 21, 2012, October 16, 2012, October 31, 2012, November 08, 2012, November 27, 2012, December 20, 2012, January 08, 2013, February 28, 2013 and March 30, 2013.

The minutes of the Committee meetings are placed in the subsequent Board Meetings held thereafter. The Shareholder's Grievances are closely supervised by the Company Secretary who co-ordinates with the concerned Authorities, if required. Pursuant to the Securities Exchange Board of India (SEBI) Circular No. MRD/Dop/Dep/SE/Cir-22/06 dated December 18, 2006; the Company has a specific email ID, i.e. investorcomplaint@blblimited.com for the purpose of registering complaints by investors and to take necessary follow-up action in relation thereto. The said email ID's is also displayed on Company's website.

II. **NAME, DESIGNATION AND ADDRESS OF COMPLIANCE OFFICER:**

Ms. Priyanka Sharma

Company Secretary as Compliance officer

BLB Limited

3rd Floor, ECE House, Annexe-II

28A, Kasturba Gandhi Marg,

New Delhi - 110001

Tel : 011 - 49325600

Fax : 011 - 49325637

Email: priyankasharma@blblimited.com

III. **DETAILS OF SHAREHOLDER'S COMPLAINTS RECEIVED:**

During the Financial Year 2012-13 under report the details of complaints received and redressed are shown below:

Opening Balance	Received	Resolved	Closing Balance
1	1	2	Nil

The complaints are resolved / replied within the stipulated time frame from their lodgment with the Company.

5. CEO/ CFO CERTIFICATION

The Executive Director and CFO of the Company have certified, in terms of Clause 49(V) of the Listing Agreement, to the Board that the financial statements present a true and fair view of the Company's affairs and are in compliance with existing accounting standards. A Certificate with respect to above said matter is annexed with this Annual Report and has been duly signed by Mr. Vikram Rathi, Executive Director and Mr. Vikash Rawal, Chief Financial Officer of the Company.