

BLB LIMITED

***38th
Annual Report
2018-2019***

Corporate Identification Number L67120HR1981PLC051078

| | | |
|---------------------------|------------------------------|--------------------|
| Board of Directors | Sh. Brij Rattan Bagri | Chairman |
| | Sh. Vikram Rathi | Executive Director |
| | Sh. Keshav Chand Jain | Director |
| | (Resigned w.e.f. 09.04.2019) | |
| | Smt. Dhvani Jain | Director |
| | Sh. Chitter Kumar Aggarwal | Director |
| | Sh. Ram Pal Sharma | Director |

Chief Financial Officer Sh. Anshul Mehra

Company Secretary and Compliance Officer Ms. Varsha Yadav

Principal Bankers HDFC Bank Limited

Statutory Auditors M/s. R.K. Ahuja & Co.
Chartered Accountants, Faridabad

Secretarial Auditors M/s. Chandrasekaran Associates
Company Secretaries, New Delhi

Registered Office SCO (Shop-cum-Office) No. 22,
Spring Field Colony Extn. No. 1,
Near Sector 31-32, Faridabad-121003, Haryana

Registrar and Share Transfer Agent M/s. Abhipra Capital Limited
A-387, Abhipra Complex, Dilkhush Industrial Area,
G.T. Karnal Road,
Azadpur, New Delhi- 110033

Listing at National Stock Exchange of India Limited
BSE Limited

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BOARD'S REPORT

Dear Shareholders,

Your Directors take immense pleasure in presenting their **Thirty Eighth (38th) Annual Report** together with the Audited Financial Statement of Accounts of **BLB Limited ("the Company")** for the Financial Year 2018-19.

1. FINANCIAL SUMMARY AND HIGHLIGHTS

The summarized Audited results of your Company for the Financial Year 2018-19 ended on 31.03.2019 viz.-a-viz. for the Financial Year 2017-18 ended on 31.03.2018 are given in the table below :

(Rs. In Lakhs)

| PARTICULARS | FINANCIAL YEAR ENDED | |
|---|----------------------|------------|
| | 31/03/2019 | 31/03/2018 |
| Revenue from Operations | 19374.13 | 51732.82 |
| Other Income | 119.73 | 72.90 |
| Expenses | 19623.07 | 51811.55 |
| Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense | (129.21) | (5.83) |
| Less: Depreciation/ Amortization/ Impairment | 36.30 | 50.12 |
| Profit /loss before Finance Costs, exceptional items and Tax Expense | (165.51) | (55.95) |
| Less: Finance Costs | 121.32 | 509.31 |
| Profit /loss before Exceptional items and Tax Expense | (286.83) | (565.26) |
| Add/(less): Exceptional items | - | - |
| Profit /loss before Tax Expense | (286.83) | (565.26) |
| Less: Tax Expense (Current & Deferred) | 119.12 | (45.31) |
| Profit /loss for the year | (405.95) | (519.95) |
| Other Comprehensive Income/loss | 32.81 | (15.34) |
| Total Comprehensive Income/ loss | (373.14) | (535.29) |
| Balance of profit /loss for earlier years | - | - |
| Balance carried forward | - | - |
| Basic Earnings Per Share (in Rs.) | (0.77) | (0.98) |
| Diluted Earnings Per Share (in Rs.) | (0.77) | (0.98) |

The figures for the last financial year have changed, re-grouped and re-arranged due to Amalgamation of four wholly owned subsidiaries of the Company with the Company i.e. BLB Limited from the appointed date 01st April, 2017.

Net Revenue from Operations for the Financial Year 2018-19 of your Company has decreased from Rs.51805.72 Lakhs for the previous F.Y. 2017-18 to Rs. 19493.86 Lakhs. Loss after Tax decreased from Rs. 519.95 lakhs for F.Y. 2017-18 to Rs. 405.95 lakhs for the current F.Y. 2018-19.

2. RESERVES AND SURPLUS

The Board of Directors of your Company has decided not to transfer any amount to Reserves for the financial year 2018-19.

