

*15<sup>th</sup>*

*Annual Report*

*2008 -2009*

**BHILWARA TEX-FIN LIMITED**

Registered office

129 Transport Centre, Rohtak Road, Punjabi Bagh, New Delhi-110035  
Tel. 011-28315036 Fax : 011-28315044

# BHILWARA TEX-FIN LIMITED

129, Transport Center, Rohtak Road, Punjabi Bagh, New Delhi- 110035.

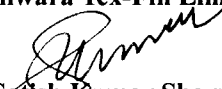
## NOTICE

Notice is hereby given that the **15<sup>th</sup> Annual General Meeting** of the Company shall be held on **Wednesday, the 30<sup>th</sup> day of September, 2009 at 11.30 a.m.** at its Registered Office at 129, Transport Centre, Rohtak Road, Punjabi Bagh New Delhi-110035 to transact the following business:

### Ordinary Business:

1. To consider and adopt the Balance Sheet of the Company as at 31<sup>st</sup> March 2009 and Profit & Loss Account of the Company for the period from 1<sup>st</sup> April, 2008 to 31<sup>st</sup> March 2009 together with the Directors' Report and Auditors' Report thereon.
2. To declare dividend on equity shares, if any.
3. To appoint a Director in place of **Sh. Ajay Sachdeva**, who retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for reappointment.
4. To appoint a Director in place of **Sh. Baldev Singh Kashtwal**, who retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for reappointment.
5. To appoint M/s Nagar Goel & Chawla, Chartered Accountants as Statutory Auditors for the period commencing from the date of conclusion of ensuing Annual General Meeting till the date of conclusion of next Annual General Meeting and to fix their remuneration. M/s Nagar Goel & Chawla, Chartered Accountants, the retiring auditors being eligible, have offered themselves for reappointment.

By Order of the Board  
For **Bhilwara Tex-Fin Limited**

  
(**Satish Kumar Sharma**)

**Place: New Delhi**

**Date: 1<sup>st</sup> September, 2009**

**Director**

### NOTES:

- 1 A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- 2 IN ORDER TO BE EFFECTIVE PROXY FORM DULY COMPLETED MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE SCHEDULED TIME FOR HOLDING OF THE MEETING. A BLANK PROXY FORM IS ENCLOSED HEREWITH.
- 3 Annual report has been sent to all members and members are requested to bring their copy to the meeting along with duly filled attendance slip (to be handed over at the entrance). No copy of Annual Report shall be distributed at the meeting as an endeavor of the Company to reduce operational cost.
- 4 The share transfer record of the Company will remain closed from **Friday, 25<sup>th</sup> day of September, 2009 to Wednesday, 30<sup>th</sup> day of September, 2009** (both days inclusive) for the year 2008-09.

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**Information as required under clause 49 of the Listing Agreement in respect of Directors being re-appointed:**

**a) Sh. Ajay Sachdeva**

Sh. Ajay Sachdeva is a law graduate and a Practising advocate in Tis Hazari Court in Delhi. He has in Depth knowledge of legal and finance functions of the Company. He is fully conversant with the working of the NBFC and knows the financial market very well. He has been associated with the Company for the last five years. As on date, Sh. Ajay Sachdeva does not hold any share of the Company.

Apart from the Company, Sh. Ajay sachdeva is neither a director on Board nor the member of any committee of any other limited company.

**b) Sh. Baldev Singh Kashtwal**

Sh. Baldev Singh Kashtwal is a Company Secretary and a fellow member of the Institute of Company Secretaries of India. He is a Practicing Company Secretary for the last 9 years. He has been associated with the Company for the last five years. He has in depth knowledge in the field of Capital Market, Investment Portfolio and Financing & Leasing. As on date, Sh. Baldev Singh Kashtwal does not hold any share of the Company.

Apart from the Company, Sh. Baldev Singh Kashtwal is a director in the following another limited company:-

Name of Company	Date of Appointment
Pioneer Agro Extracts Limited	1 <sup>st</sup> April, 2008

# BHILWARA TEX-FIN LIMITED

129, Transport Center, Rohtak Road, Punjabi Bagh, New Delhi- 110035.

## DIRECTORS' REPORT

The Members,  
**BHILWARA TEX-FIN LIMITED**

Your directors have pleasure in presenting their 15<sup>th</sup> Annual Report together with the Audited Statement of Accounts for the year ended on 31<sup>st</sup> March 2009.

