BLB
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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

and that they are not disqualified for reappointment 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 shareholder 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. The recommendations made by the Secretarial Auditors are implemented in order to improve the processes in the Secretarial Department.

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**
Outflow:	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 : 27th August, 2012

(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 ₹ 468.34 lacs for the Financial Year 2011-12 as compared to the Loss After Tax of Rs. 1853 lacs for the previous Financial Year. The loss in the year under consideration is basically on account of lack of business opportunities in the Capital Market particularly in the vertical in which Company operates and consequent downsizing of business operations.

OPPORTUNITIES & THREATS

During the year under review the performance of the Company has been adversely affected due to lack of Investment and trading opportunities on account of negative investor sentiment caused by poor corporate performance, high inflation and interest rates, domestic and global economic crisis, governance issues etc. Further, the use of high cost sophisticated trading technology has acted as fuel to the fire and significantly affected the business opportunity and viability of the Jobbing and Arbitrage segment which has been the main business verticals of the Company.

As the future of the segment in which the Company operates is full of uncertainties, challenges and difficulties, your Company is exploring various opportunities for the development of new business avenues for which it has formed a new Subsidiary Company and has increased its investment in other subsidiary companies.

Your Company feels that the commodities segment is providing better business opportunities as compared to the equity segment. As such during the year under review, your Company has made further investment by way of equity and loan in the Wholly Owned Subsidiary, BLB Commodities Limited (Erstwhile known as BLB Commodities Private Limited). BLB Commodities Limited has also expanded its business operations to international market by undertaking Export and Import of Agri Commodities. It has also acquired the Membership of NCDEX Spot Exchange.

Your Company has also made further investment by way of equity and debt in the Wholly Owned Subsidiary Sri Chaturbhuj Properties Limited and Sri Sharadamba Properties Limited.

Further, your Company has also formed a Wholly Owned Subsidiary for undertaking Export-Import & International business by the name of BLB Global Business Limited (BGBL). BGBL has further formed Wholly Owned Subsidiary Companies in Dubai and Singapore for undertaking physical commodities business in the international markets by the name of BLB Business Ventures DMCC and BLB Singapore Ventures Pte Ltd respectively.

RISK AND CONCERNS

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

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

The Company's report on Corporate Governance for the year ended on 31.03.2012 as required under Clause 49 of the Listing Agreement entered into with Stock Exchanges is presented as under:

Company's Philosophy of Corporate Governance

Your Company's outlook towards corporate governance is not only restricted to legal or regulatory framework but also to practice transparency in operations and maintain a professional approach and accountability in dealing with its stakeholders.

Further, your Company believes that good Corporate Governance is the appliance of managing superior and sound administrative and management practice along with the compliance of laws, regulations necessary for observance to premier standards of precision, enhance shareholders value, in discharge of social responsibility and business ethics.

Your Company's Corporate Governance values are inspired from following principles enumerated below:

- *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 at all levels.*

This Corporate Governance Report in relation to the year ended on 31st March, 2012 as per the Clause 49 of the Listing Agreement is enumerated below for your kind perusal:

I) MANDATORY REQUIREMENT

1. BOARD OF DIRECTORS

❖ **Composition and size of the Board**

As on 31st March, 2012, the Company's Board of Directors comprised of six directors out of which four were Non-Executive directors. The Board meetings of the Company were normally presided over by the Chairman cum Non-Executive Director who is also the Promoter of the Company. The Company has an optimum combination of executive and non-executive directors in accordance with the provisions of clause 49 of the listing agreement. One-half of the Board of Directors of the Company were Independent Directors i.e. the board is having two executive directors and four non-executive directors, of whom three are independent directors. All independent directors are persons of eminence and bring a wide range of expertise and experience to the board thereby ensuring best interest of stakeholders and the Company.

❖ **Board Meetings held during the year**

During the year 2011-2012, the Board met ten times on the following dates:

1.	03.05.2011	2.	14.05.2011	3.	30.06.2011	4.	11.08.2011
5.	25.08.2011	6.	01.10.2011	7.	14.11.2011	8.	05.12.2011
9.	10.02.2012	10.	03.03.2012				

Attendance recorded for each director at the Board Meetings, last Annual General Meeting (AGM) and details of other directorships and committee positions held by them are as follows:-

Name of the Director	Category of Directorship	No. of Board Meetings attended	Whether last AGM attended	No. of outside Directorship held as on 31.03.2012*	No. of Committee position held in other public companies as on 31.03.2012		Director's Share-holding
					Chairman	Member	
Sh. Brij Rattan Bagri	Promoter & Non-Executive Director	7	No	4	2	2	32309490
Sh. Vikram Rathi	Executive Director	10	Yes	4	Nil	2	45600
Sh. Satish Kumar Sharma	Executive Director	9	Yes	1	Nil	Nil	43400
Sh. Keshav Chand Jain	Independent Non-Executive Director	10	Yes	Nil	Nil	Nil	Nil
Sh. Rajesh Kumar Damani	Independent Non-Executive Director	10	No	Nil	Nil	Nil	Nil
Sh. Manas Jain	Independent Non-Executive Director	10	No	Nil	Nil	Nil	Nil

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

The intervening period between two meetings was within the maximum time gap of four months as prescribed under Clause 49 of the Listing Agreement. The dates of Board meetings are fixed in advance and agenda papers are normally circulated seven working days prior to the date of meeting. The Board has periodically reviewed compliance report of all laws applicable to the Company.

The Board of Directors has laid down a Code of Conduct for all the Board members and all the employees in the management grade of the Company. The code covers, amongst other things, the Company's commitment to honest & ethical personal conduct, transparency and compliance of laws & regulations.

As required under Annexure IA to Clause 49 of the Listing Agreement with the Stock Exchanges, the necessary information was placed before the Board during the meetings.

2. AUDIT COMMITTEE

The Audit Committee comprises of four Directors, all being Non-Executive with two-third of them being independent. The Chairman of the Audit Committee is an Independent Director. The Company Secretary of the Company acts as the Secretary to the Audit Committee.

The constitution of the Audit Committee also meets the requirements under Section 292A of the Companies Act, 1956.The terms of reference and powers of the Audit Committee are in keeping with those contained under Clause 49 of the Listing Agreement and the Companies Act, 1956.

The Audit Committee specifically reviews:

- Management Discussion and Analysis of financial conditions and results of operations.
- Quarterly and Annual Financial Results
- Significant Related Party transactions
- Internal Audit Reports
- Recommendation for appointment and fixing of the remuneration of Statutory Auditors.

❖ Composition

The Audit Committee comprised of the following members:

a. Sh. Keshav Chand Jain – Chairman
b. Sh. Manas Jain – Member
c. Sh. Brij Rattan Bagri – Member
d. Sh. Rajesh Kumar Damani – Member

All the members of the Audit Committee are Non-Executive Directors and three of them are Independent Directors. They possess sound knowledge of Accounts, Audit, and Finance etc.

❖ Meetings and Attendance

The Audit Committee of the Company met seven times during the year 2011-2012, which are enumerated below:

1.	14.05.2011	2.	28.06.2011	3.	11.08.2011	4.	25.08.2011
5.	14.11.2011	6.	28.12.2011	7.	10.02.2012		

The Attendance of each committee member during the year under review is given below:

Name	Category	Designation	Meetings Attended
Sh. Keshav Chand Jain	Non- Executive Independent Director	Chairman	7
Sh. Brij Rattan Bagri	Non- Executive Director	Member	4
Sh. Rajesh Kumar Damani	Non -Executive Independent Director	Member	7
Sh. Manas Jain	Non -Executive Independent Director	Member	7

3) REMUNERATION COMMITTEE

The remuneration of Directors is considered and decided by the Remuneration Committee of the Company on the basis of their performance, responsibilities, experience, qualification, market conditions, role played by them etc.

❖ **Composition**

The Company constituted its Remuneration Committee pursuant to Clause 49 of the Listing Agreement. All members of the Remuneration Committee are Non-Executive Directors and three of them are Independent Directors. The Company Secretary of the Company acts as the Secretary to the Committee.

The Remuneration Committee comprised of members:-

a. Sh. Manas Jain – Chairman

b. Sh. Brij Rattan Bagri – Member

c. Sh. Keshav Chand Jain – Member

d. Sh. Rajesh Kumar Damani – Member

During the year under review, one meeting was held by the said committee on 25th August, 2011. The said meeting was attended by all the Committee Members. The said meeting was held to review the remuneration of Sh. Vikram Rathi and Sh. Satish Kumar Sharma, Executive Directors of the Company.

❖ **Details of remuneration paid to the Directors**

a) Executive Directors

The aggregate value of salary perquisites paid to Whole-Time Directors (Executive Directors) for the Financial Year 2011-2012 is as follows:

Name	Designation	Salary (₹)	Perquisites (₹)	Incentive (₹)	Total (₹)	Service Contract
Sh. Vikram Rathi	Executive Director	15,56,718/-	9,360/-	NIL	15,66,078/-	3 years
Sh. Satish Kumar Sharma	Executive Director	17,34,865/-	9,360/-	16,340/-	17,60,565/-	5 Years

b) Non-Executive Director

Due to absence of profits during the Financial Year 2011-2012, Sh Brij Rattan Bagri, the Non-Executive Director of the Company, was not entitled to any commission.

No remuneration or sitting fees was paid to any Non-Executive Director for attending Board Meetings, by the Company for the Financial Year 2011-2012.

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

❖ **Composition**

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 and approves transfer/transmission, sub-division, consolidation and issue of duplicate share certificates, etc. The Shareholders'/Investors' Grievance-cum-Share Transfer Committee comprised of the following members:

a. Sh. Manas Jain – Chairman

b. Sh. Keshav Chand Jain – Member

c. Sh. Vikram Rathi – Member

The Company Secretary of the Company acts as the Secretary to the Committee.

❖ **Compliance Officer**

The Board has designated **Ms. Priyanka Sharma, Company Secretary as Compliance Officer** of the Company.
Address: 4764/23-A, Ansari Road, Daryaganj, New Delhi - 110 002
Phone: 011-32968110, 32968111, Fax: 011-23283159
e-mail: priyankasharma@blblimited.com

❖ **Meeting and Attendance**

During the year, twenty four meetings of the Committee were held on the following dates:

1.	15.04.2011	2.	29.04.2011	3.	14.05.2011	4.	31.05.2011	5.	17.06.2011
6.	30.06.2011	7.	15.07.2011	8.	28.07.2011	9.	16.08.2011	10.	31.08.2011
11.	15.09.2011	2.	23.09.2011	13.	15.10.2011	14.	31.10.2011	15.	15.11.2011
16.	30.11.2011	17.	15.12.2011	18.	30.12.2011	19.	16.01.2012	20.	31.01.2012
21.	15.02.2012	22.	29.02.2012	23.	15.03.2012	24.	31.03.2012		

The following table shows the details of attendance of members of the Committee:

S.No.	Name of Member	Category	Meetings Attended
1	Sh. Manas Jain	Non Executive Independent Director	24
2	Sh. Keshav Chand Jain	Non Executive Independent Director	22
3	Sh. Vikram Rathi	Executive Director	23

❖ **Details of Shareholders/Investors Complaints for the financial year 2011-12:**

Number received during the year	1
Number resolved to the satisfaction of complainant	Nil
Number pending redressal	1
Number pending transfers	Nil

The same was pending on 31st March, 2012. However, it was resolved in due time.

5. GENERAL BODY MEETINGS

❖ **The details of Annual General Meetings held during last three Financial Year are given as under:-**

Financial Year	Venue	Date	Time	Number of special resolution passed
2010-2011	PHD Chamber of Commerce and Industry, PHD House,4/2 Siri Institutional Area, August Kranti Marg, New Delhi-110016	30th September, 2011	11:30 a.m.	Nil
2009-2010	PHD Chamber of Commerce and Industry, PHD House,4/2 Siri Institutional Area, August Kranti Marg, New Delhi-110016	29th September, 2010	11:30 a.m.	One
2008-2009	PHD Chamber of Commerce and Industry, PHD House,4/2 Siri Institutional Area, August Kranti Marg, New Delhi-110016	29th September, 2009	11:30 a.m.	Nil

❖ **The details of Extra Ordinary General Meeting held during the last three Financial Year is given as under:-**

Financial Year	Venue	Date	Time	Number of special resolution passed
2009-2010	PHD Chamber of Commerce and Industry, PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi-110 016	06th February, 2010	11:15 a.m.	One

6. DISCLOSURE

❖ **Disclosure on materially significant Related Party transactions**

- o During the year under review, the Company has not entered into any other transaction of a material nature with the related parties' viz. Promoters, Directors or the Management, their subsidiaries or relatives etc. that may have a potential conflict with the interests of the Company at large.
- o All disclosures related to Financial and Commercial transactions where Directors may have a potential interest are provided to the Board and the Interested Directors neither participate in the discussions nor do they vote on such matters.
- o The transactions with related parties are disclosed by way of a Note in the Annual Accounts as required by the Accounting Standard (AS-18)-'Related Party Disclosure' issued by the Institute of Chartered Accountants of India (ICAI).
- o The Company has followed all the relevant Accounting Standards while preparing the Financial Statements and confirms that there have been no deviations whatsoever.

❖ **Compliance by the Company**

No penalties or strictures were imposed by the Stock Exchanges or SEBI or any Statutory Authority on the Company in any matter related to the Capital Markets during the last three years.

❖ **Code of Conduct for Prevention of Insider Trading**

Pursuant to the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended, the Company has adopted a Code of Conduct for Prevention of Insider Trading. The Company has laid down a code of conduct for all the board members and senior management personnel of the Company.

❖ **Whistle Blower Policy**

The Company has not adopted any Whistle Blower Policy. However, the Company has not denied access to any personnel to approach the Management or the Audit Committee on any issue.

❖ **Mandatory and Non Mandatory requirements**

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement. The Company at present has adopted the non-mandatory requirement with regard to constitution of Remuneration Committee.

7. MEANS OF COMMUNICATION

Timely Disclosure of consistent, comparable, relevant and reliable information on corporate financial performance is at the core of good Corporate Governance. Such Quarterly/Half Yearly/ Annual results were published in 'Financial Express' (English) and 'Jansatta' (Hindi). Such results were also uploaded on Company's website, i.e. www.blblimited.com

The Company is not displaying any official news releases nor making any presentations to institutional investors or to the analysts.

8. GENERAL SHAREHOLDER INFORMATION

i. 31st Annual General Meeting

Date	:	29th September, 2012
Time	:	11.30 A.M.
Venue	:	PHD Chamber of Commerce and Industry, PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi-110016

ii. Financial Year : 01st April, 2011 to 31st March, 2012

iii. Date of Book Closure :

The Register of Members and the Share Transfer Books of the Company shall remain closed for one day only viz. Friday, 21st September, 2012

iv. Dividend Payment Date:

The Dividend, if any, approved by the members of the Company will be payable on and after 3rd October, 2012.

v. Listing on Stock Exchanges

The Equity Shares of the Company are listed at the following Stock Exchanges:-

Name of the Stock Exchanges	***Address of the Stock Exchange***	***Stock Code***
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	532290
National Stock Exchange of India Limited	"Exchange Plaza", 5th Floor, Plot No. C/1, G- Block, Bandra- Kurla Complex, Bandra (East), Mumbai – 400 051	BLBLIMITED

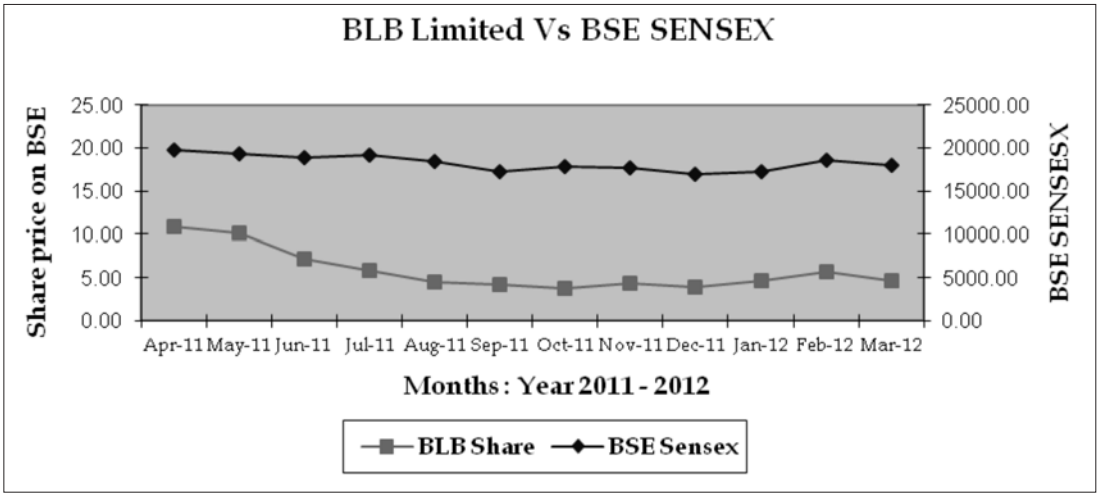
The Annual Listing fee for the year 2012-2013 has been paid to National Stock Exchange of India Limited and BSE Limited.

