

# BGIL Films & Technologies Limited

*( Merging Entertainment & Technology )*



## Corporate Information

### **BOARD OF DIRECTORS**

Mr. Rakesh Bhatia

**Chairman**

Mr. Umesh Kumar Singh

**Executive Director**

Mr. Nirmal Vaid

**Executive Director**

Mr. Harjit Singh Anand

**Independent Director**

Mr. Rajeev Kumar

**Independent Director**

Mr. Ashok Kumar Juneja

**Independent Director**

Ms. Aarti Jain

**Independent Director**

### **CORPORATE OFFICE**

B-66, Sector-60

Noida-201301

Uttar Pradesh (U.P.), India.

Tel: 0120-4227792

Fax: 0120-4227791

Website: [www.bgilfilms.com](http://www.bgilfilms.com)

### **REGISTRAR & SHARE TRANSFER AGENT**

M/s Mas Services Limited.

T-34, 2nd Floor, Okhla Industrial Area

Pase-II, New Delhi-110020

Tel: 011-26387281/82/83.

Fax No. 011-26387384

### **COMPANY SECRETARY**

Ms. Divya Sharma

### **AUDITORS**

M/s SNMG & Co.

Chartered Accountants

### **INTERNAL AUDITORS**

M/s. Rakesh Kumar Singh & Co.

Chartered Accountants

### **BANKERS**

Axis Bank Limited

### **REGISTERED OFFICE**

B-13 LGF, Amar Colony,

Lajpat Nagar-IV,

New Delhi-110024

### **REGIONAL OFFICE**

B-504, Morya House,

New Link Road,

Behind Crystal plaza,

Oshiwara Andheri (w),

Mumbai-400053

**CIN No. of the Company**  
**L65993DL1989PLC035572**

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## *Notice*

**NOTICE** is hereby given that the 27th Annual General Meeting (AGM) of the members of BGIL Films & Technologies Limited will be held as under:

**DAY** : Tuesday  
**DATE** : 15th November, 2016  
**TIME** : 09:30 A.M.  
**VENUE** : A-81, Bipin Chandra Pal Memorial Trust,  
C.R. Park, New Delhi-110019

to transact the following business:

### **Ordinary Business**

#### **Item No. 1- Adoption of Annual financial statements**

To receive, consider, approve and adopt the annual financial statements of the Company for the year ended March 31, 2016, including the audited Balance sheet as at March 31, 2016, the statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors (the Board) and Auditors thereon.

#### **Item No.2- Ratification of Appointment of Auditors**

To ratify appointment of the Auditors and to authorise the Board of Directors of the Company to fix their remuneration and for that purpose, to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT**, pursuant to the provisions of Section 139 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any Statutory modification(s) or re-enactment thereof for the time being in force), appointment of M/s SNMG & Co., Chartered Accounts (Firm Registration No. 004921N), New Delhi, be and is hereby ratified as the Auditors of the Company from this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be mutually determined between the said Auditors and Board of Directors of the Company.”

### **Special Business**

#### **Item No. 3**

#### **Appointment of Ms. Aarti Jain (DIN 06736354) as an Independent Director**

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

**“RESOLVED** that pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Rules made there under read with Schedule IV to the Act, (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of SEBI (Listing

Obligations and Disclosure Requirements) Regulations, 2015, Ms. Aarti Jain (DIN 06736354), who was appointed as an Additional (Independent) Director of the Company by the Board of Directors at its meeting held on 20th October 2016 and whose term of office expires in this Annual General Meeting and in respect of whom the Company has received a Notice in writing from a Member along with the deposit of the requisite amount under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 3 Years up to 20th October, 2019.

**Item No. 4****Appointment of Mr. Umesh Kumar Singh (DIN 02170692) as Whole Time Director**

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification or re-enactment thereof) read with Schedule V to the Companies Act, 2013 and subject to the other approval, if required, consent of the members of the Company be and is hereby accorded to the appointment of Mr. Umesh Kumar Singh, as Whole-time Director of the Company with effect from 20th October 2016 to 20th October 2019 on such terms and conditions and remuneration as may be determined by the Board.

RESOLVED FURTHER THAT the remuneration payable to Mr. Umesh Kumar Singh, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.

**Item No. 5****To Purchase running digital post production studio under same management**

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

“RESOLVED THAT pursuant to provisions of all applicable laws under Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, consent of the members be and is hereby accorded to purchase the running digital post production studio under same management.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.

**By order of the Board of Directors  
For BGIL Films & Technologies Limited**

**Place: New Delhi**

**Date: October 20th, 2016**

**Sd/-  
Divya Sharma  
Company Secretary**

**NOTES:**

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL, INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY, IN ORDER TO BE EFFECTIVE, SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A BLANK PROXY FORM IS ENCLOSED.**
2. Pursuant to provision of section 105 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as a proxy, who shall not act as a proxy for any other member.
3. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the special business to be transacted at the Meeting is annexed hereto.
4. Proxies to be effective must be received by the Company not less than 48 hours before the meeting.
5. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend vote on their behalf at the meeting.
6. Members are requested to bring their copies of Annual Report to the Meeting. In order to enable us to register your attendance at the venue of the Annual General Meeting, we requested you to please bring your folio no./ demat account no./DP ID-Client ID to enable us to give you a dully filled attendance slip for your signature and participation at the meeting.
7. The Registers of Members of the Company will remain closed on 08th November 2016 to 15th November, 2016 both days inclusive.
8. Only bonafide members of the Company whose names appear on the Register of Members /Proxy holders, in possession of valid attendance slips dully filled and singed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.



9. Members/Proxies should fill in the Attendance Slip for attending the meeting and bring their Attendance Slip.
10. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
11. Members who hold shares in electronic form are requested to write their DP ID and Client ID numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting to facilitate identification of membership at the Meeting.
12. Relevant documents referred in the accompanying Notice are open for inspection at the Registered Office of the Company during working hours between 09.00 a.m. and 1.00 p.m. except holidays upto the date of Annual general Meeting.
13. Members holding shares in physical form are requested to advise any change of address immediately to Company/Registrar and Transfer Agents, Mass Services Limited.
14. Details required under Listing Agreement entered with the Stock Exchanges in respect of Directors seeking appointment / re-appointment at the Annual General Meeting, are annexed to this notice.
15. Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrars and Transfer Agents, Mass Services Limited.
16. Members are requested to send all the correspondence concerning registration of transfer, transmission, sub-division, consolidation of shares or any other shares related matters and/or change in address to Company's Registrar and Share Transfer Agent (RTA) is M/s. Mas Services Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New delhi-110020
17. The details of the Stock Exchanges, on which the securities of the Company are listed, are given separately in this Annual Report.
18. No gifts will be distributed at the annual general meeting.
19. Members desirous of getting any information about accounts of the Company are requested to send their queries at the registered Office of the Company at least 10 Days prior to the Date of Meeting so that the requisite information can be readily made available at the meeting.
20. Members are requested to furnish their Change of address, e-mails address etc. to the Company's Registrar and Transfer Agents viz M/s. Mas Services Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New delhi-110020.
21. Electronic copy of the Annual Report for 2015-16 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication

purposes unless any members has required for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2014-15 is being sent in the permitted mode.

22. Members may also note that the Notice of the 27th Annual General Meeting and the Annual Report 2016 will be available on the Company's website, [www.bgilfilms.com](http://www.bgilfilms.com).
23. Company to be disclosing to the Stock Exchanges, as per Regulation 44 of the SEBI (Listing Obligation & Disclosure Requirements) Regulations 2015, the details of results of voting on each of the resolutions proposed in this Notice.
24. The Company has appointed Ms. Surbhi Bansal (C. P. No. 15808), Practicing Company Secretary, to act as the Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
25. The results shall be declared on or after the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall be available on the Company's website within two (2) days of passing of the resolution at the Annual General Meeting of the Company and will accordingly be communicated to the Stock Exchanges.
26. **PROCEDURE FOR E-VOTING**

The Company has entered a agreement with National Depository Services Limited (NSDL) for facilitating e-voting for AGM. The instructions for e-voting are as under:

- (i) Open email and open PDF file with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-Voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder – Login
- (iv) Put user ID and password as initial password/PIN note in step (i) above. Click Login.
- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.
- (vii) Select "EVEN" of BGIL Films & Technologies Limited.
- (viii) Now you are ready for e-Voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.



- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter etc. together with attested specimen signature of the duly authorized signatory/ies who are authorized to vote, to the Scrutinizer through e-mail [surbhi@kksinghassociates.com](mailto:surbhi@kksinghassociates.com) with copy mark to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

### **General Instruction**

1. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
2. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
3. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
4. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e., 08th November 2016.
5. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 08th November 2016, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Company/RTA.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

6. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
7. Since the Company is required to provide members facility to exercise their right to vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date.
8. **Ms. Surbhi Bansal**, Company Secretary has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
9. The Chairman shall, at the AGM at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of polling paper for all those members who are present at the AGM but have not cast their votes by availing

the remote e-voting facility.

10. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
11. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited.

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT 2013**

### **Item 3**

Ms. Aarti Jain DIN (06736354) was appointed as an Additional (Independent) Director of the Company with effect from October 20th 2016 by the Board of Directors. In terms of Section 161(1) of the Companies Act, 2013, The Company has received a Notice from a Member in writing along with requisite deposit under Section 160 of the Act, proposing her candidature for the office of Director. Ms. Jain has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act. Ms. Jain is a Practicing Company Secretary She has been in the practice of Corporate and Commercial Mergers & Acquisitions, Private Equity Project Finance, etc. Ms. Jain has rich experience in all aspects of Mergers & Acquisitions - due diligence.

Accordingly, the Board recommends the passing of the Ordinary Resolution as set out in the Item no. 3 of the Notice for appointment of Ms. Aarti Jain as an Independent Director, not liable to retire by rotation. Except Ms. Jain, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.3

### **Item No. 4**

In terms of the Corporate Governance Guidelines of the Company and pursuant to the recommendation of the Board Governance, Nomination and Compensation Committee the Board of Directors of the Company vide resolution passed on 10th August 2016 approved appointment of Mr. Umesh Kumar Singh as Additional Director on the Board of the Company with effect from 10 August 2016 in accordance with the provisions contained in Section 196 and 197 read with Section 203 of the Companies Act, 2013 and that Mr. Umesh Kumar Singh shall hold office up to the date of ensuing Annual General Meeting and shall be eligible for election subject to the approval of the shareholders at this Annual General meeting. Approval of the

members is required by way of Ordinary Resolution for appointment.

The details of remuneration payable to Mr. Umesh Kumar Singh and the terms and conditions of the appointment are given below:

- i. Salary: ` As Per Company Policy.
- ii. Allowances: As Per Company Policy.

All the above perquisites and benefits would be subject to the applicable Company policy. Upon approval by the members, a separate agreement to give effect to the above terms will be executed by and between the Company and Mr. Umesh Kumar Singh. The Board of Directors recommends the resolution in relation to the appointment of Whole-time Director.

#### **ITEM NO. 5**

Your company is actively involved in media and other related activities. It is proposed to acquire the running digital post production studio from Bharatiya Global Infomedia Limited that is same management company by complying all applicable laws on the company. Your Company wants to enhance the business in the field of digital post production by acquiring the above said asset. In regards of the same board of directors Of the company propose the resolution be passed the matter set in item no. 5.

