



BANARAS BEADS LIMITED

AN EXPORT HOUSE RECOGNISED BY GOVERNMENT OF INDIA



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Website : www.banarasbead.com
Stock Website : www.banarasstockoffer.com

Manufacturers & Exporters of : Glass Beads, Imitation Jewellery,
Rosaries & Tasbees. All types of Handicrafts, Carpets & Druggets etc.

9th September 2011

Dear Shareholders,

I am glad to inform you that the Board has declared interim dividend for F.Y. 2011-2012 on 08.09.2011 @ 25% on equity shares of the Company (Rs. 2.50 per share).

You will also glad to note that trading of shares capital of your company has been started from 19th August, 2011 with BSE after a lapse of 8 years. The Company is in process to revoke suspension by NSE.

The management and you both have suffered too much from 1998 due to decade old disputes between the major two group of shareholder and management of the Company which had adversely affected and ruin business and growth of the Company. But now the said disputes almost stands resolved by order of Hon'ble Company Law Board dated 04.07.2007. The directions given by the Hon'ble Company Law Board have been duly implemented by the Company.

The Audited Annual Accounts of the Company for F.Y. 2010-2011 was circulated to you in last month alongwith directors and auditors report thereon and you are aware with the performance. You have seen during the year turnover and profit both have increased. You have also seen that Company is having too much assets and book value of one share is around Rs. 52.

I would like state you that your Company is pioneer in the field of Glass beads industry of India. Today it is one of the largest exporters of glass beads holding 80% of market share of India's glass beads exports. In recognition of its distinctive role the company has earned several laurels and awards for consecutive years from Government/ Semi Government bodies like Carpet / Handicrafts Export Promotion Councils (India) and twice from President of India.

In last year a young and energetic executive director Mr. Siddharth Gupta was included in the board of Company, who is looking after marketing and production of the Company. We hope that the Company will get better return under his supervision in future.

In the last but not least **I must thank you for showing your faith and confidence in the existing management even during bad days of the company**

I would like to mention that all your queries /issues are resolved at the earliest. But if any thing remains unresolved, please feel free to approach me any time on my personal email i.d. ' ashok@banarasbead.com ' / by post. An advice for your further reference is enclosed.

Thanks.

(Ashok Kumar Gupta)

Chairman & Managing Director

Advice to the Shareholders

The record date for this purpose will be 15th September, 2011 and on that date whose name will be in the member register will be entitled to get dividend. The dividend amount of members whose call money is still unpaid have been adjusted against the amount of Share Premium unpaid. Pursuant to section 206A of the Companies Act 1956, the Dividend on shares, transfer of which is not registered/disputed will be transferred to the special account as per section 205A of the Companies Act 1956.

The INE number of the company is 655B01011. The members holding shares in physical form are requested to convert their holding to dematerialised form. They may dematerialise their holdings through a recognized Depository participant, by forwarding their request to the REGISTRAR of the Company M/s Mas Services Ltd., T-34, 2nd Floor, Okhla Industrial Are, Phase-II, New Delhi- 110 020, Ph. 26387281/82/83 Fax. – 26387384, E-mail- info@masserv.com and website – www.masserv.com.

Shareholders are also requested to provide / update your e-mail address and bank account with company's registrar and give your consent under MCA guidelines to get documents and papers from company in electronic mode.

All important information are made available from time to time on company's website 'bblinvestor.com' or may be taken by writing to compliance officer at '**investor@bblinvestor.com**