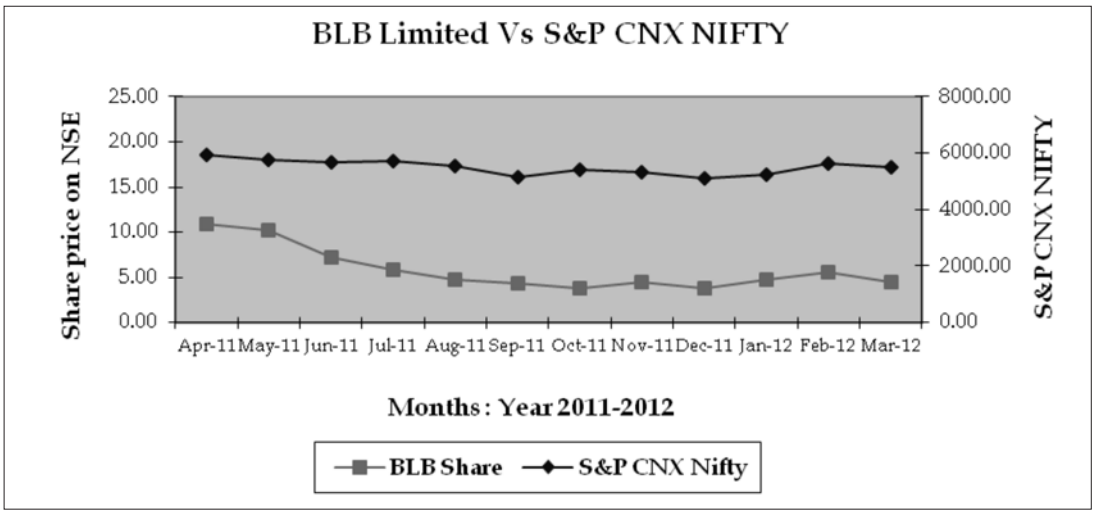
vi. Market Price Data

High/Low market prices of the Equity shares of a face value of ₹ 1/- each of the Company traded on National Stock Exchange of India Limited and BSE Limited with comparative indices during the period 01st April 2011 to 31st March 2012 are furnished below:

Month	NSE		BSE		S&P CNX NIFTY		SENSEX	
	High (Rs.)	*Low (Rs.)*	*High (Rs.)*	*Low (Rs.)*	*High*	*Low*	*High*	*Low*
April,2011	10.85	7.50	10.89	7.57	5944.45	5693.25	19811.14	18976.19
May, 2011	10.15	6.75	10.20	6.76	5775.25	5328.70	19253.87	17786.13
June, 2011	7.25	4.45	7.24	4.40	5657.90	5195.90	18873.39	17314.38
July, 2011	5.85	4.70	5.90	4.68	5740.40	5453.95	19131.70	18131.86
August, 2011	4.80	3.30	4.52	3.40	5551.90	4720.00	18440.07	15765.53
September, 2011	4.30	3.35	4.27	3.36	5169.25	4758.85	17211.80	15801.01
October, 2011	3.75	3.15	3.80	3.25	5399.70	4728.30	17908.13	15745.43
November, 2011	4.50	3.15	4.30	3.20	5326.45	4639.10	17702.26	15478.69
December, 2011	3.85	3.00	3.90	2.90	5099.25	4531.15	17003.71	15135.86
January,2012	4.75	3.00	4.70	3.19	5217.00	4588.05	17258.97	15358.02
February,2012	5.60	4.00	5.72	3.88	5629.95	5159.00	18523.78	17061.55
March,2012	4.50	3.50	4.69	3.32	5499.40	5135.95	18040.69	16920.61

vii. Performance of share price of the Company in comparison to BSE Sensex and S&P CNX Nifty:





viii. Registrar and Transfer Agents

M/s Abhipra Capital Limited is the Registrar and Transfer Agent for the Equity Shares of the Company both in the Demat and Physical forms.

M/s Abhipra Capital Limited
A-387, Abhipra Complex, Dilkhush Industrial Area,
G.T. Karnal Road, Azadpur, New Delhi-110 033
Phone: 42390909, Fax: 91-11-42390704-05-06
e-mail:info@abhipra.com, Website: www.abhipra.com

ix. Share Transfer System

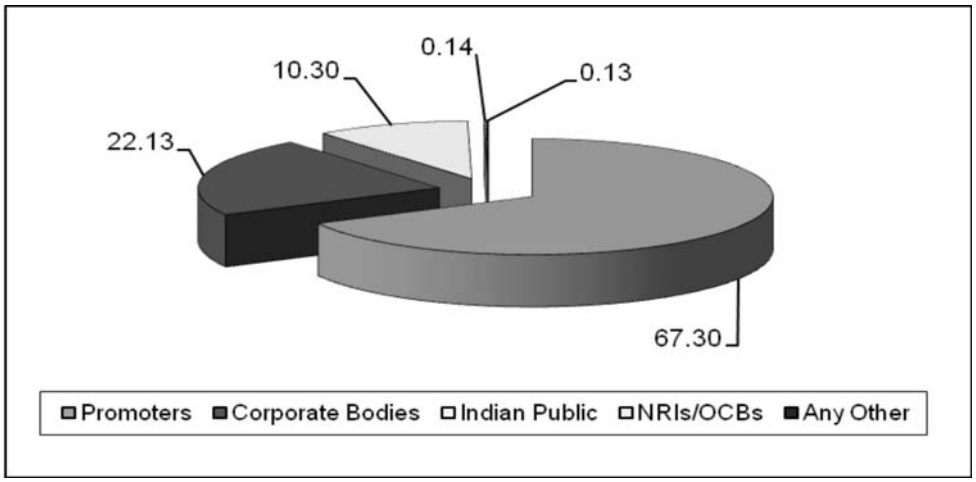
The Equity Shares of the Company are traded compulsorily in dematerialized form pursuant to a SEBI directive. The Registrar and Transfer Agent of the Company M/s Abhipra Capital Limited look after all the matters relating to the transfer, transmission and dematerialization etc. of the Equity Shares of the Company.

x. Distribution of Shareholding and Shareholding pattern as on 31st March, 2012

	Category	*No. of Shares held*	*Percentage of Shareholding*
A.	**Promoters' Shareholding**		
	Promoters		
	a. Indian Promoters	35577690	67.30%
	b. Foreign Promoters	Nil	Nil
	Sub-Total	**35577690**	**67.30%**
B.	**Non-Promoters Holding**		
	1. Institutional Investors		
	a. Mutual Funds and UTI	Nil	Nil
	b. Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions / Non-Government Institutions)	Nil	Nil
	c. FIIs	Nil	Nil
	Sub-Total	**Nil**	**Nil**
	2. Others		
	a. Corporate Bodies	11700074	22.13%
	b. Indian Public	5443608	10.30%
	c. NRIs/OCBs	75311	0.14%
	d. Any Other (HUF & Clearing Members)	68575	0.13%
	Sub-Total	**17287568**	**32.70%**
	GRAND TOTAL	**52865258**	**100.00%**

ADR/GDR: There is no ADR and GDR holding.

SHAREHOLDING PATTERN AS ON 31ST MARCH, 2012



xi. Distribution of Shareholding as on 31st March, 2012

Shareholding of Nominal Value	*Shareholders*		*Paid-up Value*	
	Number	*% of total*	*(₹)*	*% of total*
Up to – 5000	4528	96.10	1936059	3.66
5001 – 10000	76	1.61	542377	1.03
10001 – 20000	41	0.87	567926	1.07
20001 – 30000	21	0.45	510374	0.97
30001 – 40000	10	0.21	345215	0.65
40001 – 50000	6	0.13	262900	0.50
50001 – 100000	20	0.42	1316200	2.49
100001 & Above	10	0.21	47384207	89.63
TOTAL	**4712**	**100.00**	**52865258**	**100.00%**

xii. DEMATERIALIZATION OF SHARES

The Equity Shares of the Company are traded on the recognized Stock Exchanges only in dematerialized form with effect from 26th June, 2000. 51266545 Equity Shares out of the total 52865258 Equity Shares issued have been dematerialized as on 31st March, 2012. This represents 96.97% of the total paid up capital of the Company.

The Equity Shares of the Company are available for trading in depository systems of both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The ISIN of the Equity Shares of the Company is INE791A01024.

xiii. Outstanding ADR/GDR/Warrants or any Convertible instruments

The Company has not issued any GDRs/ADRs. Further, the Company has no outstanding warrants or any convertible instruments as on 31st March, 2012

xiv. Plant Locations

The Company is not a manufacturing unit hence it has no plants.

xv. Address of Correspondence

Shareholders correspondence should be addressed to:

Ms. Priyanka Sharma
Company Secretary cum Compliance Officer

BLB Limited
4764/23-A, Ansari Road,
Daryaganj, New Delhi-110 002, India
Ph: 011-32968110, 32968111, Fax: 011-23283159
E-mail: investorcomplaint@blblimited.com, priyankasharma@blblimited.com

II) NON-MANDATORY REQUIREMENTS

The Company has complied with all mandatory requirements and has adopted following non-mandatory requirements of Clause 49 of the Listing Agreement.

❖ **REMUNERATION COMMITTEE**

The Company has constituted a Remuneration Committee. Relevant details of the Remuneration Committee have been provided in paragraph 3 of this Report.

❖ **AUDIT QUALIFICATION**

The auditors have issued an unqualified opinion on the statutory financial statements of the Company.

❖ **TRAINING OF BOARD MEMBERS / MECHANISM FOR EVALUATING NON- EXECUTIVE DIRECTORS**

All the Non-Executive Directors have rich experience and expertise in functional areas and attend various programs in their personal capacities that keep them abreast of relevant developments in the field to Management, Technology, Industry and Business Environment etc. There is no formal system of evaluating individual directors.

For and on behalf of the Board

Place : New Delhi
Date : 27th August, 2012

(BRIJ RATTAN BAGRI)
CHAIRMAN

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

Registration No. of the Company:-55-12767
Nominal Capital: ₹ 12,50,00,000/-

To
The Members
BLB LIMITED
4764/23A, Ansari Road,
Daryaganj, New Delhi-110002

We have examined all relevant records of BLB Limited (the Company) for the purpose of certifying the conditions of the Corporate Governance under Clause 49 of the Listing Agreement with Stock Exchanges for the Financial Year ended on 31st March, 2012. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

On the basis of our examination of the records produced explanations and information furnished, we certify that the Company has complied with the conditions of the Clause 49 of the Listing Agreement.

For **M/s RAM RATTAN & ASSOCIATES**
Chartered Accountants
(FRN: 004472N)

(RAM RATTAN GUPTA)
Partner
(M. No. 083427)

Place : New Delhi
Date : 27th August, 2012

Compliance pursuant to Clause 5A of Listing Agreement

As per the Clause 5A (II) of the Listing Agreement, the Company has to disclose the following details in its Annual Report till the time the shares are in the Unclaimed Suspense Account:-

S.No.	Particulars	No. of Shareholders	Outstanding Shares
(i)	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year	150	268870
(ii)	Number of shareholders who approached the issuer for transfer of shares from the Unclaimed Suspense Account during the year	NIL	NIL
(iii)	Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year	NIL	NIL
(iv)	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year	150	268870

Please note that as per the said clause of the Listing Agreement the voting rights on the above said shares are frozen till the rightful owner claims the shares.

CEO & CFO CERTIFICATION

To

The Board of Directors
BLB Limited
4764/23-A, Ansari Road,
Darya Ganj, New Delhi – 110 002

SUB. : CEO & CFO CERTIFICATION AS PER CLAUSE 49 OF THE LISTING AGREEMENT

Dear Sirs,

We Vikram Rathi, Executive Director and Vikash Rawal, Chief Financial Officer of the Company certify to the Board of Directors that:

(a) We have reviewed Financial Statements and the Cash Flow Statement for the year and that to the best of our knowledge and belief:

  (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

  (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.

(b) To the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's Code of Conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we confirm that there are no deficiencies in the design or operation of such internal controls.

(d) We have indicated to the Auditors and the Audit Committee that there is:

  (i) no significant changes in internal control over financial reporting during the year;

  (ii) no significant changes in accounting polices during the year;

  (iii) no instances of fraud in the Company has come to our knowledge.

For **BLB LIMITED** For **BLB LIMITED**

Place : New Delhi
Date : 27th August, 2012

(VIKRAM RATHI)
Executive Director

(VIKASH RAWAL)
Chief Financial Officer

DECLARATION OF THE EXECUTIVE DIRECTOR

This is to certify that the Company has laid down Code of Conduct for all the Board Members and Senior Management of the Company and the copy of the same are uploaded on the website of the Company- www.blblimited.com

Further certified that the Members of the Board of Directors and Senior Management personnel have affirmed having complied with the Code applicable to them during the year ended on 31st March, 2012.

For **BLB LIMITED**

Place : New Delhi
Date : 27th August, 2012

(VIKRAM RATHI)
Executive Director

AUDITORS' REPORT

To the members of BLB Limited

1. We have audited the attached Balance Sheet of BLB Limited as at 31st March, 2012, the Statement of Profit and Loss and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We have conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said Order.

4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:

   i) we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;

   ii) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

   iii) the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;

   iv) in our opinion the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;

   v) in our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes appearing thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

      a) in the case of the Balance Sheet, of the State of Affairs of the Company as at 31st March, 2012;

      b) in the case of the Statement of Profit and Loss, of the **loss** of the Company for the year ended on that date; and

      c) in the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

5. On the basis of written representations received from the Directors as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the Directors of the Company is disqualified as on 31st March, 2012, from being appointed as a Director in terms of Clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956.