## *Directors' Report*

**Dear Members,**

Your Directors have pleasure in presenting the 27th Annual Report with the Audited Financial Statements of BGIL Films & Technologies Limited (BGFT) for the financial year ended March 31st, 2016.

### **FINANCIAL RESULTS**

**(Rs. In Lacs)**

<b>Particulars</b>	<b>Financial Year Ended March 31, 2016</b>	<b>Financial Year Ended March 31, 2015</b>
Gross Income		
Information Technologies/services	639.49	1347.13
Media	588.56	154.70
Other Income	7.10	6.84
Increase/ Decrease in Stock	45	0.60
<b>TOTAL INCOME</b>	<b>1280.15</b>	<b>1509.27</b>
Less:		
<b>TOTAL EXPENDITURE</b>	<b>1190.77</b>	<b>1412.60</b>
Profit before depreciation, Interest & Tax	89.38	96.68
Less: Interest	.35	0.07
Depreciation	83.04	89.61
Profit Before Tax (PBT)	5.99	7.00
Tax expenses including deffered tax	2.86	8.19
Profit after Tax and Extraordinary items	3.13	(1.19)
Balance brought forward from previous Year	333.64	334.84
Balance carried forward	336.77	333.64

### **TRANSFER TO RESERVES**

There is no provision for any transfer to reserves for the period under review.

### **DIVIDEND**

There is no possibility for dividend this year; it is recommended to look forward for the same keeping in mind the future growth of the company.

### **Company's Performance**

For the Financial year 2015-16 ended March 31, 2016 , revenue from operations were Rs.1228.05 lacs, out of which revenue from Information Technologies sector were Rs. 639.49; Further, Earnings before interest, tax, depreciation and amortization (EBITDA) are Rs. 89.38

Lacs. The management of your Company tries its best to get a good position in Media & Entertainment Industry besides growth areas from Technology sector. Some critical conditions running in Worldwide economy and Indian economy also faced many undesirable conditions by which the wheels of progress of Industries in India, not gone in right path but the Management of your Company have deep knowledge in the field of media & technology, trying hard to get good results in coming years.

### **SHARE CAPITAL**

There has been no change in the Share Capital of the Company.

### **PUBLIC DEPOSITS**

The Company has not accepted any deposits from the public during the period under review.

### **DIRECTORS**

Mrs. Arti Bhatia who was appointed as whole time Director w. e. f. September 03, 2015 has resigned from the board. The Board of Directors had at their meeting held on 20th October 2016, took note of the same.

Mrs. Aarti Jain was appointed as Independent Director on the Board at their meeting held on 20th October.

Mr. Umesh Kumar Singh was appointed as Whole Time Director on the Board. Nomination and Remuneration Committee had, on October 20th 2016, recommended the appointment of Mr. Umesh Kumar Singh as Whole Time Director of the Company for a period of Three years.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement of section 134 (3) (C) of the Companies Act, 2013, and based on the representations received from the operating management, the directors hereby confirm that:

1. in preparation of the Annual Accounts, the applicable accounting standards have been Followed.
2. The Directors had selected such Accounting Policies and applied them consistently and Made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.
3. The Directors had taken proper and sufficient care for the maintenance of adequate Accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. The Directors had prepared the Annual Accounts on a going concern basis.
5. They had laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and operating effectively;
6. They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **DISCLOSURES UNDER SECTION 134 OF THE COMPANIES ACT, 2013**

Except as disclosed elsewhere in this report, there have been no material changes and commitments which can affect the financial position of the Company occurred between the end of the financial year of the Company and date of this report.

### **PARTICULARS OF EMPLOYEES**

There is no employee in the Company whose particulars are required to be given under section 134 of the Companies Act, 2013 and the Rules made there under, as amended.

### **AUDITORS**

The auditors, SNMG & Co., Chartered Accountants (Firm Registration No.004921N), hold office until the conclusion of the AGM and eligible for reappointment.

### **MANAGEMENT DISCUSSION AND ANALYSIS:**

A detailed review of the operations, performance and future outlook of the Company and its businesses is given in the Management Discussion and Analysis, which forms part of the Annual Report.

### **DECLARATION BY INDEPENDENT DIRECTORS:**

The Company has received necessary declaration from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under Section 149(6) of the Companies Act, 2013.

### **MANAGEMENT:**

During the year under review, following appointment and resignations of Directors & Key Managerial Personnel have taken place:

#### **Secretarial Audit:**

Pursuant to the provisions of Section 204 of Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Ritika Shaw & Associates as Secretarial Auditors of the Company. The Secretarial Audit Report, in the prescribed Form No. MR-3 is attached herewith as Annexure II.

### **COMMITTEES OF THE BOARD:**

Currently, the Board has the following Committees:

- a) Audit Committee.
- b) Nomination and Remuneration Committee.
- c) Stakeholder Relationship Committee.

A detailed note on the Board and its Committees is provided under the Corporate Governance Section in this Annual Report.

#### **Audit Committee:**

The current composition of Audit Committee is as follows:

Chairman : Mr. Rajeev Kumar - Independent Director



Members : Mr. Rakesh Bhhatia –Non- Executive Director

Mr. Harjit Singh Anand - Independent Director

Mr. Ashok Kumar Juneja - Independent Director

Mrs. Aarti Jain – Independent director

All the recommendations made by the Audit Committee during the year were accepted by the Board.

#### **Nomination and Remuneration Committee:**

The current composition of Nomination and Remuneration Committee is as follows:

Chairman : Mr. Rajeev Kumar- Independent Director

Members : Mr. Rakesh Bhhatia – Non Executive Director

Mr. Harjit Singh Anand- Independent Director

Mr. Ashok Kumar Juneja- Independent Director

Mrs. Aarti Jain – Independent Director

#### **Stakeholder Relationship Committee:**

The current composition of Stakeholder Relationship Committee is as follows:

Chairman : Mr. Rakesh Bhhatia –Non Executive Director

Members : Mr. Rajeev Kumar – Non Executive Independent Director

Mr. Harjit Singh Anand– Non Executive Independent Director

Ms. Aarti Jain - Non Executive Independent Director

#### **EXTRACT OF ANNUAL RETURN:**

The details forming part of the extract of Annual Return in Form MGT-9 is appended as Annexure I to this report.

#### **INTERNAL FINANCIAL CONTROL:**

The Board has adopted the policies and procedures for ensuring the orderly and efficient control of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

#### **VIGIL MECHANISM/WHISTLE BLOWER POLICY:**

The Company has established a Vigil Mechanism for its Directors and employees to report their genuine concerns or grievances. The said mechanism encompasses the Whistle Blower Policy, the Fraud Risk Management Process, the BGIL Films Code of Conduct mechanism, etc. and provides for adequate safeguards against victimization of persons who use such mechanism and also provides direct access to the Chairperson of the Audit Committee. The Vigil Mechanism has been put up on the Company's website.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION**

Your Company an Infotainment Company with its core operation being related technologies into

Media & Films does not involve in any manufacturing activity during the period under review.

No particulars are therefore furnished in this report in relation to the conservation of energy and technology absorption as required under Section 134 of the Companies Act, 2013.

### **CORPORATE GOVERNANCE:**

Your Company has been practicing the principles of good corporate governance over the years and it is a continuous and ongoing process. A detailed Report on Corporate Governance practices followed by your Company, in terms of Regulation 27 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 together with a Certificate from the Auditors confirming compliance with the conditions of Corporate Governance are provided separately in this Annual Report. Certificate of CEO / CFO, inter alia, confirming the correctness of the financial statements, adequacy of the internal measures and reporting of matters to the audit committee in terms of the Regulation 27 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 with stock exchanges, is also attached as a part of this Annual Report.

### **MEETINGS OF THE BOARD:**

During the year under review, Five (5) meetings of the Board of Directors were held the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between two Board Meetings was not more than One Hundred and Twenty Days.

### **NOMINATION & REMUNERATION POLICY:**

The Board has on the recommendation of the Nomination & Remuneration Committee framed a policy for selection & appointment of Directors, Senior Management and their remuneration.

### **FOREIGN EXCHANGE EARNING AND OUTGO**

The details of foreign Exchange Earnings and Outflow during the Year under review are as below:

<b>PARTICULARS</b>	<b>31.03.2016</b>	<b>31.03.2015</b>
<b>Earning in Foreign Currency:</b>	Nil	Nil
<b>Expenditure in Foreign Currency:</b>		
Import of Goods	NIL	Nil

### **Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

Your Company has always believed in providing a safe and harassment-free workplace for every individual working in the Company. As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made there under, the Company has constituted an Internal Complaints Committees. During the financial year under review, no complaint was filed under the aforesaid Act.

### **Share Capital & Listing of Securities**

During the financial year under review, the Company has not issued:

- any equity shares with differential rights as to dividend, voting or otherwise;

- any shares to its employees under the Employees Stock Option Scheme;
- any Sweat Equity Shares

Particulars of loans given, investment made, guarantees given and securities provided

The Company has not given any loans, guarantees under Section 186 of the Act. Particulars of investments made by the Company during the financial year 2015-16 are provided in the financial statements.

## **RELATED PARTY TRANSACTIONS**

The Company has adopted a Framework on Related Party Transactions ("RPT") for the purpose of identification and monitoring of RPTs. Details of material contracts or arrangements or transactions with Related Parties on an arm's length basis with respect to transactions covered under Section 188 (1) of the Act and the applicable Rules framed there under, please refer schedule No 31. Further, details of Related Party Transactions as required to be disclosed by Accounting Standard – 18 on "Related Party Disclosures" specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014, are given in the Notes to the Financial Statements. During the year, the Company has not entered into any transaction with Related Parties which are not in its ordinary course of business or not on an arm's length basis and which require disclosure in this Report in terms of the provisions of Section 188(1) of the Act.

## **Internal Financial Controls**

The Company has in place adequate internal financial controls with reference to financial statements. The Company's internal control systems, including internal financial controls, are commensurate with the nature of its business and the size and complexity of its operations and same are adequate and operating effectively. These systems are periodically tested and no reportable material weakness in the design or operation was observed. The Audit Committee reviews adequacy and effectiveness of the Company's internal control system including internal financial controls.

## **ACKNOWLEDGEMENT**

The Directors would like to place on record their gratitude for the valuable guidance and support received from Union Government, Government of Maharashtra as also all the Government agencies, banks, financial institutions, shareholders, registrar, share transfer agents, vendors, customers, employees and other business associates, who, through their continued support and cooperation, have helped as partners in your Company's progress. The Directors are also deeply touched by the efforts, sincerity and loyalty displayed by the employees without whom the growth of the Company is unattainable. The Directors seek, and look forward to the same support during the future years of growth.