### 1. FINANCIAL RESULTS

		(In Rs.)	
Particulars		2008-09	2007-08
	Income	2,41,999.00	26,69,188.00
Less:	Total Expenditure	5,07,403.11	43,77,371.54
	Net Profit/(Loss) before Tax & Depreciation (PBDT)	(2,65,404.11)	(17,08,183.54)
Less:	Depreciation	-	-
	Net Profit/(Loss) after Depreciation before Tax (PBT)	(2,65,404.11)	(17,08,183.54)
Less:	Provision for Income Tax-Current	-	-
	Provision for Income Tax- Deferred	-	-
	Provision for Fringe Benefit Tax	-	-
	<b>Profit after Tax</b>	(2,65,404.11)	(17,08,183.54)
Less:	Transfer to Special Reserve Fund	-	-
Add:	Balance brought forward from Previous Year	(32,62,348.63)	(15,54,165.09)
	Balance carried forward to the Balance Sheet	(35,27,752.74)	(32,62,348.63)

The Company has not earned any profits during the year under review hence no amount is required to be transferred to the Special Reserve Fund in Compliance of Section 45 IC of the Reserve Bank of India Act, 1934.

### 2. DIVIDEND

Your directors do not recommend any dividend for the financial year ended on 31<sup>st</sup> March, 2009.

### 3. DIRECTORS

**Sh. Ajay Sachdeva** and **Sh. Baldev Singh Kashtwal**, Directors of the Company retire by rotation and being eligible, has offered themselves for re-appointment. Your directors recommend their re-appointment subject to retire by rotation as per the provisions of the Companies Act, 1956.

### 4. PUBLIC DEPOSITS

The Company has not invited or accepted any public deposits within the meaning of Section 58A & 58AA of the Companies Act, 1956 and section 45-I(bb) of the Reserve Bank of India Act, 1934 during the year under review. The company does not hold any public deposit as on date and will not accept the same in future without the prior approval of Reserve Bank of India in writing.

### 5. AUDITORS REPORT

The Report of Auditors' on Annual Accounts of the Company for the year ended on 31<sup>st</sup> March, 2009 is self explanatory. Hence, no explanation is required to be given.

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## **6. APPOINTMENT OF STATUTORY AUDITORS**

M/s Nagar Goel & Chawla, Chartered Accountants, New Delhi retire at the conclusion of this Annual General Meeting and being eligible, have offered themselves for re-appointment. The Company has received a certificate from them pursuant to section 224(1B) confirming their eligibility for re-appointment. Your Director's recommend their re – appointment.

## **7. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO**

The provision of section 217(1) (e) of the Companies Act, 1956 is not applicable to our Company. Hence, Statement detailing the particulars required under the said section read with the Companies (Disclosures of particulars in the report of Board of Directors) Rules, 1988 are not being furnished. There was no foreign exchange earning and outgo in the company during the financial year.

## **8. PARTICULARS OF EMPLOYEE U/S 217 (2A) OF THE COMPANIES ACT, 1956**

None of the employees of the Company has drawn salary in excess of the limits prescribed in the section 217(2A) of the Companies act, 1956 read with Companies (Particulars of employees) Rules, 1975 and hence no such list is being provided.

## **9. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to requirement under Section 217(2AA) of the Companies (Amendment) Act, 2000 with respect to Directors Responsibility Statement, it is hereby confirmed:

- a) That in the preparation of the Annual Accounts for the financial year ended on 31<sup>st</sup> March, 2009, the applicable Accounting Standards had been followed along with proper explanation relating to the material departures.
- b) That the Directors had selected such Accounting policies and applied them consistently and made judgements 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.
- c) That 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 or other irregularities.
- d) That the Directors had prepared the Annual Accounts on a going concern basis.

## **10. CORPORATE GOVERNANCE REPORT**

The Corporate Governance Report is annexed herewith.

## **11. LISTING OF SHARES**

The Equity Shares of the Company are listed on Bombay Stock Exchange, Delhi Stock Exchange and Jaipur Stock Exchange. Listing fees for the year 2009-10 has been paid to all the Stock Exchanges. During the year under review, the Company has received approval from Bombay Stock Exchange, pertaining to revocation for suspension of trading of its securities w.e.f December 1, 2008. However, securities of the Company were not traded during the year at the said Stock Exchanges.

## **12. ACKNOWLEDGEMENT**

Your directors would like to place their grateful appreciation for the assistance and co-operation received from the Company's bankers during the year under review. The directors also acknowledge with appreciation the support and co-operation rendered by various Govt. agencies and Departments. Your Directors would also wish to place on record their deep sense of appreciation for the continued support of all the investors of the Company.

**By Order of the Board of Directors  
For Bhilwara Tex-Fin Limited**



**(Satish Kumar Sharma)**  
Chairman

**Place: New Delhi  
Dated: 1<sup>st</sup> September, 2009**

# **BHILWARA TEX-FIN LIMITED**

129, Transport Center, Rohtak Road, Punjabi Bagh, New Delhi- 110035.