3. DIVIDEND

The Board of Directors of your Company after considering holistically the relevant circumstances has decided that it would be prudent, not to recommended any dividend for the Financial Year 2018-19.

4. STATE OF COMPANY'S AFFAIRS

- a) **Segment Wise Position of Business-** The main business of the Company is in trading and investment in Shares and Securities. However, consequent to Amalgamation of four wholly owned subsidiaries with the company the different business verticals being carried out by them have been regrouped as different business segments. The segment wise details have been provided at Note No. 37 of the enclosed Financial Statements for the Financial Year 2018-19.
- b) **Change in Status of Company –** There is no change in the status of your Company as the Company continues to be listed in National Stock Exchange of India Limited (NSE) & BSE Limited (BSE). The Company is in process of surrendering the membership of BSE and Currency Derivative Segment in NSE during the year under review.
- c) **Key Business Developments-** No key business developments took place during the year under review.
- d) **Change in the Financial Year –** There has been no change in the financial year followed by Company. The Company follows financial year starting from 01st April and ending on 31st March.

- e) **Capital Expenditure Programmes-** There have been no Capital Expenditure Programmes during the year under review and also in the future.
- f) **Status of Merger-** During the year under review, four wholly owned subsidiaries amalgamated with the company. Please refer to Note No. 30 of Financial Statements for more details.
- g) **Developments, Acquisition and assignment of material Intellectual Property Rights-** There are no material developments, acquisitions and assignments that took place during the year under review.
- h) **Any other material event having an impact on the affairs of the Company-** No material event took place during the year under review having an impact on the affairs of the Company.

5. **CHANGE IN NATURE OF BUSINESS**

During the year under review, there were no changes in nature of business of the company. The main business of company continued to trading and investment in Shares and Securities.

6. **MATERIAL CHANGES AND COMMITMENT**

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of financial year of the Company to which the Financial Statements relate and the date of this report.

7. **DETAILS OF REVISION OF THE FINANCIAL STATEMENT OR REPORT**

There have been no revision in the Financial Statements and Board report during the Financial Year under review. However, the previous year figures i.e. F.Y. 2017-18 in the current Financial Statements were changed, re-grouped and re-arranged in terms of NCLT Chandigarh Order dated 25th January, 2019 approving amalgamation of four wholly owned subsidiaries with the Company with effect from the appointed date i.e. 01st April, 2017.

8. **SHARE CAPITAL**

The Authorised Share Capital of your Company as on March 31, 2019 stood at Rs. 31,50,00,000/- comprising of 26,50,00,000 equity shares of Re.1/- each amounting to Rs.26,50,00,000/- and 5,00,000 preference shares of Rs.100/- each amounting to Rs.5,00,00,000/- as against the Authorised Share Capital of Rs. 12,50,00,000/- divided into 7,50,00,000 Equity Shares of Re. 1/- each amounting to Rs. 7,50,00,000/- and 5,00,000 preference shares of Rs.100/- each amounting to Rs. 5,00,00,000/- as on 31st March, 2018.

**The amount of authorized capital of the Company increased due to amalgamation of four wholly owned subsidiaries with the Company vide NCLT, Chandigarh Bench Order dated 25.01.2019.*

The Issued, Subscribed and Paid-up Equity Share Capital of your Company as on March 31, 2019, stood at Rs. 5,28,65,258/-, comprising of 5,28,65,258 Equity shares of Re.1/- each and remained unchanged as compared to March 31, 2018.

Further, no Capital reduction/ buyback/ change in voting rights has been undertaken during the year under review.

9. **CHANGES IN SHARE CAPITAL AND DISCLOSURES**

There was no change in the paid up Share Capital of the Company during the financial year 2018-19.

Equity Shares or Other Convertible Securities:

The Company has not issued any equity shares or other convertible securities during the year under review.

Equity Shares with Differential Rights:

The Company has neither issued any equity shares with differential rights during the year under review nor are any such equity shares outstanding.

Sweat Equity Shares:

The Company has not issued any Sweat Equity Shares during the year under review.

Employee Stock Options:

The Company has not provided any Stock Option Scheme to the employees during the year under review.