For **RAM RATTAN & ASSOCIATES**
Chartered Accountants
(FRN: 004472N)

(CA. RAM RATTAN GUPTA)
Partner
M. No. 083427

Place : New Delhi
Date : 27th August, 2012

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in Paragraph 3 of our report of even date)

i) **In respect of its fixed assets:**

a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

b) In our opinion, the fixed assets have been physically verified by the management at reasonable intervals, having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.

c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the company.

ii) **In respect of its inventories:**

a) The securities held as stock-in-trade have been verified by the management with demat accounts maintained with depositories at reasonable intervals and the Units of Mutual Funds held as Stock-in-Trade in Demat accounts with the custodians are verified from the statements received from them on a regular basis.

b) As explained to us, the procedure of verification of the stocks followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.

c) As explained and according to the records produced before us for our verification, no discrepancies were noticed on verification of stocks referred above, as compared to book records.

iii) a) The Company has granted unsecured loans to five subsidiaries covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 3240.00 Lacs and the year-end balance of loans granted to such parties was ₹ 2455.00 Lacs (including interest free loans of ₹ 2450.00 Lacs).

b) In our opinion, the rate of interest and the other terms and conditions of such loans are prima facie, not prejudicial to the interest of the Company.

c) The parties have repaid the principal amounts as stipulated and have also been regular in payment of interest to the company as stipulated.

d) In respect of the aforesaid loans, there is no overdue amount as the same are repayable on demand.

e) The Company has not taken any loans, secured or unsecured, from companies or other parties as covered in the register maintained under Section 301 of the Companies Act, 1956. As such, the item no (e), (f) & (g) of clause 3 of paragraph 4 of the order are not applicable to the company. There is no firm covered in the register maintained under Section 301 of the Companies Act, 1956.

iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and with regard to the sale of goods and services. During the course of our Audit, we have not observed any continuing failure to correct major weaknesses in internal control system.

v) **In respect of Contracts or arrangements referred to in section 301 of the Companies Act, 1956:**

a) In our opinion and according to the information and explanations given to us, the particulars of Contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register which is required to be maintained under that Section;

b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.

vi) According to the information and explanations given to us, the company has not accepted any deposits from the public and as such the requirement of clause (vi) of paragraph 4 of the Order is not applicable.

vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.

viii) Looking to the nature of business carried by the Company, the requirement of Clause 4(viii) of the Companies (Auditor's Report) Order, 2003 regarding maintenance of cost records is not applicable to the Company.

ix) **In respect of statutory dues:**

a) According to the information and explanations given to us and on the basis of our examination of the records, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Investor Education & Protection Fund, Income Tax, Wealth Tax, Service Tax,

Profession Tax and other material statutory dues applicable to it. Considering the nature of business carried on by the Company, there can be no dues pertaining to Custom Duty, Sales Tax and Cess.

b) According to the information and explanations given to us, no undisputed amount payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Work Contract Tax, Wealth Tax, Service Tax, Profession Tax were in arrears as at 31/03/2012 for a period of more than six months from the date they became payable.

c) The particulars of statutory dues as at March 31, 2012 which have not been deposited on account of disputes are as follows:

Name of statute	Nature of Dues	Amount (₹ in Lacs)	Period to which the amount relates	Forum where disputes are pending
Income Tax Act, 1961.	Income Tax	343.74	A.Y. - 2008-09 A.Y. - 2009-10	Various Appellate Authorities
Indian stamp (Delhi Amendment) Act, 2010.	Stamp Duty	70.50	01/06/2010 - 31/03/2012	Hon'ble Delhi High Court

x) The Company does not have accumulated losses as at 31st March, 2012. The company has incurred cash losses amounting to ₹ 596.80 Lacs during the financial year covered by our audit and ₹ 2805.59 Lacs during the immediately preceding financial year.

xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks and financial institutions. However the Company has not issued any debentures during the year.

xii) In our opinion and according to the information and explanations given to us and based on the information available, no loans and advances have been granted by the company on the basis of security by way of pledge of shares, debentures and other securities.

xiii) In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society and as such the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

xiv) In our opinion, the Company has maintained proper records of transactions and contracts of dealing or trading in shares, securities and other investments and has made timely entries therein. The aforesaid securities have been held by the Company in its own name or in the name of its nominees except to the extent of exemption granted under Section 49 of the Companies Act, 1956.

xv) According to the information and explanations given to us, the terms and conditions on which the company has given guarantees for loans taken by one of its subsidiaries from banks, are prima facie not prejudicial to the interest of the Company.

xvi) In our opinion and according to the information and explanations given to us, the company has not taken any fresh term loan during the year and therefore clause 4(xvi) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.

xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis, have been used for long-term investment by the company.

xviii) The Company has not made any preferential allotment of shares during the year and as such the provisions of Clause 4(xviii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

xix) The Company did not issue any debentures during the year and as such the provisions of Clause 4(xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

xx) The Company has not raised any money by way of public issue during the year and as such the provisions of Clause 4(xx) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

xxi) In our opinion and according to the information and explanations given to us, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For **RAM RATTAN & ASSOCIATES**
Chartered Accountants
(Firm Registration No. 004472N)

(CA. RAM RATTAN GUPTA)
Partner
M. No. 083427

Place : New Delhi
Date : 27th August, 2012

BALANCE SHEET AS AT 31ST MARCH, 2012

		NOTE	As At 31.03.2012 ₹	As At 31.03.2011 ₹
I)	**EQUITY AND LIABILITIES**			
	1) Shareholders' Funds			
	a) Share Capital	3	**5,28,65,258**	5,28,65,258
	b) Reserves and Surplus	4	**1,14,35,76,595**	1,19,65,55,174
			1,19,64,41,853	1,24,94,20,432
	2) CURRENT LIABILITIES			
	a) Short-Term borrowings	5	**—**	2,12,82,901
	b) Trade Payables	6	**30,59,640**	43,13,532
	c) Other Current Liabilities	7	**63,16,809**	29,85,334
	d) Short-Term Provisions	8	**62,44,133**	9,84,80,565
			1,56,20,582	12,70,62,332
	Total Equity and Liabilities		**1,21,20,62,435**	1,37,64,82,764
II	**ASSETS**			
	1) Non-Current Assets			
	a) **Fixed Assets**			
	i) Tangible Assets	9(I)	**3,06,65,984**	4,13,56,313
	ii) Intangible Assets	9(II)	**10,89,034**	15,22,095
			3,17,55,018	4,28,78,408
	b) Non-Current Investments	10	**28,97,59,417**	16,72,59,417
	c) Deferred Tax Assets (Net)	11	**17,08,86,000**	14,89,13,000
	d) Long Term Loans and Advances	12	**23,17,63,504**	18,11,75,096
			72,41,63,939	54,02,25,921
	2) Current Assets			
	a) Inventories	13	**3,10,89,408**	3,95,51,742
	b) Trade Receivables	14	**8,85,19,777**	8,85,19,777
	c) Cash and Cash Equivalents	15	**5,38,51,136**	29,53,55,379
	d) Short-Term Loans and Advances	16	**28,30,12,206**	39,09,01,280
	e) Other Current Assets	17	**3,14,25,969**	2,19,28,665
			48,78,98,496	83,62,56,843
	Total Assets		**1,21,20,62,435**	1,37,64,82,764
	Notes to Balance Sheet and Statement of Profit & Loss	1 to 40		

As per our report of even date annexed.

For **RAM RATTAN & ASSOCIATES**
Chartered Accountants
(FRN: 004472N)

(CA. RAM RATTAN GUPTA)
Partner
M. No. 083427

Place : New Delhi
Date : 27th August, 2012

For and on behalf of the Board

(BRIJ RATTAN BAGRI)
Chairman

(VIKASH RAWAL)
Chief Financial Officer

(VIKRAM RATHI)
Executive Director

(PRIYANKA SHARMA)
Company Secretary

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

PARTICULARS	NOTE	2011-2012 (₹)	2010-2011 (₹)
(I) INCOME			
(a) Revenue from Operations	18	**1,31,51,83,091**	6,79,16,11,636
(b) Other Income	19	**76,63,109**	27,85,43,135
Total Revenue		**1,32,28,46,200**	7,07,01,54,771
(II) EXPENDITURE			
(a) Purchase of Stock-in-Trade	20	**1,30,50,75,827**	6,32,81,09,257
(b) Change in Inventories of Stock-in-Trade	21	**84,62,334**	40,44,15,012
(c) Loss on Settlement of Contracts (Net)		**2,49,43,822**	40,49,73,764
(d) Employee Benefit Expense	22	**1,65,25,336**	4,03,54,113
(e) Finance Costs	23	**19,65,094**	3,95,25,007
(f) Depreciation & Amortization Expense	24	**62,97,191**	1,42,17,895
(g) Other Expenses	25	**2,88,65,613**	20,17,97,934
Total Expenses		**1,39,21,35,217**	7,43,33,92,982
(III) LOSS BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (I-II)		**(6,92,89,017)**	(36,32,38,211)
(IV) Exceptional Items	26	**—**	5,11,06,169
(V) LOSS BEFORE TAX		**(6,92,89,017)**	(31,21,32,042)
(VI) Tax Expenses			
(a) Current Taxes		**(1,00,000)**	(3,70,000)
(b) Deferred Taxes		**2,19,73,000**	12,71,80,000
(c) Taxes relating to earlier years		**5,81,571**	—
(VII) LOSS AFTER TAX		**(4,68,34,446)**	(18,53,22,042)
(VIII) Earnings per Equity Share			
(a) Basic Earnings per Share (₹)	27	**(0.89)**	(3.50)
(b) Diluted Earnings per Share (₹)	27	**(0.89)**	(3.50)
Notes to Balance Sheet and Statement of Profit and Loss	1 to 40		

As per our report of even date annexed.

For **RAM RATTAN & ASSOCIATES**
Chartered Accountants
(FRN: 004472N)

(CA. RAM RATTAN GUPTA)
Partner
M. No. 083427

Place : New Delhi
Date : 27th August, 2012

For and on behalf of the Board

(BRIJ RATTAN BAGRI)
Chairman

(VIKASH RAWAL)
Chief Financial Officer

(VIKRAM RATHI)
Executive Director

(PRIYANKA SHARMA)
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

		2011-2012 ₹		2010-2011 ₹
A) CASH FLOW FROM OPERATING ACTIVITIES:				
Net Loss before Tax		**(6,92,89,017)**		(31,21,32,042)
Adjustment for:				
Gain on Sale of Investments	**—**		(15,24,89,463)	
Depreciation	**62,97,191**		1,42,17,895	
Interest Expenses	**6,27,551**		3,57,61,509	
Income from Investment	**(5,11,120)**		(14,51,504)	
Securities Transaction Tax – Investment	**—**		4,94,444	
Loss on Sale and Discarded Fixed Assets	**33,11,656**	**97,25,278**	1,73,46,595	(8,61,20,524)
Operating profit before Working Capital changes		**(5,95,63,739)**		(39,82,52,566)
Adjustment for:				
Trade & Other receivables	**(5,80,88,256)**		20,99,12,754	
Inventories	**84,62,334**		40,44,15,012	
Trade payables and Other Liabilities	**20,77,583**	**(4,75,48,339)**	(22,23,91,823)	39,19,35,943
Cash Generated from Operations		**(10,71,12,078)**		(63,16,623)
Direct Taxes Paid		**(8,42,811)**		(3,71,58,122)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		**(10,79,54,889)**		(4,34,74,745)
B) CASH FLOW FROM INVESTING ACTIVITIES:				
Additions to Fixed Assets		**(12,36,255)**		(39,80,996)
Sale of Fixed Assets		**27,50,798**		73,10,974
Income from Investment		**5,11,120**		14,51,504
Securities Transaction Tax – Investment		**—**		(4,94,444)
Purchase of Investments		**(12,25,00,000)**		(12,96,09,302)
Sale of Investments		**—**		28,76,47,032
NET CASH FLOW FROM INVESTING ACTIVITIES (B)		**(12,04,74,337)**		16,23,24,768

	2011-2012 ₹	2010-2011 ₹
C) CASH FLOW FROM FINANCING ACTIVITIES:		
Short Term Borrowings	**(2,12,82,901)**	(39,47,93,944)
Interest Expense	**(6,27,551)**	(3,57,61,509)
Loan to Subsidiaries	**1,50,00,000**	(18,89,00,000)
Dividend on Equity Shares	**(52,86,526)**	—
Tax on Dividend	**(8,78,039)**	—
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	**(1,30,75,017)**	(61,94,55,453)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**(24,15,04,243)**	(50,06,05,430)
CASH AND CASH EQUIVALENTS – OPENING BALANCE	**29,53,55,379**	79,59,60,809
CASH AND CASH EQUIVALENTS – CLOSING BALANCE	**5,38,51,136**	29,53,55,379

As per our report of even date annexed.

For **RAM RATTAN & ASSOCIATES**
Chartered Accountants
(FRN: 004472N)

(CA. RAM RATTAN GUPTA)
Partner
M. No. 083427

Place : New Delhi
Date : 27th August, 2012

For and on behalf of the Board

(BRIJ RATTAN BAGRI)
Chairman

(VIKASH RAWAL)
Chief Financial Officer

(VIKRAM RATHI)
Executive Director

(PRIYANKA SHARMA)
Company Secretary

NOTES TO BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS

1) Corporate Information

BLB Limited is a Public Company and incorporated under the provisions of the Companies Act, 1956. The shares of the company are listed at NSE and BSE. The Company is a corporate member of NSE, BSE, MCX-SX and USE and is primarily engaged in the business of trading in shares & securities.

2) Accounting Policies:

a) Basis of Preparation

The financial statements are prepared on accrual basis under the historical cost convention in accordance with the generally accepted accounting principles, accounting standards referred to in section 211(3C) of the Companies Act, 1956 and the other relevant provisions thereof.

b) Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

c) Inventories

i) The securities acquired with the intention of trading are considered as Stock in trade and disclosed as Current assets.

ii) The stock in trade of quoted securities is valued at the lower of cost or market price, the cost is determined on First in First out (FIFO) basis.

iii) The Units of open-ended Mutual Fund Schemes are valued at lower of the cost or closing NAV, the cost is determined on First in First out basis.

d) Cash & Cash Equivalents

Cash & Cash Equivalents includes cash-in-hand, balances with banks, cheques in hand and bank deposits. Cash equivalents are short-term balances, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

e) Cash Flow Statement

Cash Flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

f) Tangible Assets

Tangible assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any other directly attributable costs of bringing the asset to its working condition for its intended use.

g) Intangible Assets

The intangible assets are recorded at cost less accumulated amortization and net of impairment, if any. Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the asset can be measured reliably.

h) Depreciation

Depreciation on fixed assets is provided on written down value method in the manner as specified in Schedule XIV to the Companies Act, 1956.

i) Revenue Recognition

i) Revenue from sales is recognized at the completion of each settlement of the capital market segment of the Stock Exchange.

ii) In respect of non-delivery based transactions in capital market segment, the profit/loss is accounted for at the end of each settlement.

iii) In respect of derivative market segment, almost all the open interests are covered in capital market segment. As such the negative impact of open interest, which is covered in the capital market, is taken at nil. The open interests which are not covered in the capital market segment and currency derivative segment are accounted for in the accounts on the basis of recommendations given by ICAI.

iv) Income from Dividends is recognized when the right to receive payment is established.

v) The revenue from interest & other income is recognized the company recognized on accrual basis.

j) Investments

i) Investments that are readily realisable and intended to be held for less than a year are classified as current investments. Current investments are carried at lower of cost and fair value.

ii) Long-term investments are carried at cost less provision for diminution in value other than temporary, if any in the value of such investments.

k) Employee Benefits

i) Provident fund is accounted on accrual basis with contribution made to appropriate Government Authorities.

ii) Leave encashment is determined and paid on the basis of accumulated leaves to the credit of each employee at the month end.

iii) Liability for gratuity is funded with the Life Insurance Corporation of India (LIC) and premium based on actuarial valuation paid to LIC is charged to Profit & Loss account.

l) Borrowing Costs

Borrowing costs are capitalized as part of the cost of qualifying asset when it is possible that will result in future economic benefits and the cost can be measured reliably. Other borrowing costs are recognized as an expense in the period in which they are incurred.

m) Earning per Share

Basic earnings per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations.

n) Operating Lease

Assets acquired on lease wherein a significant portion of risk & rewards of ownership are retained by the lessor are classified as operating lease. Lease rentals paid on such leases are charged to revenue on accrual basis as an expense on a systematic basis over the term of lease.

o) Taxation

i) The provision for current taxes is made after taking into consideration benefits admissible under the provisions of the Income tax Act, 1961.

ii) Deferred tax is accounted for by computing the tax effect of timing difference which arise during the year and reversed in subsequent periods.

p) Impairment of Assets

i) The company reviews for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The company recognizes the impairment loss in the profit & loss account in the year in which an asset is identified as impaired.

ii) The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount as on the balance sheet date.