**By order of the Board of Directors  
For BGIL Films & Technologies Limited**

**Place: New Delhi  
Date: October 20th 2016**

**Sd/-  
Rakesh Bhatia  
Chairman**

***Ritika Shaw***

(ACS, M.COM, NCFM, ADICA)

**Practicing Company Secretary**

***R SHAW & ASSOCIATES***

**Mobile Nos: 99-998-84508**

**97-113-61479**

**Phone No: 011-43011969**

**011-25074078**

**E-Mail: [csritikashaw@gmail.com](mailto:csritikashaw@gmail.com)**

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## *Secretarial Audit Report*

### **FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016**

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To

The Members

**BGIL Films & Technologies Limited**

B-13, LGF Amar Colony,

Lajpat Nagar-IV,

New Delhi-110024

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BGIL Films & Technologies Limited** (hereinafter called “**the Company**”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the **BGIL Films & Technologies Limited** Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its Officers, Agents and Authorized Representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the Audit period covering the Financial Year ended on March 31, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board - processes and compliance - mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books, Papers, Minute Books, Forms and Returns filed and other records maintained and provided by the Company for the Financial Year ended on March 31, 2016 according to the provisions of:-

- i) The notified Sections of the Companies Act, 2013 and the Rules made thereunder and the provisions of the Companies Act, 1956 and the Rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(Not Applicable to the Company during the Audit period)**;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 **(Not Applicable to the Company during the Audit period)**;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure requirements) Regulations, 2009 **(Not Applicable to the Company during the Audit period)**;
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not Applicable to the Company during the Audit period)**;
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable to the Company during the Audit period)**;
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable to the Company during the Audit period)**; and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable to the Company during the Audit period)**;

We have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- ii) The Listing Agreement entered into by the Company with BSE Limited.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors. The changes in the composition



BGIL Films & Technologies Limited

of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

*The Women Director of the Company had resigned from the Board with effect from May 30, 2015. The Company has appointed a new Women Director on the Board of the Company w.e.f. 20th October, 2016.*

Adequate notice has been given to all Directors of the scheduled Board Meetings. Agenda and detailed notes on Agenda were sent at least seven days in advance. A system exists for seeking and obtaining further information and clarifications on the Agenda items before the meeting and for a meaningful participation at the meeting.

Majority decision is carried through while the dissenting member's views are captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

***We further report that the Company has appointed the Chief Financial Officer (CFO) in the Company w.e.f. 30th May 2016***

**For R Shaw & Associates  
Practicing Company Secretaries**

**Ritika Shaw  
Proprietor**

**Date: October 20, 2016  
Place: New Delhi**

**ACS No.: 36589  
C.P. No.: 13615**

**Note: This report is to be read with our letter of even date which is annexed as ANNEXURE 'A' and forms an integral part of this report.**



## *Annexure 'A'*

To  
The Members  
**BGIL Films & Technologies Limited**  
B-13, LGF Amar Colony,  
Lajpat Nagar-IV,  
New Delhi-110024

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report 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.

**For R Shaw & Associates  
Practicing Company Secretaries**

**Ritika Shaw  
Proprietor**

**Date: October 20, 2016  
Place: New Delhi**

**ACS No.: 36589  
C.P. No.: 13615**

**Note: This report is to be read with our letter of even date which is annexed as ANNEXURE 'A' and forms an integral part of this report.**

## *Form No.MGT-9*

### **EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### **I. REGISTRATION AND THEIR DETAILS:**

i.	CIN	L65993DL1989PLC035572
ii.	Registration Date	March 27, 1989
iii.	Name of the Company	BGIL Films & Technologies Limited
iv.	Category/Sub-Category of the Company	Public Limited Company- limited by shares
v.	Address of the Registered office and contact details	B-13, LGF, Amar Colony, Lajpat Nagar-IV, New Delhi-110024, Delhi
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Mas Services Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi Tel. Nos. +91-11-26387281/82/83 Fax Nos. +91-11-26387384 E-mail: mas_ser@yahoo.com

#### **II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turn over of the company shall be stated:-

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Media & Entertainment	-	100%

#### **III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.	Nil	Nil	Nil	Nil	Nil

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i. Category-wise Share Holding

Category of Shareholders	No. of Share held at the beginning of the year				No. of Share held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
1) Indian									
a) Individual/ HUF	1309106	144000	1453106	12.83	1309106	144000	1453106	12.83	0
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0
d) Bodies Corp	3285845	0	3285845	29.01	3285845	0	3285845	29.01	0
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0
f) Any Other	0	0	0	0.00	0	0	0	0.00	0
<b>Sub-total(A)(1):-</b>	<b>4594951</b>	<b>144000</b>	<b>4738951</b>	<b>41.84</b>	<b>4594951</b>	<b>144000</b>	<b>4738951</b>	<b>41.84</b>	<b>0</b>
2) Foreign									
g) NRIs-Individuals	0	0	0	0	0	0	0	0	0
h) Other-Individuals	0	0	0	0	0	0	0	0	0
i) Bodies Corp.	0	0	0	0	0	0	0	0	0
j) Banks / FI	0	0	0	0	0	0	0	0	0
k) Any Other....	0	0	0	0	0	0	0	0	0
<b>Sub-total(A)(2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total(B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
2. Non Institutions									
a) Bodies Corp.									
(i) Indian									
(ii) Overseas	1934993	212296	2147289	18.96	1181320	383460	1564780	13.81	0
b) Individuals (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2193949	24153	2218102	19.58	1400262	704815	2105077	18.58	0
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2010992	0	2010992	17.75	2611493	209700	2821193	24.91	0
c) Others(Specify)									
(c-i) Clearing Members	178946	0	178946	1.58	64304	0	64304	0.57	0
(c-ii) NRI/ OCB	33350	0	33350	0.29	33325	0	33325	0.29	0
(c-iii) Trusts	0	0	0	0	0	0	0	0	0
<b>Sub-total(B)(2)</b>	<b>6352230</b>	<b>236449</b>	<b>6588679</b>	<b>58.16</b>	<b>5290704</b>	<b>1297975</b>	<b>6588679</b>	<b>58.16</b>	<b>0</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>6352230</b>	<b>236449</b>	<b>6588679</b>	<b>58.16</b>	<b>5290704</b>	<b>1297975</b>	<b>6588679</b>	<b>58.16</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>		0	0	0.00	0	0	0	0.00	0.00
<b>Grand Total (A+B+C)</b>	<b>10947181</b>	<b>380449</b>	<b>11327630</b>	<b>100.00</b>	<b>9885655</b>	<b>1441975</b>	<b>11327630</b>	<b>100.00</b>	<b>0.00</b>

## ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbe red to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbe red to total shares	
1.	Jitendra Kumar Bhatia	2700	0.02	0	2700	0.02	0	0
2.	Arti Bhatia	185653	1.64	0	185653	1.64	0	0
3.	Rakesh Bhhatia (HUF)	352329	3.11	0	352329	3.11	0	0
4.	Rakesh Bhhatia	642024	5.67	0	642024	5.67	0	0
5.	Bhhatia Investment & Finance (P) Ltd.	262317	2.32	0	262317	2.32	0	0
6.	Number one Finvest (P) Ltd.	1290991	11.40	0	1290991	11.40	0	0
7.	Gaurav Bhatia	240000	2.12	0	240000	2.12	0	0
8.	Garima Bhatia	30400	0.27	0	30400	.27	0	0
9.	Grindlay Finman (P) Ltd.	1128000	9.96	0	1128000	9.96	0	0
10.	Number One Finsec (P) Ltd.	604537	5.34	0	604537	5.34	0	0
	Total	4738951	41.84	0	4738951	41.844	0	0

## iii. Change in Promoters' Shareholding (please specify, if there is no change)

Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	4738951	41.84	4738951	41.84
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the End of the year	4738951	41.84	4738951	41.84

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total
Indebtedness	Nil	Nil	Nil	Nil
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not				
Total(i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year	Nil	Nil	Nil	Nil
- Addition				
- Reduction				
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year	Nil	Nil	Nil	Nil
i) Principal Amount				
ii) Interest due but not paid iii) Interest accrued but not due				
Total (i+ii+iii)	Nil	Nil	Nil	Nil

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/WT/ Manager	Total Amount
1.	Gross salary	Arti Bhatia	1,87,500
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,87,500	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	
2.	Stock Option	Nil	Nil
3.	Sweat Equity		Nil
4.	Commission - as % of profit - others, specify...	Nil	Nil
5.	Others, please specify	Nil	Nil
6.	Total(A)	1,87,500	1,87,500
	Ceiling as per the Act		

### B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	Independent Directors •Fee for attending board committee meetings •Fee for attending board committee meetings •Commission •Others,please specify	10,000	10,000
	Total(1)	10,000	10,000
	Other Non-Executive Directors •Fee for attending board committee meetings •Commission •Others,please specify	Nil	Nil
	Total(2)	Nil	Nil
	Total(B)=(1+2)	Nil	Nil
	Total Managerial Remuneration	10,000	10,000
	Overall Ceiling as per the Act		

### C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Grosssalary	Nil	3,60,000	1,20,000	4,80,000
	(a)Salary as per provisions contained in section17(1)of the Income-tax Act, 1961				
	(b) Value of perquisitesu/s 17(2)Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3)Income-tax Act, 1961	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil
4.	Commission - as%of profit -others,specify...	Nil	Nil	Nil	Nil
5.	Others,please specify				
6.	<b>Total</b>		<b>3,60,000</b>	<b>1,20,000</b>	<b>4,80,000</b>



**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD /NCLT/ Court]	Appeal made. If any(give details)
<b>A. Company</b>					
Penalty					
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>B. Directors</b>					
Penalty					
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>C. Other Officers In Default</b>					
Penalty					
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

## *Management Discussion and Analysis*

### **INDIAN ECONOMY AND ENTERTAINMENT INDUSTRY**

The Indian Media and Entertainment (M&E) industry is a sunrise sector for the economy and is making high growth strides. Proving its resilience to the world, the Indian M&E industry is on the cusp of a strong phase of growth, backed by rising consumer demand and improving advertising revenues. The industry has been largely driven by increasing digitization and higher internet usage over the last decade. Internet has almost become a mainstream media for entertainment for most of the people.

#### **Market Dynamics**

The Indian media & entertainment sector is expected to grow at a Compound Annual Growth Rate (CAGR) of 14.3 per cent to touch Rs 2.26 trillion (US\$ 33.7 billion) by 2020, while revenues from advertising is expected to grow at 15.9 per cent to Rs 99,400 crore (US\$ 14.82 billion). Over FY 2015-20, radio will likely grow at a CAGR of 16.9 per cent, while digital advertising will grow at 33.5 per cent. The largest segment, India's television industry, is expected to grow at a CAGR of 15 per cent, while print media is expected to grow at a CAGR of 8.6 per cent. India is one of the highest spending and fastest growing advertising market globally. The country's expenditure on advertising is expected to grow more than 12 per cent in 2016, and accelerate to 13.9 per cent in 2017, based on various media events like T20 Cricket World Cup, the Indian Premier League (IPL) and State elections. Television segment, which continues to hold highest share of spending, is expected to grow by 12.3 per cent in 2016 and 12.5 per cent in 2017, led by increased spending by packaged consumer goods brands and e-commerce companies.