## **Corporate Governance Report**

**(for the year ended 31<sup>st</sup> March, 2009)**

*“Corporate Governance is about working ethically and finding a balance between economic and social goals. It includes the ability to function profitably while obeying laws, rules and regulations.”*

### **1. Board’s Philosophy on Corporate Governance**

Effective corporate governance requires a clear understanding of the respective roles of the Board and senior management, and their relationship with others in the corporate structure; relationship of the Board and the Management with stakeholders should be characterized by candor; their relationship with employees should be characterized by fairness; their relationship with the communities in which they operate should be characterized by good citizenship; and their relationship with the government should be characterized by a commitment to compliance.

We believe that sound corporate governance is critical to enhance and retain stakeholders’ trust. Accordingly, we always seek to ensure that we attain our performance rules with integrity. Board exercises its fiduciary responsibilities in the widest sense of the term.

Our corporate governance philosophy is based on the following principles:

- Satisfy the spirit of the law and not just the letter of the law. Corporate governance standards should go beyond the law.
- Be transparent and maintain a high degree of disclosure levels.
- Make a clear distinction between personal conveniences and corporate resources.
- Management is the trustee of the shareholder’s capital and not the owner.

### **2. Board of Directors**

The Board of Directors provide strategic direction and the thrust to the operations of the Company and accountable at all time to the shareholders of the Company. The Company has a professionally constituted Board of Directors.

During the year under review, the Board of Directors met nine times on 1st April 2008, 30th April, 2008, 26th May, 2008, 31st July, 2008, 25th August, 2008, 4th September, 2008, 31st October, 2008, 31st January, 2009 and 31st March, 2009.

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The attendance record of the Directors at each Board Meeting and the last Annual General Meeting held on 30<sup>th</sup> September, 2008 is as follows:

Name of Directors	Category of Directorship	Promoter/ Independent Director	Directorship In other Companies (In No.)#	No. of Board Meeting Held	No. of Meeting Attended	Attendance at the Last AGM
Mr. R.P. Baldwa	Executive Director	Promoter Director	--	9	--	No
Mr. Satish Kumar Sharma	Executive Director	Non-Independent Director	5	9	9	Yes
Mr. Ajay Sachdeva	Non-Executive Director	Independent Director	--	9	7	Yes
Mr. Baldev Singh Kashthwal	Non-Executive Director	Independent Director	1	9	6	Yes

# Excluding directorship in Private Limited Companies.

None of the directors of the Company is member in more than ten Committees and they do not act as Chairman of more than five Committees across all companies in which they are directors. The following table summarises the position of Chairmanship and Membership of Committees of all the Directors:

NAME OF DIRECTORS	NO. OF MEMBERSHIP IN COMMITTEE	CHAIRMANSHIP IN COMMITTEE
Mr. R.P. Baldwa	-	-
Mr. Satish Kumar Sharma	5	3
Mr. Ajay Sachdeva	1	1
Mr. Baldev Singh Kashthwal	1	1

**The Board has access to the following information/records:**

- Annual operating plans and budgets;
- Quarterly results;
- Minutes of the meetings of the Share transfer and shareholders'/investors' grievances Committee;
- Any other items/events of materially important nature.

### **3. Committees of the Board**

The Board of Directors has constituted various committees of the Board to ensure focused attention on the various aspects of the Company's working. The Company has the following Committees of the Board.

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# BHILWARA TEX-FIN LIMITED

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## **3.1 Audit Committee**

The Constitution of the Audit Committee meets with the requirements of section 292A of the Companies Act, 1956 as well as the Listing Agreement. All the members of the committee are financially literate members. During the year under review, the Audit Committee was reconstituted and Sh. Baldev Singh Kashtwal was inducted as Chairman of the Audit Committee w.e.f. 01/04/2008.

The **Audit Committee** as on report date i.e. 31<sup>st</sup> March, 2009 comprises of the following Directors:

Sh. Baldev Singh Kashtwal	Chairman	Independent - Non Executive Director
Sh. Satish Kumar Sharma	Member	Non Independent - Executive director
Sh. Ajay Sachdeva	Member	Independent - Non Executive Director

The representatives of the Internal Auditors and Statutory Auditors attend the meeting of the Committee as and when invited.

The **Audit Committee** is responsible for the effective supervision of the financial reporting process to ensure proper disclosure of financial statements, their credibility, and compliance with the Accounting Standards, stock exchanges and other legal requirements, reviewing with internal and external audit and internal control systems, assessing their adequacy ensuring compliance with internal controls, reviewing findings of internal audit, reviewing the company's financial and risk management policies and ensuring follow up action on significant findings, and reviewing quarterly, half yearly and yearly annual accounts.