q) Provisions and Contingent Liabilities

i) The company creates a provision where there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

ii) A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may but probably will not require an outflow of resources.

iii) When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote no provision or disclosure is made.

iv) Contingent assets are neither recognized nor disclosed in the financial statements.

r) Foreign Exchange Transactions

i) Transactions denominated in foreign currency are recorded at the exchange rate prevailing at the time of the transaction.

ii) Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year-end rates and the difference in translation of monetary assets and liabilities and realized gains and losses on foreign exchange transactions other than those relating to fixed assets and long term investment are recognized in the Profit and Loss Account.

s) Derivatives Market Trading

i) In respect of the Options Contract, premium for contracts expiring beyond the Balance Sheet date has been treated as current assets / current liabilities, adjusted for loss, if any.

ii) In respect of Futures Contract, debit balance in Mark to Market Margin Account has been fully provided for and credit balance has been considered as current liabilities

	As At 31.03.2012 ₹	As At 31.03.2011 ₹

3) SHARE CAPITAL

a) Authorised

7,50,00,000 Equity Shares of ₹ 1/- each (Previous Year: 7,50,00,000 Equity Shares of ₹ 1/- each)	**7,50,00,000**	7,50,00,000
5,00,000 Preference Shares of ₹ 100/- each (Previous Year: 5,00,000 Preference Shares of ₹ 100/- each)	**5,00,00,000**	5,00,00,000
	12,50,00,000	12,50,00,000

b) Issued, Subscribed & Paid up

5,28,65,258 Equity Shares of ₹ 1/- each fully paid up (Previous Year: 5,28,65,258 Equity Shares of ₹ 1/- each)	**5,28,65,258**	5,28,65,258
	5,28,65,258	5,28,65,258

Additional Information :

i) There has been no movement in issued, subscribed and paid up Share Capital during the current year and the previous year.

ii) Shareholders holding more than 5% shares in the company :

Name of Shareholders	AS AT 31.03.2012		AS AT 31.03.2011	
	No. of Equity Shares Held	% of Holding	No. of Equity Shares Held	% of Holding
(a) Sh. Brij Rattan Bagri	32309490	61.12	32309490	61.12
(b) Mrs. Neerja Bagri	3068200	5.80	3068200	5.80
(c) ACN Financial Services Limited	5640684	10.67	5642684	10.67
(d) Goodskill Securities and Services Limited	4842284	9.16	4842284	9.16

iii) The Company has only one class of equity shares having a par value of ₹ 1/-. Each holder of equity shares is entitled to one vote per share.

4) RESERVES & SURPLUS

i) **Capital Reserve**		
Balance as per last account	**7,10,28,970**	7,10,28,970
	7,10,28,970	7,10,28,970
ii) **Capital Redemption Reserve**		
Balance as per last account	**2,50,00,000**	2,50,00,000
	2,50,00,000	2,50,00,000
iii) **Securities Premium Account**		
Balance as per last account	**2,50,47,040**	2,50,47,040
	2,50,47,040	2,50,47,040
iv) **General Reserve**		
Balance as per last account	**22,50,00,000**	22,50,00,000
	22,50,00,000	22,50,00,000
v) **Surplus in the Statement of Profit and Loss**		
Balance as per last account	**85,04,79,164**	1,04,19,65,771
Less: Loss for the year	**(4,68,34,446)**	(18,53,22,042)
Appropriation		
Proposed Dividend on Equity Shares	**(52,86,526)**	(52,86,526)
Provision Tax on Dividend	**(8,57,607)**	(8,78,039)
	79,75,00,585	85,04,79,164
Total (i to v)	**1,14,35,76,595**	1,19,65,55,174

	As At 31.03.2012 ₹	As At 31.03.2011 ₹
5) SHORT TERM BORROWINGS		
Secured loan taken from bank - Repayable on demand [Refer Note No. 5(i)]	—	2,12,82,901
	—	2,12,82,901

(i) Nature of Security
During the year the company obtained overdraft facility from bank which was secured by pledge of fixed deposit receipt of ₹ 250.00 Lacs. (Previous year - ₹ 1411.00 Lacs)

6) TRADE PAYABLES		
Creditors for Services	**30,59,640**	43,13,532
	30,59,640	43,13,532
7) OTHER CURRENT LIABILITIES		
Creditors for Other Liabilities	**3,87,830**	10,27,405
Unpaid Dividend	**20,86,304**	19,27,929
Mark-to-Market Margin-Equity Index/Stock Future	**—**	30,000
Equity Index/Stock Options Premium Account [Refer Note No. 2 (s)]	**38,42,675**	—
	63,16,809	29,85,334
8) SHORT-TERM PROVISIONS		
Proposed Dividend	**52,86,526**	52,86,526
Provision for Tax on Dividend	**8,57,607**	8,78,039
Provision for Taxation	**1,00,000**	9,23,16,000
	62,44,133	9,84,80,565

9) FIXED ASSETS *(Amount in ₹)*

DESCRIPTION	GROSS BLOCK (AT COST)				DEPRECIATION / AMORTIZATION				NET BLOCK (WDV)	
	As At 01.04.2011	Additions	Deductions	As At 31.03.2012	As At 01.04.2011	For the Year	Deductions	As At 31.03.2012	As At 31.03.2012	As At 31.03.2011
i) Tangible Assets										
Land–Freehold	65,65,700		—	**65,65,700**	—	—	—	—	**65,65,700**	65,65,700
Buildings Freehold (Self Use)	44,28,320	—	—	**44,28,320**	10,72,833	1,67,775	—	**12,40,608**	**31,87,712**	33,55,486
Furniture & Fixtures	3,09,17,609	30,000	73,24,569	**2,36,23,040**	1,75,34,777	19,00,299	39,01,157	**1,55,33,919**	**80,89,121**	1,33,82,833
Vehicles	94,09,695	9,01,030	19,33,221	**83,77,504**	59,89,251	8,49,923	12,70,964	**55,68,210**	**28,09,294**	34,20,444
Office Equipments	92,06,646	10,990	12,79,848	**79,37,788**	52,12,119	4,76,708	5,71,364	**51,17,463**	**28,20,325**	39,94,527
Computers	2,81,47,138	12,950	38,86,605	**2,42,73,483**	2,41,31,782	14,35,083	34,41,789	**2,21,25,076**	**21,48,407**	40,15,357
Ups & Generator	1,02,54,229	-	15,45,200	**87,09,029**	60,24,584	5,05,672	8,30,021	**57,00,235**	**30,08,794**	42,29,645
Telecom Equipments	82,32,231	87,317	1,64,276	**81,55,272**	58,39,910	3,34,702	55,971	**61,18,641**	**20,36,631**	23,92,321
Current year Total (I)	**10,71,61,568**	**10,42,287**	**1,61,33,719**	**9,20,70,136**	**6,58,05,256**	**56,70,162**	**1,00,71,266**	**6,14,04,152**	**3,06,65,984**	**4,13,56,313**
Previous Year	16,98,75,731	42,93,061	6,70,07,224	10,71,61,568	9,70,61,710	1,25,09,685	4,37,66,140	6,58,05,255	4,13,56,313	2,01,56,627
II) Intangible Assets										
Computer Software	93,92,856	1,93,968	—	**95,86,824**	78,70,761	6,27,029	—	**84,97,790**	**10,89,034**	15,22,095
Current year Total (II)	**93,92,856**	**1,93,968**	**—**	**95,86,824**	**78,70,761**	**6,27,029**	**—**	**84,97,790**	**10,89,034**	**15,22,095**
Previous Year	2,92,02,731	1,90,125	2,00,00,000	93,92,856	2,42,43,876	17,08,210	1,80,81,325	78,70,761	**15,22,095**	2,27,21,781

Note: The Company has reclassified computers into computers under tangibles assets and computers software under Intangible assets in accordance with Revised Schedule VI of the Companies Act, 1956.

	Face Value	As At 31.03.2012		As At 31.03.2011	
	₹	Qty.	₹	Qty.	₹
10) NON-CURRENT INVESTMENTS					
INVESTMENTS IN EQUITY INSTRUMENTS (FULLY PAID-UP) [Refer Note No. 2(j)]					
A TRADE - QUOTED					
VBC Ferro Alloys Limited	**10**	**155172**	**3,84,36,104**	155172	3,84,36,104
Midvalley Entertainment Ltd.	**10**	**200000**	**1,50,00,000**	200000	1,50,00,000
			5,34,36,104		5,34,36,104
B TRADE - UNQUOTED					
Sharp Corp Ltd [Refer Note No. 10(i)]	**100**	**168000**	**2,00,00,000**	80000	1,00,00,000
Singhal Agro industries Ltd	**100**	**—**	**—**	80000	1,00,00,000
			2,00,00,000		2,00,00,000
C NON TRADE - UNQUOTED					
The Delhi Stock Exchange Association Ltd.	**1**	**80000**	**4,90,500**	80000	4,90,500
The Calcutta Stock Exchange Association Ltd.	**1**	**250**	**26,22,000**	250	26,22,000
The Uttar Pradesh Stock Exchange Association Ltd.	**2000**	**1**	**4,03,500**	1	4,03,500
Bombay Stock Exchange Ltd.	**1**	**11401**	**17,43,652**	11401	17,43,652
			52,59,652		52,59,652
D Subsidiaries					
BLB Global Business Ltd. (Mauritius)	**US$ 1**	**107500**	**48,83,361**	107500	48,83,361
BLB Global Business Ltd. (India) (20,00,000 equity shares subscribed at par during the year)	**10**	**2000000**	**2,00,00,000**	—	—
BLB Institute of Financial Markets Ltd.	**10**	**1900000**	**1,90,00,000**	1900000	1,90,00,000
BLB Commodities Ltd. (25,00,000 equity shares subscribed at a premium of ₹ 10/- each during the year)	**10**	**7000000**	**9,51,80,300**	4500000	4,51,80,300
Sri Chaturbhuj Properties Ltd. (6,50,000 equity shares subscribed at par during the year)	**10**	**2500000**	**2,50,00,000**	1850000	1,85,00,000
Sri Sharadamba Properties Ltd. (23,00,000 equity shares subscribed at a premium of ₹ 10/- each during the year)	**10**	**2400000**	**4,70,00,000**	100000	10,00,000
			21,10,63,661		8,85,63,661
Total Non-current Investments			**28,97,59,417**		16,72,59,417
Aggregate cost of Quoted Investments			**5,34,36,104**		5,34,36,104
Aggregate cost of Unquoted Investments			**23,63,23,313**		11,38,23,313
Aggregate Market Value of Quoted Investments			**2,35,92,562**		6,15,08,862

Additional Information :

10(i) During the year Singhal Agro Industries Limited was merged with Sharp Corp Limited under the scheme of merger vide order passed by the Hon'ble Delhi High Court 09th August 2011. As a result the company has received 88000 equity shares of Sharp Corp Limited for 80000 equity shares of Singhal Agro Industries Limited as on date of merger.

10(ii) No provision for diminution in the value of investments to the extent of ₹ 298.43 Lacs (Previous year - Nil) has been made as the same is considered to be temporary in nature. [Refer Note No. 2(j)(ii)]

	As At 31.03.2012 ₹	As At 31.03.2011 ₹
11) DEFERRED TAX ASSETS		
Deferred tax Assets [Refer Note No. 2(o)(ii)]		
Due to difference in Depreciation as provided in the accounts and Income Tax purposes	**1,04,76,000**	1,05,53,000
Due to unabsorbed capital loss	**25,56,000**	16,00,000
Due to unabsorbed losses from speculative Business	**15,53,29,000**	13,75,64,000
Due to unabsorbed losses from non-speculative Business	**35,09,000**	1,80,000
	17,18,70,000	14,98,97,000
Deferred Tax Liabilities		
Due to Gain in unsold stock-in-trade which was converted from Investments.	**9,84,000**	9,84,000
Net Deferred Tax Assets	**17,08,86,000**	14,89,13,000
12) LONG-TERM LOANS & ADVANCES		
(Unsecured, considered good)		
Capital Advances	**19,30,16,157**	15,20,32,000
Share application money	**1,50,00,000**	50,00,000
Security Deposits	**2,37,47,347**	2,41,43,096
	23,17,63,504	18,11,75,096
13) INVENTORIES		
Securities held as Stock-in-trade [Refer Note No. 2 (c) & 38(iv)]	**3,10,89,408**	3,95,51,742
	3,10,89,408	3,95,51,742
14) TRADE RECEIVABLE		
(unconfirmed, unsecured, considered good)		
- Debts Outstanding for more than 6 months	**8,85,19,777**	8,85,19,777
	8,85,19,777	8,85,19,777

Additional Information :

i) ₹ 876.90 Lacs given to The Calcutta Stock Exchange Association Limited to tide over the payment crisis, which erupted in March 2001. A suit for recovery is pending with the Hon'ble Delhi High Court and the management is confident of recovery thereof (Previous year: ₹ 876.90 Lacs).

ii) ₹ 8.29 Lacs due from various parties are under arbitration proceedings and the management is confident of recovery thereof (Previous year: ₹ 8.29 Lacs).

	As At 31.03.2012 ₹	As At 31.03.2011 ₹
15) CASH AND CASH EQUIVALENTS		
Balances with Banks		
- In Current Accounts [Refer Note No. 15 (i)]	**1,06,46,740**	44,06,132
- In Deposits [Refer Note No. 15 (ii)]	**4,18,75,000**	28,81,25,000
Cheque / Drafts on Hand	**4,32,000**	1,23,250
Cash on Hand	**8,97,396**	27,00,997
	5,38,51,136	29,53,55,379

Additional Information :

i) Balances with Banks include unclaimed Dividend of ₹ 21,76,041/- (previous year ₹ 20,17,192/-)

ii) (a) Fixed deposits with banks include deposits of ₹ 75.00 lacs (previous year: ₹ 1849.75 lacs) with maturity of more than 12 months.

(b) Bank Fixed Deposits have been pledged as follows:

i) ₹ 60.00 Lacs with various Stock Exchanges towards Capital adequacy deposits/margins (Previous year ₹ 619.00 Lacs).

ii) ₹ 358.75 Lacs with Banks against various facilities provided by them. (Previous year ₹ 2,262.00 Lacs).

16) SHORT TERM LOANS AND ADVANCES		
(unsecured, considered good)		
Loans and Advances to Related Parties [Refer Note No. 31 & 35]	**24,55,00,000**	26,05,00,000
Taxes Paid	**3,54,88,119**	12,63,79,738
Other Advances		
Advances to Staff	**4,82,310**	5,33,897
Advances against expenses	**3,85,228**	5,40,736
Prepaid Expenses	**11,56,549**	29,46,909
	28,30,12,206	39,09,01,280
17) OTHER CURRENT ASSETS		
Interest Receivable	**—**	1,21,95,747
Interest Accrued But Not Due on FDR's	**5,78,352**	24,04,849
Deposits with Stock Exchange	**2,82,00,000**	7,10,000
Stock Exchange Receivable	**14,25,126**	25,10,008
Other Receivable	**12,22,491**	41,08,061
	3,14,25,969	2,19,28,665

	2011-12 ₹	2010-11 ₹
18) REVENUE FROM OPERATIONS		
Sale of Shares, Securities etc. [Refer Note No. 38(iii)]	**1,31,51,83,091**	6,79,16,11,636
	1,31,51,83,091	6,79,16,11,636

	2011-12 ₹	2010-11 ₹
19) OTHER INCOME		
Interest Income	**61,74,711**	5,98,76,190
Dividend Income		
- from Long Term Investments	**5,11,120**	14,51,504
- from Stock In Trade	**31,715**	10,21,801
Net Gain on sale of Long term Investments	**—**	15,24,89,463
Other non operating Income (net of direct expenses) [Refer Note No. 19(i)]	**9,45,563**	6,37,04,177
	76,63,109	27,85,43,135

Additional Information :

i) During the previous year, a sum of ₹ 576.90 Lacs was credited to other non operating income on account of remission of certain liabilities.