Voting Rights not directly exercised by Employees:

The Company has no Scheme in which voting rights are not directly exercised by Employees of Company. Further, no shares are held by trustee(s) for the benefit of employees.

Debentures, Bonds or other Non- convertible Securities:

The Company has not issued any Debentures, Bonds or other non- convertible securities during the year under review. Also, SEBI Circular dated 26th November, 2018 regarding Large Corporates (LC) is not applicable to the Company for the Financial Year ended on 31st March, 2019.

Warrants:

The Company has not issued any Warrants during the year under review.

Credit Rating of Securities:

The Company has not obtained any Credit Rating of Securities during the year under review.

Bonus Shares:

The Company has not issued any Bonus Shares during the year under review.

10. INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all unclaimed and unpaid dividends are required to be transferred by the Company to the Investor Education and Protection Fund, established by the Government of India, after completion of seven years from declaration of Dividend. Further, according to the rules, the shares on which the dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority.

During the year the Company has transferred the unclaimed and unpaid dividends amounting to Rs. 1,62,953/-pertaining to the Financial Year 2010-11 declared on 30.09.2011. Further, 30,084 corresponding shares on which dividends were unclaimed for seven consecutive years were also transferred as per the requirement of IEPF rules. However, 100 shares could not be transferred to IEPF Authority as the DP account of the member was suspended for debit due to FIR registered against him.

Detailed list of dividend amount and Shares transferred to IEPF Authority is available on the website of the Company viz. "www.blblimited.com".

11. NODAL OFFICER

The Board of Directors of your Company has appointed Ms. Varsha Yadav, Company Secretary of the Company as Nodal Officer for the purpose of IEPF, relevant details are available on the website of the Company viz. "www.blblimited.com".

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL OF THE COMPANY**Inductions:-**

- Sh. Chitter Kumar Aggarwal (DIN: 00038502) was appointed as Non- Executive Director by the Shareholders in the 37th Annual General Meeting with effect from 28th August, 2018. Further, Sh. Chitter Kumar Aggarwal was designated as Independent Director in the Board Meeting held on 20th September, 2018.
- Sh. Ram Pal Sharma (DIN: 02785619), was appointed as Non- Executive Independent Director in the Board Meeting held on 20th September, 2018 and was approved by shareholders (vide postal Ballot concluded on 18th May, 2019).
- Sh. Anshul Mehra was appointed as Chief Financial Officer with effect from 13th August, 2018.
- Ms. Varsha Yadav was appointed as Company Secretary and Compliance Officer with effect from the 02nd August, 2018.

Resignations:-

- Sh. Rajesh Kumar Damani (DIN: 01405935) resigned as an Independent Director with effect from 01.08.2018.
- Sh. Manas Jain (DIN: 02785654) resigned as an Independent Director with effect from 20.09.2018.
- Sh. Keshav Chand Jain resigned from the Directorship with effect from 09th April, 2019.
- Ms. Abha Garg resigned from the Post of Company Secretary and Compliance Officer with effect from 16.06.2018.
- Sh. Vikash Rawal resigned from the post of Chief Financial Officer of the Company with effect from 13.08.2018.

The Board places on record the appreciation of services rendered by the Director's/ KMP(s) of the Company during the year under review.

Appointments/ Re-appointments:-

Sh. Vikram Rath (DIN: 00007325) Executive Director of the Company retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends the same for your approval. Brief profile of Sh. Vikram Rath has been given in the notice convening the Annual General meeting.

Sh. Keshav Chand Jain (DIN: 00007539) is proposed to be appointed as Non- Executive Director of the Company and Sh. Anshul Mehra (DIN: 00014049) proposed to be appointed as Whole Time Director designated as Executive Director in the forthcoming Annual General Meeting.

Necessary approvals for change of Directors was obtained from NSE/BSE where company is a member. No regulatory approvals were required for change of KMP's.