During the year 2008-2009 **five** Audit Committee meetings were held on 30<sup>th</sup> April, 2008, 31<sup>st</sup> July, 2008, 4<sup>th</sup> September, 2008, 31<sup>st</sup> October, 2008, 31<sup>st</sup> January, 2009. The attendance record of the members during these meetings is set down below:

S. No.	Name of Director	No. of Audit Committee Meetings Attended
1.	Sh. Satish Kumar Sharma	5
3.	Sh. Ajay Sachdeva	5
4.	Sh. Baldev Singh Kashtwal	5

The Report of the Chairman as well as the minutes of the Audit Committee is circulated to all the Board Members for their consideration.

## **3.2 Remuneration Committee**

The Company does not have Remuneration committee as contemplated under the Listing Agreement, as the Company is not paying any remuneration to its Directors.

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# BHILWARA TEX-FIN LIMITED

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## **3.3 Share Transfer & Shareholder's/Investor's Grievance Committee**

The **Share Transfer & Shareholders'/Investors' Grievances Committee** has been constituted to look into approval/rejection of transfer/transmission, issue of duplicate certificates, review & redressal of shareholders' and investors' grievances/complaints. The Committee is a Board level committee comprising of the following:

Sh. Ajay Sachdeva	Chairman	Independent - Non Executive director
Sh. Satish Kumar Sharma	Member	Non Independent - Executive Director
Sh. Baldev Singh Kashtwal	Member	Independent - Non Executive Director

During the year under review, the committee met **Five** times dating 30<sup>th</sup> April, 2008, 31<sup>st</sup> July, 2008, 31<sup>st</sup> October, 2008, 31<sup>st</sup> January, 2009, 5<sup>th</sup> February, 2009. The attendance record of the members during these meetings is summarised as under:

S.No.	Name of Director	No. of Committee Meetings Attended
1.	Sh. Ajay Sachdeva	5
2.	Sh. Satish Kumar Sharma	5
3.	Sh. Baldev Singh Kashtwal	5

The Board of Directors have appointed Sh. Satish Kumar Sharma as Compliance Officer of the Company.

During the year 2008-09, the Company didn't receive any complaints from shareholders/investors. There were no complaints pending as at the end of the year. The Shareholder's/Investor Grievance are periodically reviewed by the Company.

## **4. General Body Meetings**

a) Particulars of last three Annual General Meetings:

Year	Date of Meeting	Time	Venue
2008	30 <sup>th</sup> September, 2008	11.30 A.M.	129, Transport Centre, Rohtak road, Punjabi bagh, New Delhi-110035.
2007	29 <sup>th</sup> September, 2007	11.30 A.M.	290, Vasant Enclave, Rao Tula Ram Marg, New Delhi-110057.
2006	29 <sup>th</sup> September, 2006	11.30 A.M.	290, Vasant Enclave, Rao Tula Ram Marg, New Delhi-110057.

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# BHILWARA TEX-FIN LIMITED

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The following table summarises the details of **Special Resolution** passed or not during the last three years:

S.No.	Particulars	Status	Remark
1.	Whether any special resolutions were passed at the last three Annual General Meeting	None	
2.	Whether special resolutions were put through postal ballot at the last three Annual General Meeting	None	
3.	Persons who conducted the postal ballot	N.A.	
4.	Procedure for postal ballot	N.A.	

## **5. Disclosures**

- 1) There is no materially significant related party transactions i.e. transactions of the Company of material nature with its Promoters, Directors or the Management, their subsidiaries/relatives that may have potential conflict with the interests of the Company at large.
- 2) There were no cases of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchanges, or the Securities and Exchange Board of India or any other statutory body/ authority, on any matter related to capital markets during the last three years

## **6. Means of Communication**

Half Yearly Report sent to each Shareholder	:	No
Which Newspaper normally published in	:	1) <b>The Pioneer (English)</b> 2) <b>Dainik Haribhoomi (Hindi)</b>
Any website, where published	:	None
Whether the website displays official news releases	:	No
Presentations made to institutional investors and analysts	:	No
Management Discussion and Analysis Report	:	Forms part of Annual Report

## **7. GENERAL SHAREHOLDERS INFORMATION**

### **Annual General Meeting**

<b>Date</b>	:	Wednesday, 30 <sup>th</sup> day of September, 2009.
<b>Time</b>	:	11:30 a.m.
<b>Venue</b>	:	129, Transport Centre, Rohtak Road, Punjabi Bagh, New Delhi.-110035.