#### **Government Initiatives**

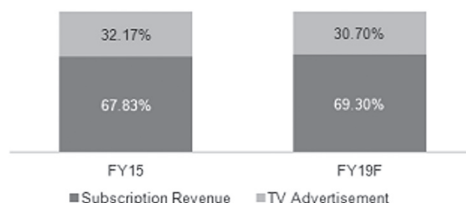
The Government of India has supported Media and Entertainment industry's growth by taking various initiatives such as digitizing the cable distribution sector to attract greater institutional funding, increasing FDI limit from 74 per cent to 100 per cent in cable and DTH satellite platforms, and granting industry status to the film industry for easy access to institutional finance. Mr Venkaiah Naidu, Union Minister for Housing and Urban Poverty Alleviation and Information & Broadcasting, outlined the Ministry's plans of introducing a National Communication Policy and stated that the government has allocated Rs 100 crore (US\$ 14.91 million) to revive community radios stations across the country. The Ministry of Information and Broadcasting (I&B) is working towards promoting ease of doing business, which will ensure less regulation and facilitate India to become the hub of media and entertainment industry. The Government is planning to set up a National Centre of Excellence for media, which will provide training to the industry professionals, and has also decided to fund movies, including Bollywood and regional films, for participating in foreign film festivals. Recently, the Indian and Canadian governments have signed an audio-visual co-production deal that would help producers from both countries to explore their technical, creative, artistic, financial and marketing resources for co-productions and, subsequently, lead to exchange of culture and art amongst them.

Furthermore, the Centre has given the go-ahead for licenses to 45 new news and entertainment channels in India. Among those who have secured the licenses include established names such as Star, Sony, Viacom and Zee. Presently, there are 350 broadcasters which cater to 780 channels. The Union Cabinet chaired by the Prime Minister, Mr Narendra Modi, has given its approval for entering into an Audio-Visual Co-Production Agreement between India and the Republic of Korea (RoK) and to complete internal ratification procedure, to enable the agreement to come into force.

Television, one of the largest and fastest growing segment

- With a growth rate of 15.8 per cent in 2011, Indian television industry stood second when compared with BRIC and other major developed economies.
- In 2014, the television industry in India derived the major share of its revenue from advertising segment (32.6 per cent) and the rest from subscription (67 per cent)
- Nonetheless, the share of subscription in the overall revenue of the TV segment is expected to increase to 69.3 per cent by FY19

Share of subscription and advertising revenues for television industry



Source: KPMG Report 2015 & 2014, TechSci Research  
Note: F - Forecast

Increasing investments in the sector

- FDI inflows into the entertainment sector during April 2000 to September 2015 rose up to US\$ 4.3 billion.
- As on September 2015, the share of FDI in 'Information and Broadcasting' was 1.61 per cent of total FDI inflows into the country.
- Demand growth, supply advantages and policy support are the key drivers in attracting FDI.

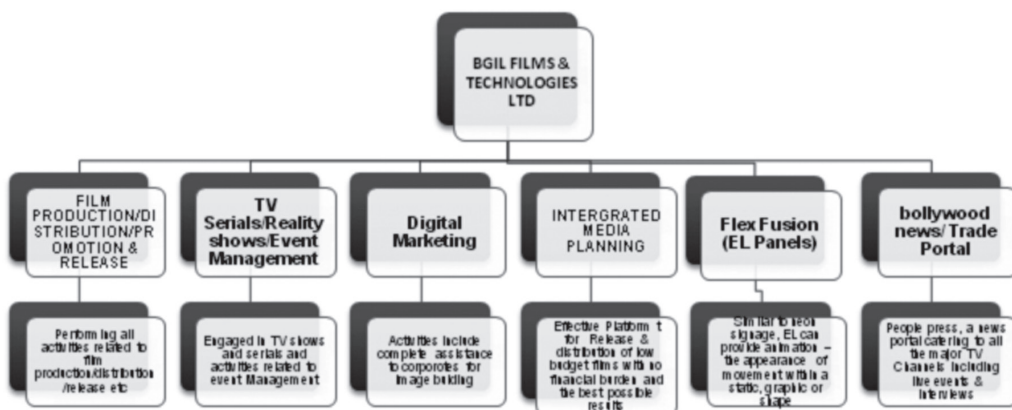
Cumulative FDI inflows into Information and Broadcasting from April 2000 (US\$ billion)



Source: Department of Industrial Policy and Promotion (DIPP), TechSci Research  
Note: \* indicated data till September, 2015; FDI - Foreign Direct Investment

## COMPANY OVERVIEW

BGIL Films & Technologies Ltd. (BGFT), is a complete film production house engaged mainly into production and distribution of films also having very good skills & expertise in multi-media & animation. Further, company has marked its presence in production of animation films too. The Company has following different activities/segments:



The company has in past produced serials and miscellaneous program(s) for DD and Zee TV including well known serials like Papa, Uljhan etc; now BGIL Films plans to re-enter by launching new series on various TV channels; Some of the projects in the pipeline are Tiger series a documentary, Maalkin (A serial for DD under production), Bhajan competition, Corporate game show. BGIL Films have produced five films till date namely 'Curfew' 'The Saint who thought otherwise' 'Yeh Sunday Kyu Aata Hai', 'With Luv Tumhaara', and 'Zabardast', besides these there are also other films which are on floor, the title(s) of which has been registered in the Company's favor by the Title Registration Committee namely, BY GOD ITS FUNNY, THANK GOD ITS FRIDAY, YOU ARE SPECIAL DADDY, BETTER HALF MIX-VEG (HINDI/ENGLISH). During the year few projects could not take place after achieving a level of conceiving. The Company has successfully launched a portal namely "today Bollywood.com", it has got an appreciable presence in digital world covering latest gossips, fashion trends, trailers, movie reviews & everything related to B-town served spicy hot. Information technology (IT) and information technology enabled services (ITeS) industry has been one of the key driving forces fuelling India's economic growth, BGFT team has entered into a robust business model of 'Integrated Media Plan' for large business houses/ corporate who spend a lot of their promotional budget on various medium of advertising etc to enhance their market presence and brand-equity building. The management of BGFT feels that this business model is futuristic AND ROBUST business model which will bring the company back to the track and boost the company's overall performance in coming year(s).

### **Risks and Mitigation Measures**

BGFT is exposed to specific risks that are particular to its businesses and the environment within which it operates, including competition risk, interest rate volatility, human resource risk, execution risk and economic cycle

#### **Competition Risk:**

The media and entertainment sector industry is becoming increasingly competitive and the Company's growth will depend on its ability to compete effectively. The Company's main competitors are multiplex chains; film services companies across the different segments of the value chain and television software producers. Further liberalization of the Indian media and

entertainment sector could lead to a greater presence or entry of new foreign players offering a wider range of products and services. The Company's competitors may have greater resources than it does and, in some cases, may be able to raise debt in a more cost-efficient manner. The Company's growth will depend on its ability to compete effectively in this context.

**Human Resource Risk:**

The Company's success depends largely upon the quality and competence of its management team and key personnel. Attracting and retaining talented professionals is therefore a key element of the Company's strategy and a significant source of competitive advantage. While the Company has a salary and incentive structure designed to encourage employee retention, a failure to attract and retain talented professionals, or the resignation or loss of key management personnel, may have an adverse impact on the Company business.

**Operational Risk:**

The Company may encounter operational and control difficulties when commencing businesses in new markets. The rapid development and establishment of financial services businesses in new markets may raise unanticipated operational or control risks for the Company. Such risks could have a materially adverse effect on the Company's financial position and the results of its operations. An extensive system of internal controls is practiced by BGFT to ensure that all its assets are safeguarded and protected against loss from unauthorized use or disposition and all transactions are authorized, recorded and reported correctly. The Audit Committee of Directors periodically reviews the adequacy of our internal controls.

**Opportunities**

Overall, due to changing demographics and economic conditions in India, coupled with consumers willing to spend more on a variety of leisure and entertainment services, the filmed entertainment business is set to grow in the years to come. With a proliferation of television channels and new platforms of delivery like DTH and IPTV available today, there is a significant demand for quality programming in a variety of genres, formats and languages, putting content providers in the television space in an extremely favorable position.

**Threats**

The shelf life of films have reduced considerably in the last few years, the success or failure of a film now depends largely on its performance in the opening weeks with piracy having an adverse impact on legitimate revenues of the producer, distributor and exhibitor.

**Internal control system and their adequacy**

The Company has adequate internal control procedures commensurate with its size and nature of business. The business control procedures ensure efficient use and protection of Company's resources and compliance with policies, procedures and statutory requirements. Further Internal auditors are appointed to carry audit assignments and to periodically review the transactions across the divisions and evaluate effectiveness of internal control systems.

**Financial performance**

The Company's financial performance is covered in Directors' Report to the Members.

## *Report on Corporate Governance*

The Company recognizes its role as a corporate citizen and endeavours to adopt the best practices and the highest standards of corporate governance through transparency in business ethics, accountability to its customers, government and others. The Company's activities are carried out in accordance with good corporate practices and the Company is constantly striving to better them by adopting the best practices.

### **OUR CORPORATE GOVERNANCE PHILOSOPHY–**

Corporate governance is an ethically driven business process that is committed to values aimed at enhancing an organization's wealth generating capacity. This is ensured by taking ethical business decisions and conducting business with a firm commitment to values, while meeting stakeholders' expectations. At BGIL Films, it is imperative that our company affairs are managed in a fair and transparent manner. This is vital to gain and retain the trust of our stakeholders.

BGIL Films & Technologies Limited has maintained the highest standards of Corporate Governance Principles and best practices by adopting the ways by which Company can achieve leading position in the field of Media & Entertainment Industry.

BGIL Films & Technologies Limited believes that all its operations and actions must serve the underlying goal of enhancing long-term Shareholder value. In our commitment to ethical and lawful business conduct is a fundamental value of our Board of Directors, management and employees and is critical to the company's success. We strive to uphold ethical and legal standards at all costs. We continuously build value for customers through innovative use of technology and talent without compromising on our core values such as honesty and integrity. We also believe that accurate and timely disclosures improve public trust and consequently attract various stakeholders towards the Company.

### **Board of Directors**

#### **Composition and category of Directors:**

BGIL Films & Technologies Limited has a balanced Board with combination of Executive and Non-Executive Directors, to ensure an independent functioning and the composition of the Board is in conformity with Regulation 27(2) of SEBI (Listing Obligation & Disclosure Requirements), Regulations 2015. Non-Executive Directors include Independent professionals with experience in business, finance, technology and media. Independent Directors of the Company provide appropriate annual certifications to the Board confirming satisfaction of the conditions of their being Independent. The Company has received declarations from the Independent Directors stating that they meet the criteria of independence as provided in Section 149(6) of the Act. No Director was related during the year except Mrs. Arti Bhatia to any other Director on the Board in terms of the definition of "relative" given under the Companies Act, 2013.

The Board comprises of Seven Director (7) Directors which includes, Four Directors are Independent Directors.