13. DECLARATION BY INDEPENDENT DIRECTORS

Sh. Ram Pal Sharma (DIN: 02785619), Sh. Chitter Kumar Aggarwal (DIN: 00038502) and Smt. Dhvani Jain (DIN: 06985038) are the Independent Directors on the Board of your Company. In the opinion of the Board and as declared by these Directors, each of them meets the criteria of independence as specified in Regulation 16 of the Listing Regulations and Section 149 (6) of the Companies Act, 2013 and the Rules made thereunder.

14. SEPARATE MEETING OF INDEPENDENT DIRECTORS

The Company has convened and held a separate meeting of independent directors on 18.03.2019 during the period under review.

15. DETAILS OF BOARD MEETINGS

During the year under review, 9 (Nine) Board meetings were held, details of which are given in the relevant paragraphs of Corporate Governance Report which forms part of this report.

16. COMMITTEES OF BOARD

The Composition of Committees, i.e. Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee has changed since the last Annual General Meeting.

Details of the same like date of reconstitution of Committees, number of committee meetings, attendance of committee members and other terms of reference are given in the relevant paragraphs of Corporate Governance Report which forms part of this report.

17. RECOMMENDATIONS OF COMMITTEES

Your Board has accepted all the recommendation(s) made by the all the Committees during the year and up to the date of this report.

18. COMPANY'S POLICY ON APPOINTMENT AND REMUNERATION

The Nomination and Remuneration Committee of your Company has framed a "Nomination, Remuneration and Evaluation Policy" on director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director. The said policy has been approved by the Board of Directors of your Company.

The detailed "Nomination, Remuneration and Evaluation Policy" may be accessed on the website of the Company viz. "www.blblimited.com".

19. EVALUATION OF BOARD PERFORMANCE

The Board has framed a performance evaluation policy which is displayed on the website of the company, viz. www.blblimited.com, for evaluating its own performance of Executive Director, Non-executive Directors including Independent Directors and its Committees.

Pursuant to the Section 134(3)(p) and Schedule IV of the Companies Act, 2013 read with Regulation 17 of the Listing Regulations, the Board of Directors in their meeting held on 09.04.2019 have carried out an evaluation of Independent Directors, the directors individually, as well as the evaluation of the working of its Committees.

Based on the Performance Evaluation carried out by the Board of the Company, the performance of the Board and its Committees and Individual Directors of the Company was found satisfactory.

As per Schedule IV to the Companies Act, 2013 and Regulation 25 of the Listing Regulations, a separate meeting of Independent Directors was held on March 18, 2019, where Independent Directors, reviewed the performance of Non-Independent Directors, the Board as a whole, Chairman of the Company and found their performances to be satisfactory.

20. DISCLOSURE ABOUT RECEIPT OF ANY COMMISSION/ REMUNERATION BY MANAGING DIRECTOR/WHOLE TIME DIRECTOR FROM HOLDING COMPANY OR SUBSIDIARY COMPANY

The Whole Time Director was not in receipt of commission from the Holding Company or commission / remuneration from its Subsidiary Companies.

21. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Clause (c) of Sub-Section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- A. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- B. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are 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 that period;

- C. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- D. the directors had prepared the annual accounts on a going concern basis;
- E. the directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- F. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

22. INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY

The internal financial controls with reference to the Financial Statements are commensurate with the size and nature of business of the Company. The internal audit is entrusted to M/s. Ram Rattan & Associates, Chartered Accountants, New Delhi. Your Company continuously invests in strengthening the internal control processes and systems. The internal control process and systems provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company and ensuring compliance with corporate policies. Procedures to ensure conformance with the policies, processes and standards have been put in place covering all activities.

The processes and financial activities are subjected to independent audits by internal as well as statutory auditors. Implementations of recommendations from various audit reports are regularly monitored by the senior management.

23. REPORTING OF FRAUD AS PER SECTION 143(12)

For Financial Year 2018-19, no reporting of Fraud has been made by Auditors of the Company.