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# **BHILWARA TEX-FIN LIMITED**

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## **Financial Calendar (Tentative)**

- |     |  |   |   |
|-----|--|---|---|
| (a) | Financial Year   | - | 1 <sup>st</sup> April to 31 <sup>st</sup> March |
| (b) | Results for the Quarter ended 30 <sup>th</sup> June, 2009      | - | By the end of July, 2009.                       |
| (c) | Results for the Quarter ended 30 <sup>th</sup> September, 2009 | - | By the end of October, 2009.                    |
| (d) | Results for the Quarter ended 31 <sup>st</sup> December, 2009  | - | By the end of January, 2010.                    |
| (e) | Results for the Quarter ended 31 <sup>st</sup> March, 2010     | - | by the end of April, 2010.                      |
| (f) | Annual General Meeting (Next Year)-                            |   | September 2010.                                 |

## **Date of Book closure**

From **Friday, 25<sup>th</sup> day of September, 2009** to **Wednesday, 30<sup>th</sup> September, 2009** (both days inclusive).

## **Listing on Stock Exchanges**

- **The Delhi Stock Exchange Association Limited,**  
DSE House, 3/1, Asaf Ali Road,  
New Delhi -110 002.
- **The Bombay Stock Exchange Limited,**  
25<sup>th</sup> Floor, P.J. Towers,  
Dalal Street, Mumbai- 400 001.
- **Jaipur Stock Exchange Limited**  
Stock Exchange Building, JLN Marg,  
Malviya Nagar, Jaipur – 302 017.

The Listing fees have been paid to the above Stock Exchanges for the year 2009-2010.

## **Market Price data (Highs and Lows) during the financial year**

The Company's shares are listed at Bombay Stock Exchange, Delhi Stock Exchange and Jaipur Stock Exchange but these shares were not traded during the year under review at any of these Stock Exchanges.

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# BHILWARA TEX-FIN LIMITED

129, Transport Center, Rohtak Road, Punjabi Bagh, New Delhi- 110035.

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## Share Transfer System

Request for share transfer/transmission is attended in house as well as RTA office at the following Addresses:

<b>At the office of the RTA</b>	<b>Share Transfer Office of the Company</b>
Indus Portfolio Private Limited. G – 65, Bali Nagar, New Delhi – 110 015 <b>Tel. No:</b> 011- 47671200 <b>Fax. No:</b> 91-11-25449863 <b>e-mail:</b> <a href="mailto:bharat.b@indusinvest.com">bharat.b@indusinvest.com</a>	129, Transport Center, Rohtak Road, Punjabi Bagh, New Delhi-110035. <b>Tel. No. –</b> 011- 28315036 <b>Fax. No. -</b> 011- 28315044 <b>E-mail:</b> <a href="mailto:btfl@rediffmail.com">btfl@rediffmail.com</a> 'or' <a href="mailto:info@sainik.org">info@sainik.org</a> 'or' <a href="mailto:legal.secretarial@sainikaryan.com">legal.secretarial@sainikaryan.com</a>

Share transfer requests (in physical form), on receipt by the Company are affected in approximately 30 days. The demat requests received by RTA are processed in about ten days from the date of receipt.

## Distribution of shareholding as on 31<sup>st</sup> March, 2009

<b>Nominal Value of Shares (In Rs.)</b>	<b>Shareholders</b>	<b>% to total Shareholders</b>	<b>Share Amount</b>	<b>% to total share capital</b>
UPTO - 5000	259	34.12	1176000	3.36
5001-10000	229	30.17	2067000	5.90
10001-20000	126	16.60	2148000	6.13
20001-30000	58	7.64	1525000	4.36
30001-40000	27	3.56	1049000	2.99
40001-50000	27	3.56	1336000	3.81
50001-100000	10	1.32	990000	2.83
Above 100000	23	3.03	24736000	70.62
<b>Total</b>	<b>759</b>	<b>100.00</b>	<b>3,50,27,000</b>	<b>100.00</b>

## Shareholding details as on 31.03.2009

<b>Category</b>	<b>No. of shares held</b>	<b>% to Total Shareholding</b>
Promoters	14,67,800	41.90
Institutional Investors	-	-
Mutual Funds and UTI	-	-
Banks, Financial Institutions, Insurance Companies( Central / State Institution / Non- Govt. institutions)	-	-
FII's	-	-
Private Corporate Bodies	2,81,200	08.03
Indian Public	17,53,300	50.06
NRI's/OBC	400	0.01
<b>Total</b>	<b>35,02,700</b>	<b>100%</b>

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# BHILWARA TEX-FIN LIMITED

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## Top 10 shareholders as on 31<sup>st</sup> March, 2009:

S.No.	Folio No.	Name	Shares	In %
1.	1125	SAINIK MINING & ALLIED SERVICES LIMITED	14,67,800	41.90
2.	388	ARCHANA AGARWAL	2,43,100	06.94
3.	1118	LAXMI SYNTHETICS PACKAGING PRIVATE LIMITED	82,700	02.36
4.	404	CHHOTELAL PAREKH	69,400	01.98
5.	395	USHA JHAVERI	59,500	01.70
6.	451	DHRUV CAPITAL LTD.	49,500	01.41
7.	718	SATYAM POLYTEX PVT. LTD.	49,500	01.41
8.	904	JAMANA LAL LADDHA	49,500	01.41
9.	181	DOOGAR & ASSOC. SECURITIES LTD.	49,500	01.41
10.	403	MANGAT RAM WADHWANI	39,600	01.13
<b>TOTAL</b>			<b>21,60,100</b>	<b>61.65</b>

## Dematerialisation of Securities and Details thereof:

The International Securities Identification Number (ISIN) allotted for the Company by NSDL and CDSL is **INE345H01016**. In case a member wants his shares to be dematerialized, he may send the shares along with the request through his depository participant (DP) to the Registrars, M/s Indus Portfolio Private Limited.

The Company's Registrar and Transfer Agent promptly intimate the DPs in the event of any deficiency and the shareholders are also kept informed. Pending demat requests in the records of the Depositories, if any are continually reviewed and appropriate action initiated.

As on **31<sup>st</sup> March, 2009**, **42.42%** of the total paid up capital of the Company representing **14,85,700** Equity shares of Rs 10/- each were held in dematerialised form (i.e. 14,83,700 shares (42.36%) with NSDL and 2000 share (0.06%) with CDSL) and remaining **57.58%** representing **20,17,000** equity shares of Rs. 10/- each were held in physical form.

## Address for Correspondence

### At the Registered office of the Company:

#### **Bhilwara Tex- Fin Limited**

129, Transport Centre, Punjabi Bagh, Rohtak Road,  
New Delhi-110035.

Tel. No: 011-28315036 Fax.No:011- 28315044

E-mail: [btfl@rediffmail.com](mailto:btfl@rediffmail.com) 'or' [info@sainik.org](mailto:info@sainik.org) 'or' [legal.secretarial@sainikaryan.com](mailto:legal.secretarial@sainikaryan.com)

For and on behalf of Board  
**Bhilwara Tex-Fin Limited**



**Satish Kumar Sharma**  
(Chairman)

Place: New Delhi

Date: 1<sup>st</sup> September, 2009

# **BHILWARA TEX-FIN LIMITED**

129, Transport Center, Rohtak Road, Punjabi Bagh, New Delhi- 110035.

## **Management Discussion and Analysis Report**

The Company is involved in investment activities during the financial year under review in pursuing of its main object. The graph of the company's Performance shows downward trend as witness by the finance and investment sector in general. However, the Management of the Company has taken steps to become cost effective and increase the operation of the company.

For and on behalf of Board  
**Bhilwara Tex-Fin Limited**



**Satish Kumar Sharma**  
(Chairman)

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To  
**The Members of Bhilwara Tex-Fin Limited**

We have examined the compliance of conditions of Corporate Governance by Bhilwara Tex-Fin Limited, for the year ended 31<sup>st</sup> March, 2009 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

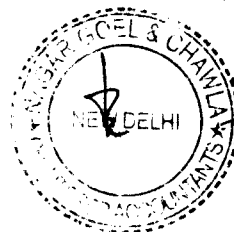
The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied in all material respects with the conditions of corporate governance as stipulated in the above mentioned Listing Agreements entered into by the said Company with the stock exchanges.

We certify that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the shareholders/ investors' Grievance Committee.

We further certify 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 Nagar Goel & Chawla**  
Chartered Accountants



*Deepak Nagar*

**(Deepak Nagar)**  
Partner

**Place : New Delhi**  
**Dated : 1<sup>st</sup> September 2009**

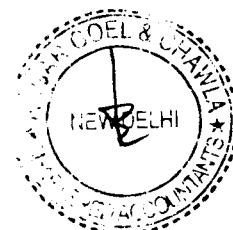


**AUDITOR'S REPORT**

The Members,

**Bhilwara Tex-Fin Limited**

1. We have audited the attached Balance Sheet of **M/s Bhilwara Tex-Fin Limited** as at 31st March 2009, the Profit & Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An Audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003, as amended by the companies (Auditor's Report) (Amendment) Order, 2004 (together the 'Order') issued by the Central Govt. of India in terms of the section (4A) of section 227 of the Companies Act, 1956, of India (the 'Act') and on the basis of such checks of the books and records of the company as we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
4. Subject to above and further to our comment in the Annexure referred to above, we report that:
  - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - ii) In our opinion, proper books of account as required by law have been kept by the company as far as appears from our examination of those books.
  - iii) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
  - iv) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting standard referred to in sub-section 3(C) of section 211 of Companies Act, 1956.
  - v) On the basis of the written representations received from the Directors, and taken on the records by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2008 from being appointed as a Director in the terms of Clause (g) of Sub-section (1) of Section 274 of the companies Act, 1956.



