



BGIL FILMS & TECHNOLOGIES LIMITED

CHAIRMAN'S SPEECH AT 23RD ANNUAL GENERAL MEETING

DEAR FELLOW SHAREOWNERS,

It gives me immense pleasure to extend a very warm welcome to you all to the 23rd Annual General Meeting of your Company. On behalf of the Board of Directors, as well as my colleagues at BGFT, it is my privilege to thank each one of you for making it convenient to attend this important meeting and register solidarity with the Company. The Notice convening the meeting, the Directors' Report and the Annual Audited Accounts have been with you for some time now and with your permission, I take them as read.

ECONOMIC OVERVIEW

Four years ago, it was the US economy that gave us all sleepless nights. Today, it is the Eurozone. The long period of global uncertainty - although with some sharp growth spikes locally - has even begun to have an impact on economies once considered immune to such factors. Russia, China and India are slowing. Brazil, the other constituent of the famed BRIC economies, is in marginal decline.

Times are tough, but, as always, opportunities abound for companies with sound ideas and the wherewithal to see these to fruition. Those companies that identify and leverage these opportunities are the ones that will successfully weather the slowdown. FY 12 was a tough one for the Indian economy which expanded by 6.5 percent, the lowest in recent memory. The country received a double blow from the Eurozone crisis and its own inability to create an environment conducive to growth. Investment, both foreign and domestic, in India waned and the Government seemed unable to curtail its swelling fiscal deficit. Still, there are clear signs emerging now that the Government is prepared to do what is needed to attract investment and improve business confidence.

PERFORMANCE REVIEW

Your Company mainly engaged into production and distribution of films, however during the year under review the Company didn't release any new film as the Company's main focus was on Technology Sector related to entertainment world and we have done well in this segment but I assure you that the Management is working harder than before to get back to delivering predictable performance in Media sector also. Company has the "Saint who thought otherwise" a complete censored movie as "A" certificate is in hand and another movie namely "Curfew" is also a complete censored movie which will be released soon.

As your company focusing on technology related to media and entertainment, has evolved a robust business model by entering into 'Integrated Media Plan' for large business houses/ corporates 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 and also exploring the possibility to bring a new technology in India which is known as Fleximedia EL panels, which will boost up the new business opportunities in the media based

advertising etc., and will bring the company back to the track and boost the company's overall performance in coming year(s).

FINANCIAL PERFORMANCE OF THE COMPANY

Your Company's financial performance for the year under review has already been circulated to you. I shall take the same as read.

As you would have seen during the year your Company has earned income of Rs. 2262.75 Lacs against Rs. 2557.20 Lacs in the previous year. The Profit before Tax (PBT) of the Company was Rs.32.22 Lacs as compared to Rs.56.14 Lacs in previous year.

AMALGAMATION WITH GROUP COMPANY

During the year under review, the hon'ble High court of Delhi vides its order dated October 24, 2011, approved the Scheme of Amalgamation between "Kriti Communications Private Limited and " BGIL Films & Technologies Limited" and the New Equity shares, issued pursuant to the Scheme of Amalgamation got listed on Bombay Stock Exchange.

CORPORATE GOVERNANCE

Your Company's Corporate Governance Philosophy is based on imbibing best practices in the area with emphasis on ensuring transparency, accountability, compliance of all statutory and regulatory requirements and adhering to the best level of business ethics. Risk identification and mitigation exercises are constantly reviewed and implemented.

ACKNOWLEDGEMENTS

All these achievements would not have been possible without the support of all the stakeholders and various Government agencies, our suppliers and contractors, customers and above all the shareholders. I would like to take this opportunity to thank all those who have supported and guided us during the year.

I also thank all my colleagues on the Board for their continued support and guidance.

Last, but not the least, I would like to thank all employees of BGFT for their high level of motivation, commitment and hard work.

Rakesh Bhatia

Chairman & Managing Director

Date: 26th September, 2012

Place: New Delhi

Note: This does not purport to be a record of the proceedings of the 23rd Annual General Meeting of the Company.