24. SUBSIDIARY COMPANIES

During the Financial Year under consideration there were 6 (Six) wholly owned subsidiaries, namely BLB Commodities Limited, BLB Global Business Limited, Sri Sharadamba Properties Limited, Caprise Commodities Limited, Sakala Commodities Limited and Samagra Capital Limited. Two out of the above six subsidiaries namely "Sakala Commodities Limited" and "Samagra Capital Limited" which were incorporated to meet the requirement of the "Composite Scheme of Arrangement". However, consequent to withdrawal of that Scheme, the newly incorporated two companies had applied for striking off their names from the records of the Registrar of Companies and names were struck off on 05.09.2018, rest four wholly owned subsidiary companies namely BLB Commodities Limited, BLB Global Business Limited, Sri Sharadamba Properties Limited and Caprise Commodities Limited have been amalgamated with your Company vide Hon'ble NCLT, Chandigarh Order dated 25.01.2019 which was filed with Registrar of Companies, Delhi & Haryana on 26th February, 2019. The appointed date of amalgamation was 01st April, 2017.

M/s. BLB Commodities Limited was a material subsidiary of the Company as per thresholds laid down under the Listing Regulations.

Pursuant to the provisions of Section 136 of the Companies Act, 2013, the financial statements along with relevant documents are available on the website of the Company viz. "www.blblimited.com".

25. PUBLIC DEPOSIT

During the year under review, your Company had not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

However, Company had taken loan of Rs.2.45 Cr. from one of its director Sh. Brij Rattan Bagri during the year in compliance with the Companies (Acceptance of Deposits) Rules, 2014 and repaid loan amounting to Rs. 2.40 Cr. The year end balance of loan was Rs.12.65 Crore. (Previous year Rs. 12.60 Crore). A declaration to the effect that that loan granted to company was not out of borrowed funds was also provided by Sh. Brij Rattan Bagri.

26. LOANS, GUARANTEES AND INVESTMENTS

Particulars of Loans, Investment and Guarantees given, as per the provision Section 186 of the Companies Act, 2013 are provided in Note Nos. 4 and 12 of Financial Statements, along with the purpose for which they have been granted which forms part of this Annual Report. The outstanding amount of loan granted by Company to other Companies as on March 31, 2019 stands at Rs. 200.00 Lakhs (previous year NIL)

Further your Company continues to hold investments in securities, details of which are provided in the Note No. 4 of Financial Statements which forms part of this Annual Report. No Guarantee was given by the company during the year under review.

27. RELATED PARTY TRANSACTIONS

The Company has also adopted a Related Party Transaction Policy which is also available on the website of the Company viz "www.blblimited.com". In the policy, the criteria for determining the material transactions has been defined according to which any contract or transaction or arrangement are to be considered material if the transaction(s) to be entered into

individually or taken together with previous transactions during a financial year exceeds 10% of the annual consolidated turnover of the Company as per the last audited financial statement of the Company.

The contracts or arrangements with related parties referred to in sub-section (1) of Section 188 read with Section 2(76) of the Companies Act, 2013 entered into by the Company are in the ordinary course of business and on arm's length basis. There is no material transaction with related parties during the year as defined under Listing Regulations and as per company's Related Party Transaction Policy. Further, as per Companies Act, 2013 and rules made there under, the term "Material Transactions" has not been defined and therefore for the purpose of material transactions as mentioned in the **Form AOC-2**, the Company has taken the definition from the Regulation 23 of the Listing Regulations read with Related Party Transaction Policy and has concluded that no transaction falls under material transaction as per the requirement.

The prescribed **Form AOC-2** is enclosed and forms part of this Report as **Annexure-I**. Your directors draw attention of members to Note No. 35 to the financial statements which set out related party disclosures.

28. **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company on account of losses; turnover not exceeding Rs. 1000 Crores or net worth not exceeding Rs. 500 Crores during the year under review.