The composition of the Board of Directors of the Company is given below:

Name	Designation	Independent/ Non-Independent	Shareholding as on 31 <sup>st</sup> March,2016	Board Meetings Attended	Whether present at previous AGM held On 29 <sup>th</sup> Sep 2015
Mr. Rakesh Bhhatia	Chairman	Non-Independent	6,42,024	5	Yes
Mr. Ashok Kumar Juneja	Director	Independent	5000	4	Yes
Mr. Rajeev Kumar	Director	Independent	4000	3	Yes
Mr. Harjit Singh Anand	Director	Independent	Nil	2	-
Ms. Aarti Jain	Director	Independent	Nil		
Mr. Umesh Kumar Singh	Director	Non-Independent	Nil		Yes
Mr. Nirmal Vaid <sup>4</sup>	Director	Non-Independent	Nil	3	Yes

#### Dates of Board Meetings held during the financial year 2015-2016

S. No.	Date of Board Meetings
1	May 30th 2015
2	August 13th, 2015
3	September 03rd 2015
4	November 14, 2015
5	February 11th, 2016

#### Attendance of each Director at the Board Meetings and the last Annual General Meeting:

The Company holds at least four Board meetings in a year, one in each quarter inter-alia to review the financial results of the Company. Apart from the four scheduled Board Meetings, additional Board Meetings are also convened to address the specific requirements of the Company. Urgent matters are also approved by the Board by passing resolutions through circulation. Every Director on the Board is free to suggest any item for inclusion in the agenda for the consideration of the Board. All the departments in the Company communicate to the Company Secretary well in advance, the matters requiring approval of the Board/ Committees of the Board to enable inclusion of the same in the agenda for the Board/ Committee meeting(s). The important decisions taken at the Board/ Committee meetings are promptly communicated to the concerned departments. Action taken report on the decisions/ minutes of the previous meeting is placed at the succeeding meeting of the Board/ Committee for noting.

## **Audit Committee**

The role and the powers of the Audit Committee are as per guidelines set out in Regulation 27(2) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 and provisions of section 177 of the Companies Act, 2013.

### **The committee meets the periodically and reviews:**

The Audit committee provides directions to the audit and risk management function in the Company and monitors the quality of internal audit and management audit with a view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

The Committee oversees the work carried out by the Management, Statutory and Internal Auditors on the financial reporting process and the safeguards employed by them. The gist of the responsibilities of the Audit Committee:

- Recommend appointment and removal of the Auditors and their remuneration, nature and scope of audit
- Ensure adequacy of internal controls and compliances and recommend Remedial measures
- Review adequacy of the Internal Audit function
- Review and monitor the auditors' independence and performance and effectiveness of the audit process
- Oversee financial reporting process and disclosure of financial information
- Examine the financial statements and the auditors' report thereon
- Evaluate internal financial controls and the risk management systems
- Act as a link between the Statutory Auditors, Internal Auditors and the Board of Directors
- Review accounting policies
- Monitor compliance with the Tata Code of Conduct
- Approve any transactions of the Company with related parties or any subsequent modifications thereof
- Scrutinize inter-corporate loans and investments
- Evaluate the valuation of undertakings or assets of the Company, if necessary
- Monitoring the end use of funds raised through public offers and related Matters.
- Review the findings of internal investigations / frauds / irregularities, etc.
- Carry out additional functions as contained as per the regulatory requirements applicable to the Company or in the terms of reference of the Audit Committee
- Carry out the responsibilities under the Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices

Composition, name of Members and Chairman:

Chairman : Mr. Rajeev Kumar - Independent Director

Members : Mr. Rakesh Bhhatia –Executive Director

Mr. Harjit Singh Anand - Independent Director

Mr. Ashok Kumar Juneja - Independent Director

Ms. Aarti Jain – Independent Director

All members of the Audit Committee have accounting and financial management Knowledge. Mr. Rajiv Kumar is the Chairman of the Audit Committee and has accounting and financial management expertise.

During the year, the Audit Committee met five times respectively on 30th May 2015, 13th August 2015, 14th November 2015, 11th Feb 2016 and the necessary quorum was present at the meetings.

Name	Category	No. of meetings held during the year	
		Held	Attended
Mr. Rajiv Kumar-Chairman	Independent	4	4
Mr. Ashok Kumar Juneja	Independent	4	3
Mr. Rakesh Bhhatia	Non-Independent	4	4
Mr. Harjeet Singh Anand	Independent	4	3

### Nomination & Remuneration Committee

Brief description, terms of reference, Composition, name of Members and Chairman:

The Committee is entrusted with the following role and responsibilities:

1. Formulation of criteria for determining qualifications, positives, attributes & independence of a Director and to recommend to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
2. Formulation of criteria for evaluation of Independent Directors and the Board.
3. Devising a policy on Board diversity.
4. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

### Remuneration Policy:

The Remuneration Committee is vested with all the necessary powers and authority to ensure appropriate disclosure on the remuneration of Whole-time Directors and to deal with all elements of Remuneration package of all such Directors.

### Composition

The composition of the Nomination and Remuneration Committee is as follows:

Chairman : Mr. Rajeev Kumar - Independent Director

Members : Mr. Rakesh Bhhatia - Executive Director

Mr. Harjit Singh Anand - Independent Director

Mr. Ashok Kumar Juneja - Independent Director

Ms. Aarti Jain - Independent Director

#### Meeting and attendance during the year 2016:

Name	Category	No. of meetings held during the year	
		Held	Attended
Mr. Rajiv Kumar-Chairman	Independent	2	2
Mr. Ashok Kumar Juneja	Independent	2	2
Mr. Harjeet Singh Anand	Independent	2	NIL
Mr. Rakesh Bhhatia	Non -Independent	2	2

#### Details of Remuneration paid or payable to Directors during the year 2016:

Total Director Remuneration paid during the year is Rs. 1, 87, 500 and Director sitting fees paid is Rs.10, 000.

#### Shareholders/Investors Grievance Committee

##### Scope of Shareholders/Investors Grievances Committee's activities:

The scope of the Committee is to review and address the grievances of the shareholders in respect of share transfers, transmission, non-receipt of annual report, etc. and other related activities. In addition, the Committee also looks into matters which can facilitate better investors' services and relations with the stakeholders.

##### Composition, Meetings and Attendance of Committee:

Name	Category
Mr. Rajeev Kumar-Chairman	Independent
Mr. Ashok K Juneja	Independent
Mr. Rakesh Bhhatia	Non-Independent

#### Women Grievance Committee

Name	Category
Ms. Aarti Jain	Chairman
Ms. Divya Sharma	Member
Ms. Bharti Saha	Member

The Company Secretary of the Company acts as Secretary to the Committee. There were one meeting held during the year and same was attended by all the members and chairman. The Total number of shareholders during the year. All complaints were satisfactorily resolved. There are no complaints pending as on March 31, 2016.

Company Secretary and Compliance Officer:

Name of the Compliance Officer	Ms. Divya Sharma
Address	B-, 66 Sector-60, Noida-201301, (U.P).
Contact telephone	+91-0120-4227792/95
E-mail	divya.sharma@bgilfilms.com
Fax	+91-0120-4227791

#### **MEETING OF INDEPENDENT DIRECTORS OF THE COMPANY:**

Pursuant to Listing Regulations 2015, a meeting of Independent Directors is required to be held once in a year inter alia, to:

- Review the performance of Non-Independent Directors and the Board as a whole.
- Review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors.
- Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Meeting of Independent Directors of the Company was held on February 11, 2016. All the Independent Directors were present at the Meeting.

#### **Means of Communication**

- (a) The quarterly and half yearly results/ other communications were published in Financial Express in English and Jansatta in Hindi.
- (b) The Company's audited and un-audited periodical financial results, press releases are posted on the Company's website –[www.bgilfilms.com](http://www.bgilfilms.com) and website of BSE –[www.bseindia.com](http://www.bseindia.com).
- (c) The Management Discussion and Analysis (MD&A) report has been included in this Annual Report.

#### **General Shareholder Information**

Twenty Seventh Annual General Meeting:

Date	November 15 <sup>th</sup> , 2016
Time	09.30 a.m.
Venue	A-81, Bipin Chandra Pal Memorial Trust, C.R. Park, New Delhi-110019.
Financial Year	April 1, 2015 to March 31, 2016
Listing Fees	The Company has paid the Annual Listing Fess to the BSE for the Financial Year 2015-2016.
Book Closure	November 8th, 2016 to November 15th, 2016 (Both days inclusive).
Listing on Stock Exchanges	Bombay Stock Exchange (BSE)
ISIN Number	INE443D01018
Registered office	B-13, L.G.F Amar Colony, Lajpat Nagar-IV, New Delhi-110024.

### Registrar and Share Transfer Agents:

In order to attain speedy processing and disposal of share transfers and other allied matters, the Board has appointed M/s. Mas Services Limited as the Registrar and Share Transfer Agents of the Company. Their complete postal address is as follows:

#### M/s. Mas Services Limited.

T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi-110020.

Tel. Nos. +91-11-26387281/82/83.

Fax Nos. +91-11-26387384.

E-mail: mas\_serv@yahoo.com

### Share Transfer and Transmission system:

The trading in Equity Shares of the Company is permitted only in dematerialized form. Share Transfers in physical form Are registered and return within 15 days from the date of receipt, if documents are in order in all respects.

### Investor Correspondence:

Shareholders can contact the following officials for secretarial matters of the Company:

Name	E-Mail ID	Telephone Number	FAX No.
Ms. Divya Sharma	divya.sharma@bgilfilms.com	+91-01204227792	+91-0120-4227791

Following is the address for correspondence with the Company:

#### BGIL Films & Technologies Limited

B-13, L.G.F. Amar Colony Lajapat Nagar-IV, New Delhi-110024.

B-66, Sector-60, Noida-201301 (U.P.)

E-mail: bgilfilms@bgilinfo.com

**Certificate pursuant to Regulation 17(8) of the SEBI (Listing Obligation Disclosure Requirements) Regulations, 2015**

To  
The Board of Directors  
BGIL Films & Technologies Limited

I, **Rakesh Bhatia**, Chairman hereby certify that:

- (a) I have reviewed financial statements for the year ended March 31, 2016 and that to the best of my knowledge and belief:
  - (a) these financial statements do not contain any materially untrue statement or omit any material fact Or Contain statements that might be misleading;
  - (b) these financial 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) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) Further, I accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the company.
- (d) I have disclosed to the auditors and the Audit Committee, wherever applicable:
  - i. Deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps have taken or propose to take to rectify these deficiencies.
  - ii. Significant changes in internal control over financial reporting during the year.
  - iii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iv. Instances of significant fraud of which we have become aware and the involvement therein; if any,

Of the management or an employee having a significant role in the company's internal control system.

For BGIL Films & Technologies Limited  
Sd/-  
**Rakesh Bhatia**  
Chairman

**Place :** New Delhi

**Date :** October 20, 2016

**CERTIFICATE ON CORPORATE GOVERNANCE**

To,

The Members of BGIL Films & Limited

I have examined the compliance of conditions of Corporate Governance by BGIL Films & Technologies Limited ('the Company'), for its financial year ended March 31, 2016, as stipulated in Regulation 15 (2) of SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 of the Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to the review of the procedures and implementations thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 15 (2) of SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For AKP & Associates**

**Company Secretaries**

**Sd/-**

**Ashutosh Kumar Pandey**

**Practicing Company Secretary**

**C.P. No.7385**

**Place :** New Delhi

**Date:** October 20, 2016



## *Independent Auditor's Report*

To the Members of

**BGIL Films & Technologies Limited**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of BGIL Films & Technologies Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2016, the statement of Profit and Loss and the Cash Flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting

policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India subject to confirmation and reconciliation of some of the accounts as further detailed in note no. 25 of the notes on account, and non-provision for diminution in value of quoted investments amounting to Rs. 196.37 lacs as further detailed in note no. 35, of the state of affairs of the Company as at 31 March 2016 and its Profit and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the Balance Sheet, the statement of Profit and Loss and the Cash Flow statement dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) on the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which may impact its financial position;
- ii. The company did not have any long-term contract including derivative contracts for which there were any material foreseeable losses, and
- iii. There were no amount which were required to be transferred, to the Investor Education and Protection Fund by the Company.