20) PURCHASES OF STOCK-IN-TRADE		
Shares, Securities etc. [Refer Note No. 38 (ii)]	**1,30,50,75,827**	6,32,81,09,257
	1,30,50,75,827	6,32,81,09,257
21) CHANGES IN INVENTORIES OF STOCK-IN-TRADE		
Stock In Trade at the beginning of the year	**3,95,51,742**	44,39,66,754
Less : Stock In Trade at the end of the year	**3,10,89,408**	3,95,51,742
	84,62,334	40,44,15,012
22) EMPLOYEE BENEFIT EXPENSES		
Salary, Bonus, Incentives & Others	**1,56,23,247**	3,81,24,546
Contribution to Provident and Other Funds	**4,88,772**	14,38,098
Staff Welfare	**4,13,317**	7,91,469
	1,65,25,336	4,03,54,113
23) FINANCE COSTS		
Interest Expenses	**6,27,551**	3,57,61,509
Bank Charges	**13,37,543**	37,63,498
	19,65,094	3,95,25,007
24) DEPRECIATION & AMORTIZATION EXPENSE		
Depreciation	**62,97,191**	1,42,17,895
	62,97,191	1,42,17,895
25) OTHER EXPENSES		
i) Operational Expenses		
Stock Exchange Expenses	**12,51,139**	1,01,88,920
SEBI Registration Fees	**26,540**	5,82,662
Securities Transaction Tax	**25,27,496**	4,55,12,879
Telecommunication Expenses	**6,21,476**	63,08,242
Depository Transaction Charges	**50,563**	2,13,959
Professional Fees to Dealers	**—**	43,42,464
Software Licenses & Maintenance	**59,562**	32,11,119
Total (i)	**45,36,776**	7,03,60,245

		2011-12 ₹	2010-11 ₹
ii)	**Administrative Expenses**		
	Advertisement	**2,75,461**	4,95,790
	Auditor's Remuneration		
	Audit Fees	**2,07,866**	2,04,055
	Tax Audit Fees	**16,854**	16,545
	Other Services	**22,600**	—
	Bad Debts Written Off	**—**	4,62,349
	Computer & software Expenses	**4,11,247**	13,25,806
	Donation	**50,05,451**	7,70,00,000
	Electricity Expenses	**4,74,770**	21,47,486
	Legal & Professional Expenses	**19,15,295**	69,24,990
	Listing Fees	**62,320**	44,120
	Loss on Sale and Discarded Fixed Assets	**33,11,656**	1,73,46,595
	Postage Expenses	**1,57,277**	2,28,848
	Printing & Stationery	**2,00,278**	4,27,435
	Rates & Taxes	**1,16,285**	2,04,846
	Rent	**73,08,134**	1,63,17,554
	Repairs		
	- Building	**8,46,947**	3,63,357
	- Others	**3,96,130**	5,86,981
	Shareholder's Meeting Expenses	**91,561**	79,873
	Miscellaneous Expenses	**5,72,178**	24,13,287
	Telephone & Internet Expenses	**7,14,860**	11,76,749
	Traveling & Conveyance	**11,49,791**	26,32,090
	Vehicle Running & Maintenance	**10,71,876**	10,38,933
Total (ii)		**2,43,28,837**	13,14,37,689
Total (i + ii)		**2,88,65,613**	20,17,97,934

26) EXCEPTIONAL ITEMS

Prior period adjustments	—	(1,04,371)
Provision of Employees benefits written back [Refer Note No. 37]	—	5,12,10,540
	—	(5,11,06,169)

27) EARNINGS PER SHARE

i)	Net Loss after tax	**(4,68,34,446)**	(18,53,22,042)
ii)	Weighted average number of equity shares of ₹ 1/- each.	**5,28,65,258**	5,28,65,258
iii)	**Basic Earnings Per Share**		
	Basic Earnings per equity share	**(0.89)**	(3.50)
	Diluted Earnings per equity share	**(0.89)**	(3.50)

28) Contingent liabilities and Commitments (to the extent not provided for):

Particulars	AS AT 31.03.2012 (₹ in Lacs)	AS AT 31.03.2011 (₹ in Lacs)
a) **Contingent liabilities**		
i) **Claims not acknowledged by the company**		
Disputed Income Tax liabilities	**343.74**	498.04
Stamp duty levied by State Govt. of Delhi*	**70.50**	65.20
ii) **Guarantees**		
Outstanding guarantees to various banks, in respect of the guarantees given by those banks in favour of stock exchanges and others	**310.00**	1,730.00
Counter Guarantees given by company jointly with its Chairman to the banks on behalf of one of its Subsidiary Companies	**2,975.00**	1,675.00
b) **Capital Commitments (net of advances)**		
Estimated amount of contracts remaining to be executed on capital account	**2,070.46**	51.02

* The State Government of Delhi has levied stamp duty through Indian Stamp (Delhi Amendment) Act, 2010 w.e.f. 01/06/2010 on securities business carried by the company on proprietary basis. During that year, the constitutional validity of the said levy has been challenged in Delhi High court through a writ petition filled by an association of brokers wherein the company is a member and the matter is subjudice.

29) Segment Accounting

The Company is primarily engaged in a single business segment of dealing in shares, securities and derivatives. All the activities of the Company revolves around the main business. As such there are no separate reportable segments as per Accounting Standard - 17 "Segment Reporting" notified by the Central Government under the Companies (Accounting Standard) Rules 2006.

30) Operating Leases

Since the existing operating lease entered into by the company is cancelable on serving a notice of one to three months, as such there is no information required to be furnished as per AS-19.

31) Related Party Disclosure

I) List of Related Parties

a) Key Management Personnel & Relatives

1) Sh. Brij Rattan Bagri (Chairman), Relatives: Smt. Neerja Bagri (Wife), Ms. Nanditaa Bagri (Daughter), Sh. Siddhartha Bagri (Son)
2) Sh. Vikram Rathi (Executive Director)
3) Sh. Satish Kumar Sharma (Executive Director) Relatives: Sh. D.K. Sharma (Brother)*, Sh. Arun Kumar Sharma (Brother).

b) Subsidiary Enterprises

1) BLB Global Business Limited (Mauritius)*
2) BLB Institute of Financial Markets Limited
3) Sri Chaturbhuj Properties Limited
4) BLB Commodities Limited
5) Sri Shardamba Properties Limited
6) BLB Global Business Limited (India)
7) BLB Business Ventures DMCC, Dubai
   [100% Subsidiary of BLB Global Business Limited (India)]*

c) ***Associate Enterprises***

1) Manu Properties Pvt. Limited*

* During the year, the company did not enter into any transaction with such parties.

II) Related Party Transactions

Sl. No.	Nature of Transactions	Key Management Personnel/Relatives		Subsidiary Enterprise	
		2011-12 ₹	2010-11 ₹	**2011-12** ₹	2010-11 ₹
1)	Interest Received	**—**	—	**1,70,352**	1,35,64,507
2)	Recovery of Expenses	**—**	—	**7,60,000**	1,10,300
3)	Interest Paid on Loans	**—**	41,86,028	**—**	—
4)	Remuneration	**47,50,407**	48,57,311	**—**	—
5)	Legal & Professional Charges	**2,01,500**	5,43,100	**—**	—
6)	Investments in shares	**—**	—	**12,25,00,000**	1,85,00,000
7)	Loan granted:				
	— Opening Balance	**—**	—	**26,05,00,000**	7,16,00,000
	— Sums Granted	**—**	—	**14,65,00,000**	28,05,00,000
	— Sums Received Back	**—**	—	**16,15,00,000**	9,16,00,000
	— Closing Balance	**—**	—	**24,55,00,000**	26,05,00,000
8)	Loans taken:				
	— Opening Balance	**—**	4,30,00,000	**—**	—
	— Sums Accepted	**—**	4,50,00,000	**—**	—
	— Sums Repaid	**—**	8,80,00,000	**—**	—
	— Closing Balance	**—**	—	**—**	—
9)	Dividend Paid on Equity shares	**35,57,769**	35,57,769	**—**	—

32) Legal and Professional charges include ₹ 4,46,000/- paid for income tax matters to a non executive director of the Company. (Previous year : ₹ 5,76,000/-)

33) The Company has not received any intimation from 'Suppliers' regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been given.

34) During the year, the company has scaled down its trading operations to safeguard against volatile market situations, on account of high statutory levies and other overheads.

35) Loans and advances in the nature of Loans (As required by Clause 32 of the listing agreement with the stock exchanges):

A. Loans and Advances in the nature of Loans to Subsidiary and Associates

Name of the Company	Relationship	Balance as at		Maximum Balance during the year	
		31st March 2012	31st March 2011	**2011-12**	2010-11
		₹	₹	₹	₹
BLB Commodities Limited	Subsidiary	**23,50,00,000**	25,50,00,000	**30,50,00,000**	25,50,00,000
Sri Sharadamba Properties Limited	Subsidiary	**5,00,000**	—	**25,00,000**	—
BLB Global Business Limited (India)	Subsidiary	**1,00,00,000**	—	**1,00,00,000**	—
BLB Institute of Finance Markets Limited	Subsidiary	**—**	—	**10,00,000**	—
Sri Chaturbhuj Properties Limited	Subsidiary	**—**	55,00,000	**55,00,000**	55,00,000
		24,55,00,000	26,05,00,000		

B. Borrowers have made no investments in shares of the company

36) FINANCIAL DERIVATIVE INSTRUMENTS

Outstanding Derivative contracts :

i) Equity Index/Stock Futures Contracts

Name of Future	Series of Future	Nature of Position (Long/Short)	No. of Contracts	No. of Units Involved	Daily Settlement Price As on 31.03.2012 (₹)
FUTIDX-BANKNIFTY	26-Apr-12	LONG	6	150	10269.85
FUTSTK-BAJAJ-AUTO	26-Apr-12	SHORT	2	250	1696.85
FUTSTK-INFY	26-Apr-12	SHORT	3	375	2886.55
FUTSTK-BATAINDIA	26-Apr-12	SHORT	1	500	778.35
FUTSTK-RELINFRA	26-Apr-12	SHORT	1	500	593.25
UTSTK-PNB	26-Apr-12	SHORT	3	750	936.35
FUTIDX-S&P500	20-Apr-12	SHORT	4	1000	1402.25
FUTSTK-TATAMOTORS	26-Apr-12	SHORT	2	2000	277.35
FUTSTK-TATASTEEL	26-Apr-12	SHORT	4	2000	471.25
FUTSTK-SBIN	26-Apr-12	LONG	16	2000	2114.25
FUTSTK-JINDALSTEL	26-Apr-12	SHORT	6	3000	549.45
FUTSTK-AXISBANK	26-Apr-12	LONG	15	3750	1152.85
FUTSTK-ESCORTS	26-Apr-12	SHORT	1	4000	69.50
FUTSTK-TITAN	26-Apr-12	SHORT	4	4000	230.50
FUTSTK-HDFCBANK	26-Apr-12	LONG	8	4000	524.65
FUTSTK-HINDALCO	26-Apr-12	SHORT	3	6000	130.90
FUTSTK-INDUSINDBK	26-Apr-12	LONG	6	6000	320.95
FUTSTK-RECLTD	26-Apr-12	SHORT	10	10000	206.70
FUTSTK-VIDEOIND	26-Apr-12	SHORT	5	10000	173.70
FUTSTK-ALBK	26-Apr-12	LONG	5	10000	188.35
FUTSTK-JPASSOCIAT	26-Apr-12	SHORT	3	12000	82.55
FUTSTK-NTPC	26-Apr-12	SHORT	8	16000	164.65
FUTSTK-ITC	26-Apr-12	SHORT	20	20000	229.50
FUTSTK-RCOM	26-Apr-12	SHORT	5	20000	85.05
FUTIDX-NIFTY	26-Apr-12	LONG	920	46000	5333.25

ii) Equity Index Options Contracts

Name of Option	Series of Future	Strike Price	Option Type	Nature of Position (Long/Short)	No. of Contracts	No. of Units Involved	Daily Settlement Price As on 31.03.2012 (₹)
OPTIDX-NIFTY	26-Apr-12	4800	PE	SHORT	40	2000	5295.55
OPTIDX-NIFTY	26-Apr-12	4900	PE	SHORT	40	2000	5295.55
OPTIDX-NIFTY	26-Apr-12	5200	CE	SHORT	100	5000	5295.55
OPTIDX-NIFTY	26-Apr-12	5200	PE	SHORT	100	5000	5295.55
OPTIDX-NIFTY	26-Apr-12	5300	CE	SHORT	400	20000	5295.55
OPTIDX-NIFTY	26-Apr-12	5400	CE	SHORT	50	2500	5295.55
OPTIDX-NIFTY	26-Apr-12	5500	CE	SHORT	50	2500	5295.55
OPTIDX-NIFTY	26-Apr-12	5000	PE	LONG	460	23000	5295.55

iii) Currency Future Contracts

Name of Future	Series of Future	Nature of Position (Long/Short)	No. of Contracts	No. of Units Involved	Daily Settlement Price As on 31.03.2012 (₹)
FUTCUR-EURINR	26-Apr-12	SHORT	15	15000	68.27
FUTCUR-USDINR	26-Apr-12	SHORT	179	179000	51.2225

37) During the previous year, the Company reversed the provision of ₹ 512.10 Lacs under Exceptional Items in the Statement of Profit & Loss which was created in the earlier years under the 'Employees Benefit Scheme' since no such employees remained in employment in the said category at the end of the previous year.

38) Additional information in respect of the trading activities are as under:

Particulars		2011-12 Amount (₹)	2010-11 Amount (₹)
i)	**Opening Stock**		
a)	Equity Shares	**2,38,05,447**	40,04,84,429
b)	Debentures	**74,49,043**	76,64,638
c)	ETF's	**—**	2,23,17,380
d)	Units of Mutual Funds	**82,97,252**	1,35,00,307
	Total	**3,95,51,742**	44,39,66,754
ii)	**Purchases**		
a)	Equity Shares	**60,28,50,827**	5,48,51,45,895
b)	ETF's	**—**	68,94,63,362
c)	Units of Mutual Funds	**70,22,25,000**	15,35,00,000
	Total	**1,30,50,75,827**	6,32,81,09,257
iii)	**Sales**		
a)	Equity Shares	**60,38,30,429**	5,91,55,71,484
b)	Debentures	**74,79,863**	—
c)	ETF's	**—**	71,61,83,541
d)	Units of Mutual Funds	**70,38,72,799**	15,98,56,611
	Total	**1,31,51,83,091**	6,79,16,11,636
iv)	**Closing Stock**		
a)	Equity Shares	**2,31,84,403**	2,38,05,447
b)	Debentures	**—**	74,49,043
c)	Units of Mutual Funds	**79,05,005**	82,97,252
	Total	**3,10,89,408**	3,95,51,742

39) In the opinion of the Board of Directors, the aggregate value of Current Assets, Loans and Advances on realization, in the ordinary course of business, will not be less than the amount at which these are stated in the Balance Sheet.

40) The revised Schedule VI has become effective from 1st April, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statement. Previous year's figures have been regrouped and/ or rearranged wherever necessary to conform to this year's classification.

As per our report of even date annexed.