29. **DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The disclosures to be made under sub-section (3) (m) of Section 134 of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 by your Company are explained as under:

| | | |
|--|--|------------------------------------|
| (A) Conservation of energy- | | |
| (i) the steps taken or impact on conservation of energy | The Company is a stock broking Company and requires normal consumption of electricity. The Company takes all necessary steps to reduce the consumption of energy. Your Company is not an industry as listed in Schedule to Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rule, 1988. | |
| (ii) the steps taken by the company for utilising alternate sources of energy | | |
| (iii) the capital investment on energy conservation equipments | | |
| (B) Technology absorption- | | |
| (i) the efforts made towards technology absorption | The Company is engaged in the Stock Broking Business and accordingly does not absorb any Technology | |
| (ii) the benefits derived like product improvement, cost reduction, product development or import substitution | | |
| (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- | | |
| (a) the details of technology imported; | | |
| (b) the year of import; | | |
| (c) whether the technology been fully absorbed; | | |
| (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and | | |
| (iv) the expenditure incurred on Research and Development | No expenditure was incurred on Research and Development. | |
| (C) Foreign Exchange Earnings and Outgo- | | |
| The total foreign exchange used and the total foreign exchange earned during the year as compared to the previous financial year has been provided hereunder | | |
| Foreign Exchange Earnings & Outgo | Current Year (2018-19) | Previous Year (2017-18) |
| Inflow | NIL | NIL |
| Outflow | Rs. 5.13 lakhs | NIL |

30. RISK MANAGEMENT POLICY

- a. **Development of Risk Management Policy:** In terms of the requirement of the Companies Act, 2013 and the Listing Regulations, the Company has developed and implemented the Risk Management Policy and the Audit Committee of the Company reviews the same periodically.
- b. **Implementation of Risk Management Policy:** The Company recognizes that risk is an integral and unavoidable component of business and hence is committed to managing the risk in a proactive and effective manner. The Risk Management Policy approved by the Board has been effectively implemented. The Company's Management systems, organizational structures, processes, standards, code of conduct and behaviors together form the Risk Management System of the Company and are managed accordingly. In the opinion of Board, none of the risks which have been identified may threaten the existence of the Company.
- c. **Identification of Key Risks which may Threaten the Existence of the Company and Risk Mitigation:** The common risks faced by the Company include Market Risk, Technology risk, Operational Risk, Reputation Risk, Financial and Accounting Risk Regulatory and Compliance Risk, Human Resource Risk and Business Continuity Risk. Your Company has well defined processes and systems to identify, assess & mitigate the key risks. A platform for exception reporting of violations is in place which is reviewed regularly and remedial measures are being undertaken immediately. The risk management process consists of risk identification, risk assessment, risk prioritization, risk treatment or mitigation, risk monitoring and documenting the new risks.

31. VIGIL MECHANISM

Your Company has established a Vigil Mechanism (Whistle Blower Policy) as per the requirements of Section 177(9) & (10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations. The vigil mechanism is a channel through which the Directors and Employees of the Company have a secure mechanism to report genuine concerns including any unethical behavior, actual or suspected frauds taking place in the Company for appropriate action or reporting.

The functioning of the vigil mechanism is reviewed by the Audit Committee periodically. None of the Directors or employees have been denied access to the Audit Committee of the Board.

The vigil mechanism (Whistle Blower Policy) may be accessed on the Company's website "www.blblimited.com".

32. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

No significant or material orders were passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

33. STATUTORY AUDITORS, THEIR REPORT AND NOTES TO FINANCIAL STATEMENTS

In the 36th Annual General Meeting held on 16th September, 2017, M/s R.K. Ahuja & Co. Chartered Accountants, (FRN 031632N) had been appointed as Statutory Auditors of the Company for a period of Five (5) years subject to ratification at every Annual General Meeting, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ensuing AGM.

However, M/s. R.K. Ahuja & Co., Chartered Accountants, a Partnership Firm having registration No. FRN 031632N has been converted into Proprietorship firm w.e.f. 01.04.2019, due to resignation of one of the partner of Statutory Auditor firm.

Further, the Company has received the consent and eligibility from M/s R.K. Ahuja & Co. Chartered Accountants, Statutory Auditors of the Company for the Financial Year 2019-20.

The report of the Statutory Auditors along with Notes on Financial Statements for the year ended 31.03.2019 is enclosed with the Annual Report. There is no qualification, reservation, adverse remarks or disclaimer in the Auditors' Report on Financial Statements.