Cont..2

# *Nagar Goel & Chawla*

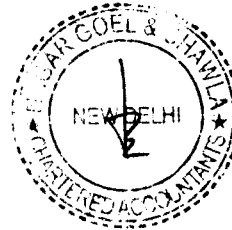
**CHARTERED ACCOUNTANTS**

M-79, 1<sup>st</sup> Floor, M-Block Central Market,  
Greater Kailash-II, New Delhi-110048  
Tel : 011-41435260, 41435261  
Fax : 91-11-41435262  
E-mail : ngcca@rediffmail.com

:: 2 ::

- vi) In our opinion and to the best of our information and according to the explanation given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting
- a) In the case of Balance Sheet of the state of affairs of the Company as at 31st March 2009,
- b) In the case of Profit & Loss Account of the Loss for the year ended 31st March 2009.
- a) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

**For Nagar Goel & Chawla**  
Chartered Accountants



*Deepak Nagar*

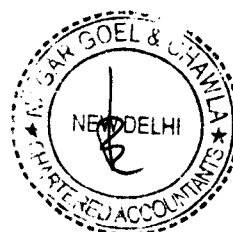
**(Deepak Nagar)**  
Partner

**Place : New Delhi**  
**Dated : 1<sup>st</sup> September 2009**

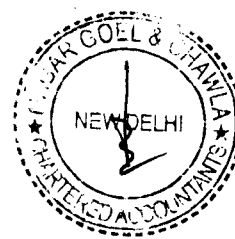
**ANNEXURE TO THE AUDITOR'S REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2009**

**Re: Bhilwara Tex-Fin Ltd.**

- 1 (a) The Company does not own any fixed assets. Hence, this clause becomes in applicable.  
  
(a) Not applicable in view of (a) above.  
  
(c) Not applicable in view of (b) above.
- 2 (a) The Inventory which comprises of Shares, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.  
  
(b) The Procedure for the physical verification of inventory followed by the management is, in our opinion, reasonable and adequate in relation to the size of the Company and nature of its business.  
  
(c) In our opinion, the Company is maintaining proper records of inventory. No discrepancies have been noticed on physical verification of inventory.
- 3 (a) The company has not given loans to any parties covered in the register maintained under section 301 of the Companies' Act, 1956.  
  
(b) In our opinion the rate of interest and other terms and condition on which loans have been given to companies, firms or other parties listed in the register maintained under section 301 are not, prima facie, prejudicial to the interest of the company.  
  
(c) The parties to whom loans have been granted have repaid the principal amounts as stipulated and have been regular in the payment of interest.  
  
(d) There is no overdue amount of loans granted to companies, firms or other parties listed in the registers maintained under section 301 of the Companies Act, 1956.  
  
(e) During the year, company has not taken loans from party covered in the register maintained under section 301 of the Companies Act, 1956.  
  
(f) In our opinion the rate of interest and other terms and conditions of loans taken by the company, secured or unsecured are not, prima facie prejudicial to the interest of the company.  
  
(g) The company is regular in repaying the principal amount as stipulated.



4. In our opinion and according to the information and explanation given to us there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regards to the sale of shares. During the courses of our audit, no major weakness has been noticed in the internal controls.
5. (a) Based upon the audit procedures applied by us and according to the information and explanation given to us, we are of the opinion, that the transactions required to be entered into the register maintained under section 301 of the Act, 1956, have been so entered.  
  
(b) In our opinion and according to the information and explanation given to us during the course of audit, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Act, 1956 and aggregating during the year Rs. 5 Lakhs or more have been made at prices which are reasonable having regard to prevailing market price, where such market prices are available.
6. The company has not accepted any deposits from the public within the meaning of section 58A and 58AA of the companies Act, 1956 and Companies (Acceptance of Deposits) Rules, 1975.
7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
8. The Company is not required to maintain the cost records under clause (d) of sub section (1) of Section 209 of the Act.
9. (a) According to the records of the company, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other statutory dues applicable to it.  
  
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty and excise duty were outstanding, as at 31st March 2009 for a period of more than six months from the date they became payable.  
  
(c) According to the records of the company, there are no dues of sales tax, income tax, custom tax / wealth tax, excise duty / cess which have not been deposited on account of any dispute.
10. In our opinion, the accumulated losses of the company are not more than fifty percent of its net worth. The company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
11. In our opinion, and according to the information and explanations given to us, the Company has not availed any loan or credit from financial institution or banks.
12. The company has not granted loans and advances on the basis of security by the way of pledge of shares, debentures and other securities.