For **RAM RATTAN & ASSOCIATES**
Chartered Accountants
(FRN: 004472N)

(CA. RAM RATTAN GUPTA)
Partner
M. No. 083427

Place : New Delhi
Date : 27th August, 2012

For and on behalf of the Board

(BRIJ RATTAN BAGRI)
Chairman

(VIKRAM RATHI)
Executive Director

(VIKASH RAWAL)
Chief Financial Officer

(PRIYANKA SHARMA)
Company Secretary

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO THE SUBSIDIARY COMPANY

(₹ in Lacs)

Name of the Subsidiary Company	BLB Institute of Financial Markets Limited	BLB Global Business Limited (Mauritius)	BLB Global Business Limited (India)	BLB Commodities Limited	Sri Sharadamba Properties Limited	Sri Chaturbhuj Properties Ltd.
1. Financial Year of the subsidiary ended on	31st March, 2012	31st March, 2012	31st March, 2012	31st March, 2012	31st March, 2012	31st March, 2012
2. Share of the Subsidiary Company on the above date and extent of holding						
i) Equity Shares	₹ 1,90,00,000/- (19,00,000 shares of ₹ 10/- each Fully Paid-up)	USD 1,07,500 (1,07,500 shares of USD 1 each Fully Paid-up) (equivalent to INR ₹ 48,83,361/-)	₹ 2,00,00,000/- (20,00,000 shares of ₹ 10/- each Fully Paid-up)	₹ 7,00,00,000/- (70,00,000 shares of ₹ 10/- each Fully Paid-up)	₹ 2,40,00,000/- (24,00,000 shares of ₹ 10/- each Fully Paid-up)	₹ 2,50,00,000/- (25,00,000 shares of ₹ 10/- each Fully Paid-up)
ii) Extent of Holding	100%	100%	100%	100%	100%	100%
3. Net aggregate amount of Profits (Losses) of the Subsidiary Company for the above Financial Year so far as it concerns the member of BLB Limited.						
i) Dealt with in the account of BLB Limited	NIL	NIL	NIL	NIL	NIL	NIL
ii) Not dealt with in the accounts of BLB Limited	**57,831**	**USD 1964 (INR 81665)***	**1,40,463**	**33,02,271**	**13,774**	**53,460**
4. Net aggregate amount of profit/ (Losses) of previous Financial Years of the Subsidiary Company as far as it concerns members of BLB Limited.						
i) Dealt with in the accounts of BLB Limited.	NIL	—	—	NIL	NIL	NIL
ii) Not dealt with in the accounts of BLB Limited.	**(42,19,263)**	**—**	**—**	**58,46,118**	**(98,755)**	**(6,01,432)**

*Note: Includes exchange rate difference arise on conversion.

For and on behalf of the Board of Directors

(BRIJ RATTAN BAGRI)
Chairman

(VIKRAM RATHI)
Executive Director

Place : New Delhi
Date : 27th August, 2012

(VIKASH RAWAL)
Chief Financial Officer

(PRIYANKA SHARMA)
Company Secretary

STATEMENT PURSUANT TO SECTION 212 (8) OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

(₹ in Lacs)

Name of the Subsidiary Company	BLB Institute of Financial Markets Limited	BLB Global Business Limited	BLB Global Business Limited	BLB Commodities Limited	Sri Sharadamba Properties Limited	Sri Chaturbhuj Properties Ltd.
Financial Year ending on	31st March, 2012	31st March, 2012	31st March, 2012	31st March, 2012	31st March, 2012	31st March, 2012
Country	**India**	**Mauritius**	**India**	**India**	**India**	**India**
Currency	**INR**	**USD**	**INR**	**INR**	**INR**	**INR**
Exchange rate on the last day of financial year	—	51.225	—	—	—	—
Share Capital (including share application money pending allotment)	190.00	48.83	200.00	700.00	240.00	250.00
Reserves	42.77	(48.83)	1.40	341.48	229.15	(5.48)
Liabilities	0.38	—	103.84	4396.09	5.35	0.08
Total Liabilities	**233.15**	**—**	**305.24**	**5437.57**	**474.50**	**244.60**
Total Assets	**233.15**	**—**	**305.24**	**5437.57**	**474.50**	**244.60**
Investments [excluding Subsidiary Companies]	153.20	—	—	—	—	14.00
Turnover / Revenue from Operations	240.72	—	232.03	14256.56	2.00	4.00
Profit/(Loss) Before Taxation	1.11	(0.82)	2.09	86.73	0.55	0.69
Provision for Taxation	0.53	—	0.69	53.71	0.41	0.16
Profit/(Loss) After Taxation	0.58	(0.82)	1.40	33.02	0.14	0.53

Note :

The Ministry of Corporate Affairs, Government of India vide its circular no. 2/2011 dated 8th February, 2011 has granted general exemption to Companies from attaching the Annual Accounts of the Subsidiary Companies as required to be attached under Section 212 (1) of the Companies Act, 1956. The Annual Accounts of the Subsidiary Companies and the related detailed information shall be made available to the shareholders of the Company and Subsidiary Companies seeking such information at any point of time. The Annual Accounts of the subsidiary companies are available for inspection by any Shareholder at the Registered Office of the Company and concerned Subsidiary Companies.

For and on behalf of the Board of Directors

(BRIJ RATTAN BAGRI)
Chairman

(VIKRAM RATHI)
Executive Director

Place : New Delhi
Date : 27th August, 2012

(VIKASH RAWAL)
Chief Financial Officer

(PRIYANKA SHARMA)
Company Secretary

AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors
BLB Limited,
New Delhi

1. We have audited the attached Consolidated Balance Sheet of BLB Limited (the Company) and its subsidiaries (the Group) as at March, 31, 2012 and also the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on the financial statements based on our audit.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. a) The financial statements of four subsidiaries, whose financial statements reflect total assets of ₹ 6,145.22 Lacs as at 31st March 2012, the total revenue of ₹ 14,499.28 Lacs and the cash flows amounting to ₹ 693.28 Lacs as at 31st March 2012 have been audited by other auditors. These financial statements and other financial information have been furnished to us and our opinion is based solely on the report of those auditors.

   b) The financial statements of the overseas subsidiary are un-audited and have been reviewed by the Management, and our opinion, in so far as it relates to the amounts included in respect of the said subsidiary is based solely on these reports which reflect total assets of ₹ NIL as at March 31, 2012 and total revenue of ₹ NIL for the year then ended.

4. We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21, on Consolidated Financial Statements issued as notified under the Companies (Accounting Standards) Rules, 2006.

5. Based on our audit and on consideration of separate reports of other auditors on individual financial statements of the Company and the aforesaid subsidiaries, and to the best of our information and according to the explanations given to us and read our comments in paragraph 3(a) and 3(b), we are of the opinion that the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:
   a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2012;
   b) in the case of the Consolidated Statement of Profit and Loss, of the loss for the year ended on that date; and
   c) in the case of the Consolidated Cash Flow Statement of the cash flows for the year ended on that date.

For **RAM RATTAN & ASSOCIATES**
Chartered Accountants
(FRN: 004472N)

Place : New Delhi
Date : 27th August, 2012

(CA. RAM RATTAN GUPTA)
Partner
M. No. 083427

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2012

		NOTE	As At 31.03.2012 ₹	As At 31.03.2011 ₹
I)	**EQUITY AND LIABILITIES**			
	1) Shareholders' Funds			
	a) Share capital	3	**5,28,65,258**	5,28,65,258
	b) Reserves and surplus	4	**1,15,05,13,096**	1,20,00,05,540
			1,20,33,78,354	1,25,28,70,798
	2) CURRENT LIABILITIES			
	a) Short-term borrowings	5	**17,74,43,635**	7,83,25,801
	b) Trade payables	6	**1,47,17,338**	2,79,35,523
	c) Other current liabilities	7	**2,21,55,015**	2,61,72,042
	d) Short-term provisions	8	**63,33,869**	9,89,79,841
			22,06,49,857	23,14,13,207
	Total Equity and Liabilities		**1,42,40,28,211**	1,48,42,84,005
II)	**ASSETS**			
	1) Non-Current Assets			
	a) Fixed assets			
	i) Tangible assets	9(I)	**3,51,69,528**	4,51,02,602
	ii) Intangible assets	9(II)	**13,91,467**	18,94,325
			3,65,60,995	4,69,96,927
	b) Non-current investments	10	**8,15,15,906**	8,15,15,906
	c) Deferred tax assets	11	**17,13,14,580**	14,94,85,878
	d) Long-term loans and advances	12	**30,85,44,283**	19,23,67,096
	e) Other non-current assets	13	**10,99,193**	13,10,548
			59,90,34,957	47,16,76,355
	2) Current Assets			
	a) Current Investments	14	**1,39,00,000**	2,00,04,201
	b) Inventories	15	**41,53,84,063**	26,60,52,635
	c) Trade receivables	16	**11,76,34,846**	15,45,98,924
	d) Cash and cash equivalents	17	**17,74,78,999**	34,82,72,271
	e) Short-term loans and advances	18	**5,21,86,449**	16,98,68,192
	f) Other current assets	19	**4,84,08,897**	5,38,11,427
			82,49,93,254	1,01,26,07,650
	Total Assets		**1,42,40,28,211**	1,48,42,84,005
	Notes to Consolidated Balance Sheet and Statement of Profit & Loss	1 to 35		

As per our report of even date annexed.

For **RAM RATTAN & ASSOCIATES**
Chartered Accountants
(FRN: 004472N)

(CA. RAM RATTAN GUPTA)
Partner
M. No. 083427

Place : New Delhi
Date : 27th August, 2012

For and on behalf of the Board

(BRIJ RATTAN BAGRI)
Chairman

(VIKASH RAWAL)
Chief Financial Officer

(VIKRAM RATHI)
Executive Director

(PRIYANKA SHARMA)
Company Secretary

BLB win the markets

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

	NOTE	2011-2012 ₹	2010-2011 ₹
(I) INCOME			
(a) Revenue from operations	20	**2,78,05,42,872**	7,30,70,04,633
(b) Other income	21	**1,54,38,662**	28,36,57,926
Total Revenue		**2,79,59,81,534**	7,59,06,62,559
(II) EXPENDITURE			
(a) Purchase of stock-in-trade and others	22	**2,85,43,89,282**	6,96,79,28,681
(b) Change in inventories of stock-in-trade	23	**(14,93,31,428)**	23,69,43,820
(c) Loss on settlement of contracts (Net)		**1,67,71,538**	39,93,34,706
(d) Employee benefit expense	24	**2,94,90,341**	4,26,46,496
(e) Finance costs	25	**1,33,85,165**	5,64,52,432
(f) Depreciation & amortization expense	26	**81,34,769**	1,64,14,514
(g) Other expenses	27	**8,33,81,989**	22,73,50,996
Total Expenses		**2,85,62,21,656**	7,94,70,71,645
(III) LOSS BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (I-II)		**(6,02,40,122)**	(35,64,09,086)
(IV) Exceptional items	28	**(14,126)**	5,11,01,878
(V) LOSS BEFORE TAX		**(6,02,54,248)**	(30,53,07,208)
(VI) Tax Expenses			
(a) Current taxes		**(58,95,233)**	(63,10,000)
(b) Deferred taxes		**2,18,28,702**	12,78,88,878
(c) Taxes relating to earlier years		**9,72,468**	(51,099)
(VII) LOSS AFTER TAX		**(4,33,48,311)**	(18,37,79,429)
(VIII) Earnings per Equity Share			
(a) Basic earnings per share (₹)	29	**(0.82)**	(3.48)
(b) Diluted earnings per share (₹)	29	**(0.82)**	(3.48)
Notes to Consolidated Balance Sheet and Statement of Profit & Loss	1 to 35		

As per our report of even date annexed.

For **RAM RATTAN & ASSOCIATES**
Chartered Accountants
(FRN: 004472N)

(CA. RAM RATTAN GUPTA)
Partner
M. No. 083427

Place : New Delhi
Date : 27th August, 2012

For and on behalf of the Board

(BRIJ RATTAN BAGRI)
Chairman

(VIKASH RAWAL)
Chief Financial Officer

(VIKRAM RATHI)
Executive Director

(PRIYANKA SHARMA)
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

		2011-2012 ₹		2010-2011 ₹
A) CASH FLOW FROM OPERATING ACTIVITIES:				
Net loss before tax		**(6,02,54,248)**		(30,53,07,208)
Adjustment for:				
Net gain on sale of long-term investments	**(23,16,237)**		(15,42,85,192)	
Depreciation & amortisation expense	**81,34,769**		1,64,14,514	
Interest expenses	**1,10,29,583**		3,73,81,196	
Securities transaction tax-investment*	**—**		4,94,444	
Dividend from long-term investments	**(5,11,120)**		(14,51,504)	
Loss on sale and discarded fixed assets	**32,30,531**	**1,95,67,526**	1,76,24,700	(8,38,21,842)
Operating profit before Working Capital changes		**(4,06,86,722)**		(38,91,29,050)
Adjustment for:				
Trade & other receivables	**(4,64,71,843)**		9,66,33,593	
Inventories	**(14,93,31,428)**		23,69,43,820	
Trade payables and other liabilities	**(1,72,35,212)**	**(21,30,38,483)**	(18,79,80,284)	14,55,97,129
Cash generated from operations		**(25,37,25,205)**		(24,35,31,921)
Direct taxes paid		**(72,05,299)**		(4,33,31,737)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		**(26,09,30,504)**		(28,68,63,658)
B) CASH FLOW FROM INVESTING ACTIVITIES:				
Additions to fixed assets		**(44,72,448)**		(45,09,996)
Sale of fixed assets		**40,99,438**		84,82,466
Dividend from long-term investments		**5,11,120**		14,51,504
Securities transaction tax-investment		**—**		(4,94,444)
Purchase of investments		**(1,43,42,06,687)**		(54,99,53,524)
Sale of investments		**1,44,26,27,125**		71,57,82,782
NET CASH FLOW FROM INVESTING ACTIVITIES (B)		**85,58,548**		17,07,58,788

*Grouped under Other expenses of Administrative expenses [Refer Note No. 27(ii)]

	2011-2012 ₹	2010-2011 ₹
C) CASH FLOW FROM FINANCING ACTIVITIES:		
Preliminary expenses	**(3,45,003)**	(5,14,599)
Unsecured loans	**7,85,00,000**	(3,54,83,017)
Interest expenses	**(1,10,29,583)**	(3,73,81,196)
Secured loans	**2,06,17,834**	(30,47,51,045)
Dividend on equity shares paid	**(52,86,526)**	—
Tax on dividend	**(8,78,039)**	—
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	**8,15,78,683**	(37,81,29,857)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**(17,07,93,273)**	(49,42,34,727)
CASH AND CASH EQUIVALENTS – OPENING BALANCE	**34,82,72,271**	84,25,06,998
CASH AND CASH EQUIVALENTS – CLOSING BALANCE	**17,74,78,999**	34,82,72,271

As per our report of even date annexed.

For **RAM RATTAN & ASSOCIATES**
Chartered Accountants
(FRN: 004472N)

(CA. RAM RATTAN GUPTA)
Partner
M. No. 083427

Place : New Delhi
Date : 27th August, 2012

For and on behalf of the Board

(BRIJ RATTAN BAGRI)
Chairman

(VIKRAM RATHI)
Executive Director

(VIKASH RAWAL)
Chief Financial Officer

(PRIYANKA SHARMA)
Company Secretary

NOTES TO BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS

1) Principles of consolidation

The consolidated financial statements relate to BLB Limited (the Company) and its subsidiary companies. The consolidated financial statements have been prepared on the following basis:

a) the consolidated financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully elimination intra-group balances and intra-group transactions resulting in unrealized profits or losses as per the Accounting Standard 21 – "Consolidated Financial Statements" notified by Companies (Accounting Standards) Rules, 2006.

b) the consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

c) the difference between the cost of investment in subsidiaries over the Company's share of net assets at the time of acquisition of shares in the subsidiaries is recognized as Goodwill or Capital Reserve, as the case may be.