34. SECRETARIAL AUDITOR AND THEIR REPORT

In terms of Section 204 of the Companies Act, 2013 and Rules made there under, Company had appointed M/s. Chandrasekaran Associates, Practicing Company Secretaries, to conduct the Secretarial Audit of the Company for the financial year 2018-19.

The report of the Secretarial Auditors for the financial year 2018-19 is enclosed as **Annexure-II** to this report. The report is self-explanatory and do not call for any further comments. There is no qualification, observations, disclaimer, adverse remark or other remarks in the Secretarial Auditors' Report.

35. COMPLIANCES OF SECRETARIAL STANDARDS

The Company has complied Secretarial Standards issued by the Institute of Company Secretaries of India during the year under review.

36. FAILURE TO IMPLEMENT CORPORATE ACTIONS

The Company has not failed to implement any Corporate Action like Buy Back of Securities, Payment of Dividend declared, issue of Securities, delisting, merger and de-mergers during the year under review.

37. EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) and 134(3)(a) of the Companies Act, 2013 ('the Act') and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of Annual Return in **Form MGT-9** is annexed as an **Annexure-III**.

38. PARTICULARS OF EMPLOYEES

The information as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) & (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company forms part of this report as an **Annexure-IV & V**.

39. CORPORATE GOVERNANCE REPORT & MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as Listing Regulations), a separate report on Corporate Governance is appended along with the Compliance Certificate from M/s Chandrasekaran Associates, Practicing Company Secretaries, which forms part of this report as an **Annexure-VI**.

The Management Discussion and Analysis Report for the year under review, as stipulated under the Listing Regulations with the Stock Exchanges in India is presented in a separate section which forms part of this report as an **Annexure-VII**.

40. COST RECORDS

During the year ended March 31, 2019, the Company is engaged in trading business in Shares, Securities and Commodities and it was exempted from maintenance of Cost records as the minimum revenue threshold set out in Cost Records and Audit Rules, 2014 was not met therefore Company is not required to prepare and maintain Cost Records as specified by Central Government Under Section 148(1) of the Act.

41. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company always endeavors to create and provide an environment that is free from discrimination, intimidation, abuse and harassment including sexual harassment. It is also believed that, it's the responsibility of the organization to protect the integrity and dignity of its woman employees. The Company has "Prevention of Sexual Harassment Policy" in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. As per the policy, any woman employee may report her complaint to ICC which is formed for this purpose.

The following is a summary of sexual harassment complaints received and disposed off during the year 2018-19:

| | | |
|--|---|-----|
| Number of complaints pending as on the beginning of the financial year | : | Nil |
| Number of complaints filed during the financial year | : | Nil |

42. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING IN COMPANY'S SECURITIES

Your Company has formulated Code of Conduct for Prevention of Insider Trading in Company's Securities ("Code") in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015. The objective of this Code is to protect the interest of Shareholders at large, to prevent misuse of any price sensitive information and to prevent any insider trading activity by dealing in shares of the Company by its Designated Persons. Ms. Varsha Yadav, Company Secretary and Compliance Officer of the Company is authorized to act as Compliance Officer under the Code.

43. CONSOLIDATED FINANCIAL STATEMENTS

In accordance with Section 129(3) of the Companies Act, 2013, the company is not required to prepare Consolidated Financial Statements for the financial year 2018-19 as the subsidiaries has merged with your Company i.e. BLB Limited with effect from the appointed date i.e. 01st April, 2017.

44. HUMAN RESOURCES MANAGEMENT

Your Company treats its "human resources" as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis.

ACKNOWLEDGEMENT

Your Directors place on record their appreciation for employees at all levels, who have contributed to the growth and performance of your Company.

Your Directors also thank the clients, vendors, bankers, shareholders and advisers of the Company for their continued support.

Your Directors also thank Regulators, Stock Exchanges and other Statutory Authorities for their continued support.

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

Place : New Delhi
Date : 02.07.2019

(BRIJ RATTAN BAGRI)
CHAIRMAN
(DIN: 00007441)