**For SNMG & Co.**

Chartered Accountants

Firm Regn No.: 004921N

Sd/-

**Neeraj Gupta**

Partner

Place: New Delhi

Date : 30th May, 2016

M. No.: 087004

**Annexure - A to the Auditors' Report**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2016, we report that:

- (i)
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
  - (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of two years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no immoveable property in the name of the Company. Hence the sub clause (c) is not applicable.
- (ii)
  - (a) The management has conducted the physical verification of inventory at reasonable intervals.
  - b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the

Company has not made any loan, investments, guarantees and security as per the provisions of section 185 and 186 of the Companies Act, 2013 ('the Act') with respect to the loans and investments made. Hence the sub clause (iv) of the order is not applicable.

- (v) The Company has not accepted any deposits from the public, within the meaning of section 73 to 76 of the company act 2013 and rule framed there under.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities as applicable to it except for Service Tax Payable amounting to Rs. 59,033/- as on 31.03.2016.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31st March 2016 for a period of more than six months from the date they became payable.

Name of the Statute	Nature of Dues	Amount (in Rs.)	Period to which amount relates
Income Tax Act, 1961	Tax Deducted at Source	8,15,986	01.04.2015 to 31.03.2016
Income Tax Act, 1961	Interest on late payment of TDS	63,286	01.04.2009 to 31.03.2016
Income Tax Act, 1961	Late filing of TDS Returns	2,05,412	01.07.2012 to 31.03.2016

- (b) According to the information and explanations given to us, there are no material dues of duty of customs, excise, sales tax, service tax and value added tax which have not been deposited with the appropriate authorities on account of any dispute. Details of dues of Income Tax which have not been deposited as on March 31, 2016 on account of disputes are given below

Name of the Statute	Nature of Dues	Forum where disputes are pending	Amount (Rs.)	Period to which amount relates
Income Tax Act, 1961	Income Tax	DCIT	14,65,440	AY 2010-11
Income Tax Act, 1961	Income Tax	DCIT	1,74,630	AY 2012-13
Income Tax Act, 1961	Income Tax	DCIT	4,76,640	AY 2013-14
Income Tax Act, 1961	Income Tax	DCIT	1,50,040	AY 2014-15

- (viii) The company has not made any loan or borrowing from any financial institution, bank, government and debenture holder during the year. Accordingly, paragraph 3 (viii) of the order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans, during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year under our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid/provided for any managerial remuneration. Accordingly Paragraph 3(xi) of the order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year, under our audit.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For SNMG & Co.**

Chartered Accountants

Firm Regn No.: 004921N

Sd/-

**Neeraj Gupta**

Partner

Place: New Delhi

Date : 30th May, 2016

M. No.: 087004

**Annexure - B to the Auditors' Report****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of BGIL Films & Technologies Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial

statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For SNMG & Co.**

Chartered Accountants

Firm Regn No.: 004921N

Sd/-

**Neeraj Gupta**

Partner

M. No.: 087004

Place: New Delhi

Date : 30th May, 2016



BGIL Films & Technologies Limited

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### BGIL FILMS & TECHNOLOGIES LIMITED

Balance Sheet as at 31 March 2016

(All amounts are in Indian rupees)

Particulars	Note	As at 31 March 2016	As at 31 March 2015
<b>Equity and Liabilities</b>			
<b>Shareholders' funds</b>			
Share Capital	2	113,276,300	113,276,300
Reserves and Surplus	3	115,423,830	115,356,737
		<b>228,700,130</b>	<b>228,633,037</b>
<b>Non Current liabilities</b>			
Deferred Tax Liabilities	4	6,350,870	6,720,104
Long Term Provisions	5	31,442	-
		<b>6,382,312</b>	<b>6,720,104</b>
<b>Current liabilities</b>			
Short-Term Borrowings			-
Trade Payable	6		
- more than one year		37,039,412	104,892,255
- less than one year		54,179,159	140,639,780
		<b>91,218,571</b>	<b>245,532,035</b>
Other Current Liabilities	7	1,656,596	13,409,367
Short-Term Provisions	8	3,519,183	1,715,401
		<b>96,394,349</b>	<b>260,656,802</b>
		<b>331,476,791</b>	<b>496,009,943</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Fixed assets	8		
Tangible assets	8.1	13,260,800	4,865,658
Intangible assets	8.2	18,158,811	24,591,643
		<b>31,419,611</b>	<b>29,457,301</b>
Investments	9	45,254,481	43,492,301
Trade Receivables	10	20,578,659	177,545,509
Long-term loans and advances	11	18,057,455	15,929,509
Other Non Current Assets	12	97,654,617	66,638,235
		<b>181,545,212</b>	<b>303,605,554</b>
<b>Current assets</b>			
Inventory		812,753	5,312,753
Trade Receivables	12	115,633,676	155,051,149
Cash and Cash Equivalents	14	354,449	2,167,289
Short-Term Loans and Advances	15	816,420	274,180
Other Current Assets	16	894,670	141,717
		<b>118,511,968</b>	<b>162,947,088</b>
		<b>331,476,791</b>	<b>496,009,943</b>

Significant accounting policies and notes to the financial statements 1-36

For **SNMG & Co.**  
Chartered Accountants  
Firm Registration No.: 004921N  
Sd/-  
**Neeraj Gupta**  
Partner  
Membership No.: 087004

For and on behalf of Board of Directors of  
**BGIL FILMS & TECHNOLOGIES LIMITED**

Sd/-  
**Rakesh Bhatia**  
Chairman  
DIN : 000046983

Sd/-  
**Rajiv Kumar**  
Director  
DIN 03600817

Place : New Delhi  
Date : 30.05.2016

Sd/-  
**Divya Sharma**  
(Company Secretary)  
Membership No.: A34641





BGIL Films & Technologies Limited

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**BGIL FILMS & TECHNOLOGIES LIMITED**  
**Statement of Profit & Loss for the period ended 31 March 2016**  
 (All amounts are in Indian rupees)

Particulars	Note	As at 31 March 2016	As at 31 March 2015
Revenue from Operations	17	122,804,744	150,183,263
Other income	18	710,344	684,671
Increase/(Decrease) in inventories		(4,500,000)	60,000
<b>Total Revenue</b>		<b>119,015,088</b>	<b>150,927,934</b>
<b>Expenses</b>			
Purchases		99,693,470	133,835,538
Employee benefits expenses	19	2,307,985	3,000,052
Other expenses	20	8,075,400	4,423,928
Finance cost	21	35,368	6,900
Depreciation	22	8,303,827	8,961,051
<b>Total expenses</b>		<b>118,416,050</b>	<b>150,227,470</b>
<b>Profit before tax</b>		<b>599,039</b>	<b>700,464</b>
<b>Tax expense</b>			
Current income tax		655,222	133,473
Deferred tax charge (Asset)		(369,234)	685,866
<b>Profit after tax</b>		<b>313,051</b>	<b>(118,875)</b>
Prior Period/Extraordinary Items		245,958	-
<b>Profit after tax and Extraordinary Items</b>		<b>67,093</b>	<b>(118,875)</b>
<b>Balance at the beginning of the period</b>		<b>33,364,784</b>	<b>33,483,659</b>
<b>Balance carried forward to the Balance Sheet</b>		<b>33,431,877</b>	<b>33,364,784</b>
<b>Earnings per equity share (par value Re. 10 per share)</b>			
- Basic		0.01	(0.01)
- Diluted		0.01	(0.01)

[Earnings per equity share expressed in absolute amount in Indian Rupees]

**Significant accounting policies and notes to the financial statements** 1-36

For **SNMG & Co.**  
 Chartered Accountants  
 Firm Registration No.: 004921N

Sd/-  
**Neeraj Gupta**  
 Partner  
 Membership No.: 087004

For and on behalf of Board of Directors of  
**BGIL FILMS & TECHNOLOGIES LIMITED**

Sd/-  
**Rakesh Bhatia**  
 Chairman  
 DIN : 000046983

Sd/-  
**Rajiv Kumar**  
 Director  
 DIN 03600817

**Place :** New Delhi  
**Date :** 30.05.2016

Sd/-  
**Divya Sharma**  
 (Company Secretary)  
 Membership No.: A34641



BGIL Films & Technologies Limited

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### BHARATIYA GLOBAL INFOMEDIA LTD CASH FLOW STATEMENT

DESCRIPTIONS	AS AT 31.03.2016	AS AT 31.03.2015
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax	599,039	700,464
<b>Add :</b>		
Depreciation	8,303,827	8,961,051
Preliminary Expenses Written off	-	-
Cost of movie written off	3,754,928	398,400
Provision for Gratuity	31,442	-
<b>Less:</b>		
Interest Received	(710,344)	(673,941)
<b>Operating Profit before Working Capital changes</b>	<b>11,978,892</b>	<b>9,385,974</b>
<b>Adjustments for :</b>		
Change in Trade Receivables	196,384,323	(142,366,149)
Change in Short Term Loans & Advances	(542,240)	21,994,860
Change in Current Liabilities	(166,033,139)	140,849,189
Changes in Other Current Assets	3,747,047	(137,776)
Change in Long Term Loans & Advances	(2,127,946)	(2,095,655)
Change in Expenses Payable	1,000,979	979,652
<b>Cash Generated from Operations</b>	<b>44,407,916</b>	<b>28,610,095</b>
Direct Taxes Paid (net of refunds)	(131,472)	63,941
Extra ordinary /Prior period items	-	-
<b>Net Cash Flow from Operating Activities</b>	<b>44,276,444</b>	<b>28,674,036</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets (Net)	(10,266,137)	-
Sale of Fixed Assets	-	-
Decrease (Increase) in Investments	(1,762,180)	(17,896,331)
Change in Non Current Assets -WIP -movies	(34,771,310)	(9,346,500)
<b>Net Cash Flow/(Used) in Investing Activities</b>	<b>(46,799,627)</b>	<b>(27,242,831)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest received	710,344	673,941
<b>Net Cash Flow from Financing Activities</b>	<b>710,344</b>	<b>673,941</b>
<b>Net Increase in Cash &amp; Cash Equivalent (A+B+C)</b>	<b>(1,812,840)</b>	<b>2,105,146</b>
	<b>(1,812,840)</b>	<b>2,105,146</b>
<b>Cash and Cash Equivalent at the beginning of the year</b>	<b>2,167,289</b>	<b>62,144</b>
<b>Cash and Cash Equivalent at the end of the year</b>	<b>354,449</b>	<b>2,167,290</b>

**Note :**

The above Cash flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard -3 on Cash Flow Statements issued by The Institute of Chartered Accountants of India.

For **SNMG & Co.** For and on behalf of Board of Directors of

Chartered Accountants

Firm Registration No.: 004921N

Sd/-

**Neeraj Gupta**

Partner

Membership No.: 087004

**BGIL FILMS & TECHNOLOGIES LIMITED**

Sd/-

**Rakesh Bhatia**

Chairman

DIN : 000046983

Sd/-

**Divya Sharma**

(Company Secretary)

Membership No.: A34641

Sd/-

**Rajiv Kumar**

Director

DIN 03600817

**Place :** New Delhi

**Date :** 30.05.2016

**SCHEDULE – 1**

## *Significant Accounting Policies*

**(a) Accounting Convention**

The financial statements are prepared under the historical cost convention following the going concern concept and on accrual basis of accounting, in conformity with the accounting principles generally accepted in India and comply with the accounting standard referred to in Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rule, 2014.