Subsidiary Companies

The details of Subsidiary Companies which are included in consolidation and the Parent Company's holding therein are as under:-

Name of the Subsidiary	Percentage of Holding	Place of Incorporation	Financial Year Ended on
BLB Global Business Limited	100%	Mauritius	31st March, 2012
BLB Institute of Financial Markets Limited	100%	India	31st March, 2012
Sri Chaturbhuj Properties Limited	100%	India	31st March, 2012
BLB Commodities Limited	100%	India	31st March, 2012
BLB Global Business Limited	100%	India	31st March, 2012
Sri Sharadamba Properties Limited	100%	India	31st March, 2012

2) Accounting Policies:

a) Basis of Preparation

The financial statements are prepared on accrual basis under the historical cost convention in accordance with the generally accepted accounting principles, accounting standards referred to in section 211(3C) of the Companies Act, 1956 and the other relevant provisions thereof.

b) Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

c) Inventories

i) The securities acquired with the intention of trading are considered as Stock in trade and disclosed as Current assets.

ii) The stock in trade of quoted securities is valued at the lower of cost or market price, the cost is determined on First-in-First out (FIFO) basis.

iii) The Units of open-ended Mutual Fund Schemes are valued at lower of the cost or closing NAV, the cost is determined on First in First out basis.

iv) The stocks of Commodities are valued at cost or market price, whichever is lower. The Cost is considered on specific identification of individual lots and represents purchase value and expenses incurred on bringing goods to their present location premium/discount and condition. The comparison of Cost and Market value is done lot-wise separately for each category of commodities.

Inventories do not include commodities held in trust on behalf of its principals in connection with execution of their specific orders under agency agreements.

v) The carrying amount of the hedged item is valued at the fair market value as on the Balance Sheet date.

d) Cash Flow Statement

Cash Flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or

payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

e) Tangible Assets

Tangible assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any other directly attributable costs of bringing the asset to its working condition for its intended use.

f) Intangible Assets

The intangible assets are recorded at cost less accumulated amortization and net of impairment, if any. Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the asset can be measured reliably.

g) Depreciation and Amortization

i) Depreciation on fixed assets is provided on written down value method in the manner as specified in Schedule XIV to the Companies Act, 1956.

ii) Preliminary Expenses and share issue expenses are amortized over a period of five years.

iii) Membership fee given to Various Commodity Exchanges is being treated as deferred revenue expenditure and same is being written off in five years.

h) Revenue Recognition

I) In respect of the Company

i) Revenue from sales is recognized at the completion of each settlement of the capital market segment of the Stock Exchange.

ii) In respect of non-delivery based transactions in capital market segment, the profit/loss is accounted for at the end of each settlement.

iii) In respect of derivative market segment, almost all the open interests are covered in capital market segment. As such the negative impact of open interest, which is covered in the capital market, is taken at nil.

The open interests which are not covered in the capital market segment and currency derivative segment are accounted for in the books on basis of recommendations given by ICAI.

iv) Income from Dividends is recognized when the right to receive payment is established.

II) In respect of Subsidiaries

i) Revenue from sales is recognized at the transfer of significant risks and rewards of ownership to the buyer.

ii) Income from Brokerage is recognized net of service tax on the date of the transaction

iii) In respect of transactions covered by forward contracts, the difference between the forward rate and the spot/exchange rate at the date of transaction is recognized as income or expense over the life of the contract. Any profit or loss on arising on the cancellation of forward contracts is recognized as income or as expense for the period.

iv) In respect of non-delivery based transactions in derivative market, the profit/loss is accounted for at the end of each settlement. Credit balance of 'Mark to Market Margin account' on the open interest as on the Balance Sheet date is ignored. Debit balance in the Mark-to-Market Margin Account is provided in the Statement of Profit and Loss.

v) The carrying amount of the Hedged item is valued at the Fair market value as on the Balance Sheet Date, the consequent gain/loss is recognized in the statement of profit and loss. Debit/Credit balance of 'Mark to Market Margin account' on the hedged instrument as on the Balance Sheet date is recognized in the Statement of Profit and Loss.

III) General

i) Gain on sale of Investment is recorded on transfer of title and is determined as the difference between the sale price and carrying value of the investment.

ii) In respect of Interest & Other heads of income, the Group follows the practice of recognizing income on accrual basis.

i) Investments

i) Investments that are readily realisable and intended to be held for less than a year are classified as current investments. Current investments are carried at lower of cost and fair value.

ii) Long-term investments are carried at cost less provision for diminution in value other than temporary, if any in the value of such investments.

j) Employee Benefits

i) Provident fund is accounted on accrual basis with contribution made to appropriate Government Authorities.

ii) Leave encashment is determined and paid on the basis of accumulated leaves to the credit of each employee at the month end.

iii) Liability for gratuity is funded with the Life Insurance Corporation of India (LIC) and Max Life Insurance Company Limited (MLICL). Premiums based on actuarial valuation paid are charged to Profit & Loss account.

k) Borrowing Costs

Borrowing costs are capitalized as part of the cost of qualifying asset when it is possible that will result in future economic benefits and the cost can be measured reliably. Other borrowing costs are recognized as an expense in the period in which they are incurred.

l) Earning per Share

Basic earnings per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations.

m) Operating Lease

Assets acquired on lease wherein a significant portion of risk & rewards of ownership are retained by the lessor are classified as operating lease. Lease rentals paid on such leases are charged to revenue on accrual basis as an expense on a systematic basis over the term of lease.

n) Taxation

i) The provision for current taxes is made after taking into consideration benefits admissible under the provisions of the Income tax Act, 1961.

ii) Deferred tax is accounted for by computing the tax effect of timing difference which arise during the year and reversed in subsequent periods.

o) Impairment of Assets

i) The company reviews for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The company recognizes the impairment loss in the profit & loss account in the year in which an asset is identified as impaired.

ii) The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount as on the balance sheet date.

p) Provisions and Contingent Liabilities

i) The company creates a provision where there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

ii) A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may but probably will not require an outflow of resources.

iii) When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote no provision or disclosure is made.

iv) Contingent assets are neither recognized nor disclosed in the financial statements.

q) Foreign Exchange Transactions

i) Transactions denominated in foreign currency are recorded at the exchange rate prevailing at the time of the transaction.

ii) Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year-end rates and the difference in translation of monetary assets and liabilities and realized gains and losses on foreign exchange transactions other than those relating to fixed assets and long term investment are recognized in the Profit and Loss Account.

r) Derivatives Market Trading

i) In respect of the Options Contract, premium for contracts expiring beyond the Balance Sheet date has been treated as current assets / current liabilities, adjusted for loss, if any.

ii) In respect of Futures Contract, debit balance in Mark to Market Margin Account has been fully provided for and credit balance has been considered as current liabilities

	As At 31.03.2012 ₹	As At 31.03.2011 ₹
3) SHARE CAPITAL		
a) Authorised		
7,50,00,000 Equity Shares of ₹ 1/- each (Previous Year: 7,50,00,000 Equity Shares of ₹ 1/- each)	**7,50,00,000**	7,50,00,000
5,00,000 Preference Shares of ₹ 100/- each (Previous Year: 5,00,000 Preference Shares of ₹ 100/- each)	**5,00,00,000**	5,00,00,000
	12,50,00,000	12,50,00,000
b) Issued, Subscribed & Paid up		
5,28,65,258 Equity Shares of ₹ 1/- each fully paid up (Previous Year: 5,28,65,258 Equity Shares of ₹ 1/- each)	**5,28,65,258**	5,28,65,258
	5,28,65,258	5,28,65,258

Additional Information :

i) There has been no movement in issued, subscribed and paid up Share Capital during the current year and the previous year.

ii) The Company has only one class of equity shares having a par value of ₹ 1/-. Each holder of equity shares is entitled to one vote per share.

4) RESERVES & SURPLUS					
i) **Capital Reserve**					
Balance as per last account		**7,10,28,970**			7,10,28,970
		7,10,28,970			7,10,28,970
ii) **Capital Reserve (on consolidation)**					
Capital Reserve (on consolidation)	**7,19,815**			7,19,815	
Less : Goodwill on consolidation	**1,80,300**	**5,39,515**		1,80,300	5,39,515
		5,39,515			5,39,515
iii) **Capital Redemption Reserve**					
Balance as per last account		**2,50,00,000**			2,50,00,000
		2,50,00,000			2,50,00,000
iv) **Securities Premium Account**					
Balance as per last account		**2,50,47,040**			2,50,47,040
		2,50,47,040			2,50,47,040
v) **General Reserve**					
Balance as per last account		**22,50,00,000**			22,50,00,000
		22,50,00,000			22,50,00,000
vi) **Surplus in the Statement of Profit and Loss**					
Balance as per last account		**85,33,90,015**			1,04,33,34,009
Less: Loss for the year		**(4,33,48,311)**			(18,37,79,429)
Appropriation					
Proposed Dividend on Equity Shares		**(52,86,526)**			(52,86,526)
Provision Tax on Dividend		**(8,57,607)**			(8,78,039)
		80,38,97,571			85,33,90,015
Total (i to vi)		**1,15,05,13,096**			1,20,00,05,540

	As At 31.03.2012 ₹	As At 31.03.2011 ₹
5) SHORT TERM BORROWINGS		
i) Loans repayable on demand		
- from Banks (Secured) [Refer Note No. 5(i)]	**8,89,43,635**	6,83,25,801
- from Others (Unsecured)	**5,00,00,000**	—
ii) Loans and advances from related parties repayable on demand (Unsecured)	**3,85,00,000**	1,00,00,000
	17,74,43,635	7,83,25,801

Nature of Security

a) Includes a loan of ₹ NIL (Previous year - ₹ 212.82 Lacs) taken from bank by the Company, secured by pledge of fixed deposit receipt of ₹ 250.00 Lacs. (Previous year - ₹ 1,411.00 Lacs)

b) Includes a loan of ₹ 390.87 Lacs taken from bank by BCL, Secured against property held in the personal name of Director of BCL and his relatives. (Previous year - ₹ NIL)

c) Includes a loan of ₹ 498.56 Lacs taken from bank, secured by Pledge of Demat Commodities held in the name of BCL, personal Guarantee of two of its Directors and Corporate Guarantee of the Company. (Previous year - ₹ 470.43 Lacs)

6) TRADE PAYABLES		
Creditors for supplies	**1,12,65,503**	2,35,91,182
Creditors for services	**34,51,835**	43,44,341
	1,47,17,338	2,79,35,523
7) OTHER CURRENT LIABILITIES		
Creditors for other liabilities	**1,11,20,022**	2,05,12,429
Unpaid dividend	**20,86,304**	19,27,929
Interest accrued and due on borrowings	**39,63,935**	54,247
Mark-to-market margin-equity index/stock future	**11,42,079**	36,77,437
Equity index/stock options premium account	**38,42,675**	—
	2,21,55,015	2,61,72,042
8) SHORT-TERM PROVISIONS		
Proposed dividend	**52,86,526**	52,86,526
Provision for tax on dividend	**8,57,607**	8,78,039
Provision for taxation	**1,89,733**	9,28,15,276
	63,33,869	9,89,79,841

9) FIXED ASSETS

(Amount in ₹)

DESCRIPTION	GROSS BLOCK (AT COST)				DEPRECIATION / AMORTIZATION				NET BLOCK (WDV)	
	As At 01.04.2011	Additions	Deductions	As At 31.03.2012	As At 01.04.2011	For the Year	Deductions	As At 31.03.2012	As At 31.03.2012	As At 31.03.2011
I) Tangible Assets										
Land–Freehold	65,65,700	—	—	65,65,700	—	—	—	—	65,65,700	65,65,700
Buildings – Freehold (For Self Use)	44,28,320	21,68,760	—	65,97,080	10,72,833	2,01,847	—	12,74,680	53,22,400	33,55,487
Furniture & Fixtures	3,44,34,094	63,712	94,10,793	2,50,87,013	1,91,46,635	22,45,146	51,31,176	1,62,60,605	88,26,408	1,52,87,459
Vehicles	99,40,843	9,01,030	19,35,369	89,06,504	60,03,031	9,83,870	12,73,112	57,13,789	31,92,715	39,37,812
Office Equipments	1,05,62,414	1,18,124	17,07,938	89,72,600	58,06,482	5,84,603	8,20,020	55,71,065	34,01,535	47,55,932
Electrical Equipments	41,768	—	41,768	—	22,060	2,621	24,681	—	—	19,708
Computers	3,40,80,439	5,08,289	43,03,255	3,02,85,473	3,00,36,525	18,47,023	38,10,811	2,80,72,737	22,12,736	40,43,914
Ups & Generator	1,03,00,729	6,650	15,91,700	87,15,679	60,49,758	5,08,595	8,58,032	57,00,321	30,15,358	42,50,971
Telecom Equipments	92,52,687	4,23,115	6,12,389	90,63,413	63,83,487	4,16,797	3,55,412	64,44,872	26,18,541	28,69,200
Library Books	1,17,015	—	93,229	23,786	1,00,596	2,283	93,229	9,650	14,136	16,419
Current year Total (Tangible)	11,97,24,009	41,89,680	1,96,96,441	10,42,17,248	7,46,21,407	67,92,785	1,23,66,473	6,90,47,719	3,51,69,528	4,51,02,602
Previous Year (Tangible)	18,79,40,392	48,22,061	7,21,05,610	12,06,56,843	10,80,81,047	1,39,57,440	4,75,60,192	7,44,78,295	4,61,78,548	7,98,59,345
II) Intangible Assets										
Computer Software	1,10,07,149	2,82,768	—	1,12,89,917	91,12,824	7,85,626	—	98,98,450	13,91,467	18,94,325
Current year Total (Intangible)	1,10,07,149	2,82,768	—	1,12,89,917	91,12,824	7,85,626	—	98,98,450	13,91,467	18,94,325
Previous Year (Intangible)	3,31,59,745	1,90,125	2,23,42,721	1,10,07,149	2,75,89,507	19,45,217	2,02,78,786	92,55,938	17,51,211	56,78,238

Note:The Company has reclassified computers into computers under tangibles assets and computers software under Intangible assets in accordance with Revised Schedule VI of the Companies Act, 1956.

	Face Value	As At 31.03.2012		As At 31.03.2011	
	₹	Qty.	₹	Qty.	₹
10) NON-CURRENT INVESTMENTS					
INVESTMENTS IN EQUITY INSTRUMENTS (FULLY PAID-UP) [Refer Note No. 2(j)]					
A TRADE - QUOTED					
VBC Ferro Alloys Limited	**10**	**155172**	**3,84,36,104**	155172	3,84,36,104
Midvalley Entertainment Ltd.	**10**	**200000**	**1,50,00,000**	200000	1,50,00,000
Reliance Power Limited	**10**	**10027**	**28,20,150**	10027	28,20,150
			5,62,56,254		5,62,56,254
B TRADE - UNQUOTED					
Sharp Corp Ltd [Refer Note No. 10(i)]	**100**	**168000**	**2,00,00,000**	80000	1,00,00,000
Singhal Agro industries Ltd	**100**	**—**	**—**	80000	1,00,00,000
			2,00,00,000		2,00,00,000
C NON TRADE - UNQUOTED					
The Delhi Stock Exchange Association Ltd.	**1**	**80000**	**4,90,500**	80000	4,90,500
The Calcutta Stock Exchange Association Ltd.	**1**	**250**	**26,22,000**	250	26,22,000
The Uttar Pradesh Stock Exchange Association Ltd.	**2000**	**1**	**4,03,500**	1	4,03,500
Bombay Stock Exchange Ltd.	**1**	**11401**	**17,43,652**	11401	17,43,652
			52,59,652		52,59,652
Total Non-current Investments			**8,15,15,906**		8,15,15,906
Aggregate cost of Quoted Investments			**5,62,56,254**		5,62,56,254
Aggregate cost of Unquoted Investments			**2,52,59,652**		2,52,59,652
Aggregate Market Value of Quoted Investments			**2,47,67,225**		6,15,08,862

(i) During the year Singhal Agro Industries Limited was merged with Sharp Corp Limited under the scheme of merger vide order passed by the Hon'ble Delhi High Court 09th August 2011. As a result the company has received 88000 equity shares of Sharp Corp Limited for 80000 equity shares of Singhal Agro Industries Limited as on date of merger.