**(b) Revenue Recognition**

The Company's income from operation is accounted for on accrual basis.

**(c) Fixed Assets:**

Fixed assets including intangible assets are stated at cost of acquisition including taxes, duties, identifiable direct expenses and expenses on installation, and are net of CENVAT Credit claimed thereon.

Additions to the fixed assets have been accounted for on the date of installation and its use irrespective of date of invoice..

**(d) Depreciation:**

The Company has provided depreciation on tangible fixed assets as per the useful life specified in Part 'C' of Schedule II of the Companies Act, 2013.

Depreciation on tangible fixed assets is computed on straight line method at such rate as computed considering useful life provided in the Schedule - II of the Act.

Intangible Assets are amortized over their respective individual estimated useful life on a straight line basis commencing from the date the assets is made available to the company for its use.

**(e) Investments:**

Long term investments are valued at cost, less provision for diminution, other than temporary. Short term investments are valued at cost or market value, which is lower.

**(f) Inventory:**

(a) Finished goods are valued at cost or net realizable value, whichever is lower.

(b) Raw materials and stores & spares are valued at cost.

(c) Work in progress is valued at the cost incurred.

(d) The cost of inventories comprises all costs of purchase (including duties for which no credit/rebate is to be received), costs of conversion and other costs

incurred in bringing the inventories to their present location and condition. Trade discounts, rebates, duty drawbacks and other similar items are deducted in determining the costs of purchase.

(e) The cost of inventories is arrived by using First-In-First-Out (FIFO) cost formula.

(g) Retirement Benefits:

Provision for Gratuity has been accounted for on estimated basis.

The provisions of Employees Provident Funds & Miscellaneous Provisions Act, 1952 are not applicable to the company.

(l) Contingent Liabilities

Unprovided contingent liabilities are disclosed in the accounts by way of notes giving nature and quantum of such liabilities.

(h) Taxation

Provision for taxation has been made in accordance with the Income Tax Act, 1961.

Deferred tax resulting from timing difference between book and tax profits is accounted for under the liability method, at the current rate of tax, to the extent that the timing differences are expected to crystallise.

The Policies not specifically mentioned above are in agreement with the accounting standards issued by the Institute of Chartered Accountants of India.

**Notes to the Financial Statements**

<b>Note 2 : Share capital</b>	<b>As at 31 March 2016</b>	<b>As at 31 March 2015</b>
Authorised		
116,77,800 Equity Shares of Rs. 10/- Each	116,778,000	116,778,000
<b>Issued, subscribed and fully paid-up:</b>		
113,27,630 Equity Shares of Rs. 10/- each Fully Paid Up	113,276,300	113,276,300

**(i): Reconciliation of shares and amount outstanding at the beginning and at the end of the year**

<b>Particulars</b>	<b>As at 31 March 2016</b>		<b>As at 31 March 2015</b>	
	<b>Equity Shares</b>		<b>Equity Shares</b>	
	<b>No. of Shares</b>	<b>Amount</b>	<b>No. of Shares</b>	<b>Amount</b>
Shares outstanding at the beginning of the year	11,327,630	113,276,300	11,327,630	113,276,300
Movement during the year	-	-	-	-
Shares outstanding at the end of the year	11,327,630	113,276,300	11,327,630	113,276,300

**(ii): Shares held by shareholders holding more than 5% shares**

<b>Name of the shareholder</b>	<b>No. of shares as at 31 March 2016</b>	<b>% held</b>	<b>No. of shares as at 31 March 2015</b>	<b>% held</b>
Rakesh Bhhatia	642,024	5.67	642,024	5.67
Number One Finvest (P) Ltd.	1,290,911	11.4	1,290,911	11.4
Grindlay Finman (P) Ltd.	1,128,000	9.96	1,128,000	9.96
Number One Finsec (P) Ltd.	604,537	5.34	604,537	5.34

**(iii): Terms/rights attached to equity shares**

The company has only one class of equity shares having a par value of Rs. 10 per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

<b>Note 3 : Reserves and surplus</b>	<b>As at 31 March 2016</b>	<b>As at 31 March 2015</b>
<b>Note 3.1 : Securities premium account</b>		
Opening balance	54,572,200	54,572,200
Add: Addition during the year	-	-
	54,572,200	54,572,200
<b>Note 3.2: Capital Reserve</b>		
Opening balance	21,645,350	21,645,350
Add:- Addition during the year	-	-
	21,645,350	21,645,350
<b>Note 3.3 : General Reserve</b>		
Opening balance	4,400,230	4,400,230
Add: Addition during the year	-	-
	4,400,230	4,400,230
<b>Note 3.4 : Profit and Loss Account</b>		
Opening balance	34,738,957	33,546,867
Add: Transferred from Profit and Loss Account	67,093	(118,874)
Less: Provision for Income Tax demand for AY 2012-13		(195,585)
Add: Effect of Depreciation on retained earnings as per Companies Act 2013		1,506,549
	34,806,050	34,738,957
	115,423,830	115,356,737

	As at 31 March 2016	As at 31 March 2015
<b>Note 4 : Deferred Tax Liability (Net)</b>		
<b>Deferred Tax Liability</b>		
Fixed Assets: Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	6,350,870	6,720,104
<b>Net Deferred Tax Liabilities</b>	<b>6,350,870</b>	<b>6,720,104</b>
<b>Note 5 : Long Term Provisions</b>		
Provision for retirement benefits	31,442.00	-
	<b>31,442.00</b>	<b>-</b>
<b>Note 6 : Other current liabilities</b>		
Advance from customer	250,000	12,347,056
Expenses Payable	53,200	50,000
Other payables-		
-Audit Fee Payable	362,622	332,622
-Service Tax Payable	59,033	405,428
-TDS payable	931,741	96,755
-Rent Payable	-	158,400
-Vat Payable	-	19,106
	<b>1,656,596</b>	<b>13,409,367</b>
<b>Note 7 : Short term provisions</b>		
Provision for employee benefits		
-Salary and reimbursements	2,266,263	1,265,284
-Provision for Income Tax	1,252,920	450,117
	<b>3,519,183</b>	<b>1,715,401</b>



**Note “8” : Fixed Assets**  
**8.1 - Tangible Assets**

## 8.2 - Intangible Assets

[illegible]

	As at 31 March 2016	As at 31 March 2015
<b>Note 9 : Non-Current Investments</b>		
Investment in Equity Shares - Trade, Unquoted (at cost)		
44200 Shares (P.Y.44200)BhatiaInvestment Finance Pvt. Ltd.)	398,704	398,704
95000 Shares (P.Y.95000) Number One Finsec Pvt. Ltd.)	1,462,500	1,462,500
330548 Sahres (P.Y242439) Number One Finvest Pvt. Ltd	6,812,180	5,050,000
606245 Sharee (P.Y606245) Grindlay Finman Pvt. Ltd	12,846,331	12,846,331
150000 Shares (P.Y.150000)Kartik Share Traders Pvt. Ltd.)	1,500,000	1,500,000
<b>Investment in Equity Shares - Trade, Quoted (at cost)</b>		
514295 Equity Shares (P.Y. 5,14,295) of Bharatiya Global Infomedia Ltd.	22,234,766	22,234,766
Market Value : Rs. 25,97,190/-		
<b>Aggregate value of unquoted investments</b>	<b>23,019,715</b>	<b>21,257,535</b>
<b>Aggregate value of quoted investments</b>	<b>22,234,766</b>	<b>22,234,766</b>
Market Value : Rs. 25,97,190/-		
	<u>45,254,481</u>	<u>43,492,301</u>
<b>Note 10 : Trade Receivables (Non- Current)</b>		
Unsecured		
-Debts outstanding for more than one year	20,578,659	177,545,509
	<u>20,578,659</u>	<u>177,545,509</u>
<b>Note 11 : Long-term loans and advances (unsecured, considered good)</b>		
Advance Recoverable in cash or in kind	18,057,455	15,929,509
	<u>18,057,455</u>	<u>15,929,509</u>
<b>Note 12 : Other Non Current Assets</b>		
Advance Recoverable in cash or in kind	-	-
Income Tax Refund due	-	7,476
MVAT Security	18,678	18,678
Advances recoverable	-	-
WIP- Movies *	97,635,939	66,612,081
	<u>97,654,617</u>	<u>66,638,235</u>
<b>Note 13 : Trade Receivables (Current)</b>		
<b>Unsecured</b>		
a) Debts outstanding for more than six months	-	-
- Considered good	45,253,972	89,587,702
b) Other debts	70,379,704	65,463,447
- Considered good	<u>115,633,676.00</u>	<u>155,051,149.13</u>
<b>Note 14 : Cash and Cash Equivalents</b>		
Cash in hand	333,891	1,692,468
Balances with scheduled banks:		
- in current accounts	20,558	474,821
	<u>354,448.54</u>	<u>2,167,289.00</u>
<b>Note 15 : Short-term loans and advances (unsecured, considered good)</b>		
Advances Recoverable in cash or in kind	816,420	274,180
Other Advances	<u>816,420</u>	<u>274,180</u>
<b>Note 16 : Other current assets</b>		
Mvat Input Credit	-	3,783
TDS Receivable	894,670	137,934
	<u>894,670</u>	<u>141,717</u>



	For the year ended 31 March 2016	For the year ended 31 March 2015
<b>Note 17 : Revenue from Operations</b>		
Income from Information Technologies/Services	63,949,026	134,713,263
Income from Media	58,855,718	15,470,000
<b>TOTAL</b>	<b>122,804,744</b>	<b>150,183,263</b>
<b>Note 18 : Other Income</b>		
Interest Income -		
On Fixed Deposit	-	-
On others	710,344	673,941
Other Income	-	10,730
<b>TOTAL</b>	<b>710,344</b>	<b>684,671</b>
<b>Note 19 : Employee benefits expenses</b>		
Salaries and wages	1,805,434	2,595,497
Staff welfare	471,109	404,555
Gratuity	31,442	
<b>TOTAL</b>	<b>2,307,985</b>	<b>3,000,052</b>
<b>Note 20 : Other expenses</b>		
Advertisement	137,706	111,315
Audit fees	50,000	50,000
Business Promotion	138,426	83,704
Communication Expenses	131,135	356,125
Conveyance	479,169	582,815
Cost of Movie sold	3,754,928	398,400
Courier, Postage & Telegram	261,770	153,392
Custom Duty	-	8,664
Director Fee	10,000	10,000
Exchange Rate Fluctuation	-	616
Fee & Subscription	-	67,730
Insurance	15,721	10,576
Interest & Penalties	73,181	6,714
Legal and professional	88,119	-
Listing Fee	268,545	159,868
Misc	53,222	-
Office Expenses	448,298	626,138
Printing and stationery	251,936	252,777
Project Expense	-	47,150
Rent	1,314,000	1,148,000
Repairs and maintenance - others	11,600	-
Tour & Travelling Expense	201,582	-
Vehicle Running & Maintenance	386,062	349,944
	<b>8,075,400</b>	<b>4,423,928</b>
<b>Note 21 : Finance cost</b>		
Bank charges	34,101	6,900
Interest charges	1,267	-
	<b>35,368</b>	<b>6,900</b>
<b>Note 22 : Depreciation/Amortization</b>		
Tangible Assets	1,870,995	665,591.00
Intangible Assets	6,432,832	8,295,460.00
	<b>8,303,827</b>	<b>8,961,051.00</b>

23. Estimated amount of contract remaining to be executed on capital account and not provided for Rs Nil (Previous Year Rs Nil)
24. Contingent Liabilities not provided for :
- a. Guarantees given by the company Rs. NIL (P.Y. NIL)
  - b. Claims against the company not acknowledge as debts
- Income Tax (AY 2010-11 to AY 2014-15) Rs. 22.67 Lacs (P.Y. 17.79 Lakhs)
25. Balance confirmations, Sundry Debtors, Sundry Creditors, Deposits and the parties to whom the advances are given are subject to reconciliation and such are as per books of accounts only. Adjustment thereto having an impact of revenue nature, if any, will be made during the period in which the same are fully reconciled.
26. In the opinion of Board of Directors and explanations given to us, the Current Assets, Loans and Advances are approximately of the value stated if realised in the ordinary course of business. The provision for depreciation and all known liabilities are adequate.
27. CIF Value of Imports Rs. NIL (P.Y. Rs. 47,449 /-)
28. Earning & Expenditure in foreign exchange
- a) Earnings NIL (P.Y. NIL)
  - b) Expenditure Rs. NIL (P.Y. 47449/-)

## 29. Segment Reporting

From 01.04.2015 to 31.03.2016

(Rs. In Lacs)

Particulars	Information Technologies/Services	Media & Entertainment	Other Income	Total
1. Segment Revenue				
Sales/ Net Income	639.49	588.56	7.10	1235.15
Less: Inter-segment Revenue	-	-	-	-
Net Sales/Income	639.49	588.56	7.10	1235.15
2. Segment Results				
Profit/(loss) before tax and Interest from each segment	-69.25	151.53	7.10	89.38
Less:				
Interest				.35
Un-allocable expenditure				83.04
Total Profit/(Loss) before Tax				5.99
Less: Provision for Current Tax				6.55
Total Profit/(Loss) after Tax				-0.56
Less: Deferred Tax				3.69
Add: Prior Period Items				2.45
Net Profit/(Loss)				0.67

Note: 1) Segments have been identified in line with Accounting Standard - 17 (AS-17) on Segment Reporting issued by the Institute of Chartered Accountants of India, taking into account the nature of activities as well as the differential risks and returns attached. The Company's operation predominantly relates to the following segments:

- a) Information Technologies/Services
- b) Film Production and Distribution
- c) Other Income

2) There is no inter-divisional or inter segmental transfer of goods and services.

30. Earnings per share (EPS) -	<b>2015-2016</b>	<b>2014-2015</b>
Profit / (Loss) after current and deferred tax (Rs.)	67093	(1,18,875)
Basic / Weighted Average number of Equity Shares		
Outstanding during the year	1,13,27,630	1,13,27,630
Nominal value of Equity Share (Rs.)	10.00	10.00
Basic / Weighted Earning per Share	0.01	(0.01)
Diluted Earning per Share	0.01	(0.01)

31. Related party Disclosure (where transactions have taken place): In terms of Accounting Standard AS-18, all related parties have been identified by management and relied upon by the auditors.

a) Name of Related Parties & description of relationship:

i) Key Management Personnel:

Sh. Rakesh Bhhatia	- Director
Sh. Ashok Juneja	- Director
Smt. Arti Bhatia	- Wife of Rakesh Bhhatia
Smt. Jaya Misra	- Director
Sh. Rajiv Kumar	- Director
Sh. Vimal Kumar Srivastava	- Director
Sh. J K Bhatia	- Brother of Rakesh Bhhatia
Ms. Garima Bhatia	- Daughter of Rakesh Bhatia
Smt. Bharti Singh	- Sister-in-law of Rakesh Bhatia

(ii) Related Parties where control exists:

Bharatiya Global Infomedia Limited  
 Bhhatia Investment & Finance (P) Ltd.  
 Number One Finsec (P) Ltd.  
 Number One Finvest (P) Ltd.  
 Grindlay Finman (P) Ltd.  
 Ignite Media & Entertainment Pvt. Ltd  
 Rakesh Bhhatia HUF

## b) Details of Transaction:-

	As on 31.03.2016	As on 31.03.2015
(i) Companies where control exists Transactions: *		
*Rent	1,20,000	90,000
*Sale of Goods	2,24,50,796	NIL
*Purchase of Services	NIL	NIL
Outstanding as at Balance Sheet Date		
*Payables	NIL	NIL
*Receivable	2,40,49,983	36,82,439
(ii) Key Management Personnel & their relatives Transactions:		
Salary Paid	9,54,000	14,42,000
Outstanding as at Balance Sheet Date		
Amount Payable	10,78,216	1,13,041
Amount Receivable	NIL	4,91,000

## 32. 32. Deferred Tax Liabilities for the year ended 31.03.2016 comprises of :

Particulars	As on 01.04.2015	For the year	As on 31.03.2016
On account of Difference of Book Depreciation & Tax Depreciation	6720104	(369234)	6350870

33. Previous year figures have been re-grouped, re-arranged and/or re-casted, wherever considered necessary so as to make them comparable with the current year figures.

34. No provision has been made for diminution in value of Investments as in the opinion of management, the diminution in the value of quoted investments amounting to Rs. 196.37 lacs is temporary in nature.

## 35. Lease Terms

## Operating Lease:

As Lessee: Operating Lease Rentals charged to Revenue for right to use following assets are:

	2015-16	2014-15
Office/Guest House/Residential Premises	13.14 Lacs	11.48 Lacs

36. Above mentioned Significant Accounting policies and notes on Accounts form an integral part of the Balance Sheet as at 31st March, 2016, the statement of Profit & Loss Account and its cash flows for the year ended on that date and have been duly authenticated. In terms of our report of even date



BGIL Films & Technologies Limited

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In terms of our report of even date

**For SNMG & Co**

Chartered Accountants

(Firm No. 004921N)

For and On Behalf of the Board of Directors

**(Neeraj Gupta)**

Partner

Membership No. : 87004

**(RAKESH BHHATIA)**

Chairman

DIN : 00046983

**(RAJIV KUMAR)**

Director

DIN : 03600817

Place: New Delhi

Date : 30.05.2016

**Divya Sharma**

Company Secretary

(Membership No. A34641)



**CIN: L65993DL1989PLC035572**

**www.bqilfilms.com | Tel : +91-120-4227792, +91-120-4227795**

## 27<sup>th</sup> Annual General Meeting-15th November 2016

## ATTENDANCE SLIP

**Registered Folio no./ DP ID no. / Client ID no.:**

[illegible]

## Number of Shares held

--	--	--	--	--	--	--	--	--

I certify that I am a member/ proxy/ authorized representative for the member of the Company.

I hereby record my presence at 27th Annual General Meeting of the Company held on Tuesday, 15th November 2016, at A-81, Bipin Chandra Pal Memorial Trust, C.R. Park, New Delhi-110019.

Name of the member/ proxy  
(in Block letters)

*Signature of the member/ proxy*

*Note: Please fill this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM.*



**BGIL Films & Technologies Limited**

Registered Office: B-13, LGF, Amar Colony, Lajpat Nagar IV, New Delhi - 110024

CIN: L65993DL1989PLC035572

www.bgilfilms.com | Tel : +91-120-4227792, +91-120-4227795

Z

**Form MGT-11  
PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s) :

Registered address :

E-mail Id:

Folio No/ Client Id :

DP ID :

I/We, being the member (s) holding \_\_\_\_\_ Shares of the above named company, hereby appoint:

(1) Name: \_\_\_\_\_ Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him/her;

(2) Name: \_\_\_\_\_ Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him/her;

(3) Name: \_\_\_\_\_ Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him/her;

as my/our proxy to attend and vote for me/us and on my/our behalf at the 27th Annual general meeting of the company, to be held on the 15th November 2016 at 09:30 a.m. at A-81, Bipin Chandra Pal Memorial Trust, C.R. Park, New Delhi-110019 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions		Optional**	
Ordinary Business		For	Against
1.	Adoption of Financial Statements, the reports of the Board of Directors and Auditors for the year ended 31st March, 2016		
2.	Appointment of M/s. SNMG & Co., Chartered Accountants as Statutory Auditors and fix their remuneration		
Special Business			
3.	Appointment of Ms. Aarti Jain (DIN: 06736354) as independent Director on the Board for the term up to three years.		
4.	Appointment of Mr. Umesh Kumar Singh (DIN: 02170692) as Whole Time Director of the Company for the term up to three years.		
5.	To Purchase running digital post production studio under same management		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016

Affix  
Revenue

Signature of shareholder \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

**Note:**

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- A PROXY NEED NOT BE A MEMBER OF THE COMPANY
- A Person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.,
- For the Resolutions, Notes and Explanatory Statement, please refer to the notice of the 27th Annual General Meeting.
- \*\* It is optional to put 'X' in the appropriate column against the Resolution indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Please complete all details including details of member(s) in the above box before submission.





## BGIL Films & Technologies Limited

CIN: L65993DL1989PLC035572

Regd. Office : B-13, L.G.F., Amar Colony, Lajpat Nagar-IV, New Delhi-110020

Tel : +91-011-40765562, Fax : +91-011-41377519

Website : [www.bgilfilms.com](http://www.bgilfilms.com). e-mail: [bgilfilms@bgilinfo.com](mailto:bgilfilms@bgilinfo.com)

### E-COMMUNICATION REGISTRATION FORM

Dear Shareholders,

You are aware that majority of the provisions of Companies Act, 2013 have been made effective from 1st April, 2014. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules issued there under, Companies can serve Annual Reports, Notices and other communications through electronic mode to those shareholders who have registered their email address either with the Company/RTA or with the Depository.

It is a welcome move that would benefit the society at large, as this will reduce paper consumption to a great extent and allow shareholders to contribute towards a greener environment. This provides a golden opportunity to every shareholder of BGIL Films & Technologies Limited to contribute to the cause of 'Green Initiative' by giving their consent to receive various communications from the Company through electronic mode.

We therefore invite all our shareholders to contribute to the cause by filling up the form given below to receive communication from the Company in electronic mode. You can also download the appended registration form from the website of the Company [www.bgilfilms.com](http://www.bgilfilms.com).

[Please note that as a Member of the Company, you will be entitled to receive all such communication in physical form, upon request.]

**Best Regards,**

**Sd/-**

**Rakesh Bhatia**

**(Chairman)**

### E-COMMUNICATION REGISTRATION FORM

Folio No. /DP ID & Client ID: .....

Name of the 1 Registered Holder: .....

Name of the Joint Holder[s]: (1) ..... (2) .....

**Registered Address:**

.....  
.....

E-mail ID (to be registered): .....

Mob./Tel. No.: .....

I/We shareholder(s) of BGIL Films & Technologies Limited hereby agree to receive communications from the Company in electronic mode. Please register my above E-mail ID in your records for sending communications in electronic form.

Date: ..... Signature: .....

Note: Shareholder(s) are requested to keep the Company informed as and when there is any change in the e-mail address.