(ii) No provision for diminution in the value of investments to the extent of ₹ 314.89 Lacs (Previous year - Nil) has been made as the same is considered to be temporary in nature. [Refer Note No. 2(i)(ii)]

	As At 31.03.2012 ₹	As At 31.03.2011 ₹
11) DEFERRED TAX ASSETS		
Deferred tax Assets		
Due to difference in depreciation as provided in the accounts and Income Tax purposes	**1,09,04,580**	1,08,70,878
Due to unabsorbed capital loss	**25,56,000**	16,00,000
Due to unabsorbed losses from speculative business	**15,53,29,000**	13,78,19,000
Due to unabsorbed losses from non-speculative business	**35,09,000**	1,80,000
	17,22,98,580	15,04,69,878
Deferred Tax Liabilities		
Due to gain in unsold stock-in-trade which was converted from investments.	**9,84,000**	9,84,000
Net Deferred Tax Assets	**17,13,14,580**	14,94,85,878
12) LONG-TERM LOANS & ADVANCES		
(Unsecured, considered good)		
Capital advances	**24,96,61,044**	15,20,32,000
Share application money	**2,50,00,000**	50,00,000
Security deposits	**3,38,83,239**	3,53,35,096
	30,85,44,283	19,23,67,096
13) OTHER NON-CURRENT ASSETS		
Deferred Revenue Expenditure (to the extent not written off)		
Share Issue Expenses	**4,26,619**	2,20,073
Preliminary expenditure	**4,27,082**	6,71,736
Membership charges	**2,45,492**	4,18,739
	10,99,193	13,10,548
14) CURRENT INVESTMENT		
Investment in Mutual Fund		
(Unquoted- stated at lower of cost or fair value)		
- Reliance Liquid Fund		
563292.668 units of face value of ₹ 10/- each		
(Previous Year 1308541.740 units of face value of ₹ 10/- each)	**1,39,00,000**	2,00,04,201
	1,39,00,000	2,00,04,201
Additional Information:		
Aggregate cost of unquoted investments	**1,39,00,000**	2,00,04,201
Aggregate net assets value of Units	**1,39,80,710**	2,00,04,201

	As At 31.03.2012 ₹	As At 31.03.2011 ₹
15) INVENTORIES		
Stock-in-trade		
Shares and securities [Refer Note No. 2(c)]	**3,10,89,408**	3,95,51,742
Commodities held for resale	**36,19,17,493**	22,65,00,893
Plots held for resale	**2,23,77,162**	—
	41,53,84,063	26,60,52,635

Out of the Commodities held for resale as stated at serial no (ii) above :

i) The stocks of agri-commodities of the value of ₹ 153.60 Lacs have been pledged with the banks by a subsidiary (BCL) towards short term loan. (Previous year: ₹ 737.75 Lacs)

ii) During the year, the authorised warehouse keeper of the commodity exchange has released 10.080 MT of Guarseed valuing at ₹ 25.28 Lacs without permission to the supplier of goods. The subsidiary (BCL) has taken appropriate action and the management of BCL is confident of getting back the goods.

16) TRADE RECEIVABLE		
(unconfirmed, unsecured, considered good)		
- for more than six months [Refer Note No. 16 (i) & (ii)]	**8,85,19,777**	8,85,19,777
- Others	**2,91,15,069**	6,60,79,147
	11,76,34,846	15,45,98,924

Additional Information :

i) ₹ 876.90 Lacs given to The Calcutta Stock Exchange Association Limited by the Company to tide over the payment crisis, which erupted in March 2001. A suit for recovery is pending with the Hon'ble Delhi High Court and the management is confident of recovery thereof (Previous year: ₹ 876.90 Lacs).

ii) ₹ 8.30 Lacs due from various parties to the Company are under arbitration proceedings and the management is confident of recovery thereof (Previous year: ₹ 15.62 Lacs).

17) CASH AND CASH EQUIVALENTS		
Balances with banks		
- In current accounts [Refer Note No. 17 (i)]	**9,12,26,663**	1,52,40,010
- In deposits [Refer Note No. 17(ii)]	**8,15,96,000**	32,92,28,546
Cheque / Drafts on hand	**16,13,353**	1,32,250
Cash on hand	**30,42,983**	36,71,465
	17,74,78,999	34,82,72,271

Additional Information :

(i) Balances with Banks includes unclaimed Dividend of ₹ 21.76 Lacs (previous year ₹ 20.17 Lacs)

(ii) (a) Fixed deposits with banks includes deposits of ₹ 176.96 Lacs (previous year: ₹ 2,104.75 Lacs) with maturity of more than 12 months.

(b) Bank Fixed Deposits have been pledged as follows:

i) ₹ 86.56 Lacs with various Exchanges towards capital adequacy deposits/margins and other authorities. (Previous year' 642.50 Lacs).

ii) ₹ 717.60 Lacs with banks and other authorities against various facilities provided by them (Previous Year ₹ 2,637.00 Lacs).

	As At 31.03.2012 ₹	As At 31.03.2011 ₹
18) SHORT TERM LOANS AND ADVANCES		
(unsecured, considered good)		
Taxes paid	**3,63,22,110**	12,66,65,120
Others		
Advances to staff	**4,82,311**	5,33,897
Advances against supplies	**1,26,05,632**	3,85,14,278
Advances against expenses	**10,77,897**	5,65,517
Prepaid expenses	**16,98,499**	35,89,380
	5,21,86,449	16,98,68,192
19) OTHER CURRENT ASSETS		
Interest accrued but not due on FDR's	**5,81,526**	24,06,375
Deposits with Stock Exchange	**2,82,00,000**	7,10,000
Exchanges receivables	**14,25,127**	25,10,008
Other receivables	**1,82,02,244**	2,48,83,261
Mark to market margins against future sale contracts entered into for hedging of physical stocks	**—**	2,33,01,783
	4,84,08,897	5,38,11,427

	2011-12 ₹	2010-11 ₹
20) REVENUE FROM OPERATIONS		
Sale of products	**2,99,43,51,467**	7,28,35,86,101
Mark to market margins (Net) (paid) / received in settlement of hedged contracts [Refer Note No. 20 (i)]	**(21,44,08,595)**	2,32,18,532
	2,77,99,42,872	7,30,68,04,633
Sale of services	**6,00,000**	2,00,000
	2,78,05,42,872	7,30,70,04,633

(i) Additional Information

The amount represents margins paid / received during the year against sale contracts which were hedged and finally settled by making physical deliveries.

21) OTHER INCOME		
Interest income	**98,17,830**	6,29,89,775
Dividend income		
- from Long-term investments	**5,11,120**	14,51,504
- from stock In trade	**31,715**	10,21,801
Brokerage income	**18,396**	3,44,302
Net gain on sale of long-term investments	**23,16,236**	15,30,93,412
Other non operating income (net of direct expenses) [Refer Note No. 21(i)]	**27,43,365**	6,47,57,132
	1,54,38,662	28,36,57,926

Additional Information :

i) During the previous year, a sum of ₹ 576.90 Lacs was credited to other non operating income on account of remission of certain liabilities.

	2011-12 ₹	2010-11 ₹
22) PURCHASES OF STOCK-IN-TRADE		
Purchase of products	**2,85,43,89,282**	6,96,79,28,681
	2,85,43,89,282	6,96,79,28,681
23) CHANGES IN INVENTORIES OF STOCK-IN-TRADE		
Stock in trade at the beginning of the year	**26,60,52,635**	50,29,96,455
Less : Stock In trade at the end of the year	**41,53,84,063**	26,60,52,635
	(14,93,31,428)	23,69,43,820
24) EMPLOYEE BENEFIT EXPENSES		
Salary, Bonus, Incentives & others	**2,75,59,300**	4,02,07,041
Contribution to Provident and other funds	**10,28,286**	16,22,435
Staff welfare	**9,02,755**	8,17,020
	2,94,90,341	4,26,46,496
25) FINANCE COSTS		
Interest expenses	**1,10,29,583**	5,15,26,524
Bank charges	**23,55,582**	49,25,908
	1,33,85,165	5,64,52,432
26) DEPRECIATION & AMORTIZATION EXPENSES		
Depreciation	**75,78,411**	1,59,02,657
Preliminary expenses written off	**3,03,154**	2,69,154
Membership expenses written off	**1,73,247**	1,73,247
Share issues expenses written off	**79,957**	69,456
	81,34,769	1,64,14,514
27) OTHER EXPENSES		
i) Operational Expenses		
Stock exchange expenses	**31,15,911**	1,37,27,966
SEBI registration fees	**26,540**	5,82,662
Securities transaction tax	**25,27,496**	4,55,12,879
V-SAT maintenance charges	**15,07,630**	75,41,261
Insurance charges	**1,79,769**	7,445
Professional fees to dealers	**—**	43,42,464
Software licenses & maintenance	**59,562**	42,05,316
Depository transaction charges	**92,791**	2,13,959
Freight charges	**64,38,905**	1,10,421
Import duty	**23,65,451**	—
Brokerage & commission	**15,09,176**	4,03,097
Warehouse charges	**80,66,191**	41,13,783
Total (i)	**2,58,89,422**	8,07,61,253

		2011-12 ₹	2010-11 ₹
ii)	**Administrative Expenses**		
	Advertisement	**4,76,660**	5,18,423
	Auditor's remuneration		
	- Audit fees	**3,19,664**	3,58,595
	- Tax audit fees	**35,393**	31,575
	- Other services	**24,265**	3,82,230
	Bad debts written off	**—**	4,62,349
	Computer & software Expenses	**6,27,735**	13,56,795
	Donation	**1,50,05,451**	8,70,00,000
	Electricity expenses	**13,00,137**	22,58,623
	Legal & professional expenses	**50,56,866**	87,59,053
	Listing fees	**62,320**	44,120
	Loss on sale and discarded fixed assets	**32,30,532**	1,76,24,700
	Postage expenses	**3,59,629**	2,41,665
	Printing & stationery	**3,52,721**	4,35,729
	Rates & taxes	**1,86,880**	2,11,872
	Rent	**1,53,11,285**	1,74,24,853
	Repairs		
	- Building	**8,46,947**	3,63,357
	- Others	**10,76,930**	6,34,429
	Shareholder's meeting expenses	**91,561**	79,873
	Other expenses	**48,70,227**	33,25,527
	Telephone & internet expenses	**11,10,232**	12,06,729
	Traveling & conveyance	**60,75,256**	28,30,313
	Vehicle running & maintenance	**10,71,876**	10,38,933
	Total (ii)	**5,74,92,567**	14,65,89,743
	Total (i + ii)	**8,33,81,989**	22,73,50,996

28) Exceptional Items

Prior period adjustments	**(14,126)**	(1,08,662)
Provision of Employees benefits written back [Refer Note No. 34]	**—**	5,12,10,540
	(14,126)	5,11,01,878

29) Earnings Per Share

i)	Net loss after tax	**(4,33,48,311)**	(18,37,79,429)
ii)	Weighted average number of equity shares of ₹ 1/- Each.	**5,28,65,258**	5,28,65,258
iii)	**Basic Earnings Per Share**		
	Basic earnings per equity share	**(0.82)**	(3.48)
	Diluted earnings per equity share	**(0.82)**	(3.48)

30) Contingent liabilities and Commitments (to the extent not provided for):

Particulars	AS AT 31.03.2012 (₹ in Lacs)	AS AT 31.03.2011 (₹ in Lacs)
a) Contingent liabilities		
i) **Claims not acknowledged by the Group**		
Disputed income tax liabilities	**347.65**	499.54
Stamp duty levied by State Govt. of Delhi [Refer Note No. 30(iii)]	**74.68**	69.38
Service tax payable [Refer Note No. 30(v)]	**153.06**	153.06
ii) **Guarantees**		
Outstanding guarantees to various banks, in respect of the guarantees given by those banks in favour of stock exchanges and others	**1,027.00**	2,480.00
Counter guarantees given by company jointly with its Chairman to the banks on behalf of one of its subsidiary Companies	**2,975.00**	1,675.00
iii) **Capital Commitments (net of advances)**		
Estimated amount of contracts remaining to be executed on capital account	**3,223.15**	51.02

iv) The State Government of Delhi has levied stamp duty through Indian Stamp (Delhi Amendment) Act, 2010 w.e.f. 01/06/2010 on securities business and the exchange traded commodities derivatives business carried by the Company and BCL respectively on proprietary basis. During the year, the constitutional validity of the said Act has been challenged in the Hon'ble Delhi High court through a writ petition filled by an association of brokers wherein the company is a member and the matter is subjudice. The total liability on account of levy of stamp duty works out to ₹ 74.68 Lacs (Previous year ₹ 69.38 Lacs).

v) BIFM has received a Demand-cum-Show Cause Notice from the Service Tax Department asking to pay service tax amounting to ₹ 153.06 Lacs (excluding interest and penalty, if any) for the period from 01/10/2006 to 30/09/2010 on few educational courses which in its opinion are exempt from service tax. BIFM has filed a writ petition with the Delhi High Court against the said demand-cum-show cause notice. (Previous year ₹ 153.06 Lacs)

vi) During the year a search was carried out by the Gujarat VAT Department on BCL whereby the GVAT department has raised a demand of ₹ 28.66 Lacs on account of denial of the input VAT credit claimed by the company which was collected by some suppliers from the said subsidiary. However it was alleged that the said suppliers did not deposit VAT with the Department. The said subsidiary has deposited VAT under protest and also filed an appeal with appropriate authorities.

31) Segment Accounting

The Company is primarily engaged in a single business segment of dealing in shares, securities and derivatives. All the activities of the Company revolve around the main business. As such there are no separate reportable segments as per Accounting Standard - 17 "Segment Reporting" notified by the Central Government under the Companies (Accounting Standard) Rules 2006.

32) Operating Leases

Since the existing operating lease entered into by the company is cancelable on serving a notice of one to three months, as such there is no information required to be furnished as per AS-19.

33) Related Party Disclosure

I) List of Related Parties

a) Key Management Personnel & Relatives

1) Sh. Brij Rattan Bagri (Chairman), Relatives: Smt. Neerja Bagri (Wife), Ms. Nanditaa Bagri (Daughter), Sh. Siddhartha Bagri (Son)
2) Sh. Vikram Rathi (Executive Director)
3) Sh. Satish Kumar Sharma (Executive Director) Relatives: Sh. D.K. Sharma (Brother)*, Sh. Arun Kumar Sharma (Brother).
4) Sh. Uttam Kumar Sharma (Whole Time Director) w.e.f 01st November'2011

*During the year, the company did not enter into any transaction with such parties.

II) Related Party Transactions

Sl. No.	Nature of Transactions	Key Management Personnel & Relatives 2011-12 ₹	2010-11 ₹
1)	Interest paid on loans	36,55,738	44,67,121
2)	Remuneration	51,55,017	48,57,311
3)	Loans taken:		
	— Opening balance	1,00,00,000	4,30,00,000
	— Sums accepted	3,70,00,000	5,50,00,000
	— Sums repaid	85,00,000	8,80,00,000
	— Closing balance	3,85,00,000	1,00,00,000
4)	Legal & professional charges	2,01,500	5,43,100
5)	Brokerage received	5,368	—
6)	Dividend paid	35,57,769	35,57,769
7)	Transaction charges recovered	42,451	—

34) During the previous year, the Company reversed the provision of ₹ 512.10 Lacs under Exceptional Items in the Statement of Profit & Loss which was created in the earlier years under the 'Employees Benefit Scheme' since no such employees remained in employment in the said category at the end of the previous year.

35) The revised Schedule VI has become effective from 1st April, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statement. Previous year's figures have been regrouped and/ or rearranged wherever necessary to conform to this year's classification.

As per our report of even date annexed.

For **RAM RATTAN & ASSOCIATES**
Chartered Accountants
(FRN: 004472N)

(CA. RAM RATTAN GUPTA)
Partner
M. No. 083427

Place : New Delhi
Date : 27th August, 2012

For and on behalf of the Board

(BRIJ RATTAN BAGRI)
Chairman

(VIKRAM RATHI)
Executive Director

(VIKASH RAWAL)
Chief Financial Officer

(PRIYANKA SHARMA)
Company Secretary

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