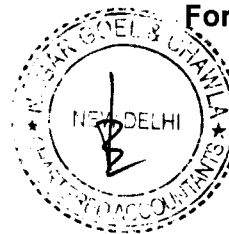


# *Nagar Goel & Chawla*

**CHARTERED ACCOUNTANTS**

M-79, 1<sup>st</sup> Floor, M-Block Central Market,  
Greater Kailash-II, New Delhi-110048  
Tel : 011-41435260, 41435261  
Fax : 91-11-41435262  
E-mail : ngcca@rediffmail.com

13. In our opinion, and to the best of our information and according to the explanations provided by the management, we are of the opinion that the company is neither a Chit Fund nor a nidhi / mutual benefit society. Hence, in our opinion, the requirements of Clause 4 (xiii) of the order do not apply to the company.
14. The company is maintaining proper records for all transaction related to dealing or trading in shares, securities, debentures and other investments. Timely entries have also been made in the said record. The shares, debentures and other securities have been held by the company in its own name except to the extent exemption u/s 49 of the Act.
15. According to the information and explanation given to us, the Company has not provided guarantee of any type for loan taken by others.
16. According to the records of the company, the company has not obtained any term loan. Hence, comments under the clause are not called for.
17. According to the information and explanation given to us, the fund raised by the company on long term basis has not been applied for short term purpose.
18. The Company has not made any preferential allotment of shares to parties covered in the register maintained under section 301 of the Act.
19. The Company has not issued debenture of any type during the financial year.
20. The company has not raised any money by public issue during the financial year.
21. Based on our examination of the books and records of the company and according to the information and explanation given to us, no fraud on or by the company has been noticed.



**For Nagar Goel & Chawla  
Chartered Accountants**

*Deepak*

**(Deepak Nagar)  
Partner**

**Place : New Delhi**

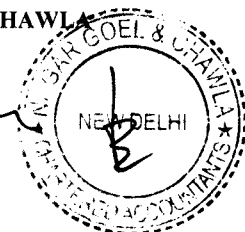
**Dated : 1<sup>st</sup> September 2009**

**BHILWARA TEX-FIN LTD.**  
BALANCE SHEET AS ON 31ST MARCH, 2009

SCHEDULE		AMOUNT	AMOUNT
		AS ON 31.3.2009	AS ON 31.3.2008
<b>SOURCES OF FUNDS</b>			
<b>Shareholders Funds</b>			
Share Capital	A	3,50,27,000.00	3,50,27,000.00
Reserves & Surplus	B	6,40,336.00	6,40,336.00
<b>Loan Funds</b>			
Unsecured Loan	C	78,000.00	78,000.00
<b>TOTAL</b>		3,57,45,336.00	3,57,45,336.00
<b>APPLICATION OF FUNDS</b>			
Investment	D	2,87,12,970.00	2,87,12,970.00
Current Assets, Loans & Advances	E	44,04,317.26	41,07,196.37
Less: Current Liabilities & Provisions	F	8,99,704.00	3,37,179.00
Net Current Assets		35,04,613.26	37,70,017.37
<b>Profit &amp; Loss Account</b>		35,27,752.74	32,62,348.63
<b>Total</b>		3,57,45,336.00	3,57,45,336.00
Significant Accounting Policies and Notes to Accounts	K	-	-

In terms of our Audit Report of Even Date  
FOR NAGAR GOEL & CHAWLA  
Chartered Accountants

*Deepak*  
(DEEPAK NAGAR)  
Partner



On Behalf of Board of Directors  
FOR BHILWARA TEX-FIN LIMITED

*Satish Kumar Sharma*  
(SATISH KUMAR SHARMA)  
Director

*Ajay Sachdeva*  
(AJAY SACHDEVA)  
Director

Place : New Delhi

Dated : 1st September 2009

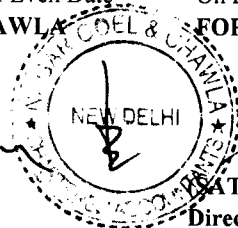
**BHILWARA TEX-FIN LTD.**  
**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009**

<u>INCOME</u>	SCHEDULE	AMOUNT AS ON 31.3.2009	AMOUNT AS ON 31.3.2008
Sales of Shares		-	7,50,000.00
Interest, Commission and Dividend	G	2,41,999.00	19,19,188.00
<b>Total</b>		<b>2,41,999.00</b>	<b>26,69,188.00</b>
 <u>EXPENDITURE</u>			
Decrease in Stock of Shares	H	-	39,50,000.00
Administrative Expenses	I	5,05,534.00	4,27,007.21
Financial Expenses	J	1,869.11	364.33
<b>Total</b>		<b>5,07,403.11</b>	<b>43,77,371.54</b>
<b>Profit (Loss) Before Taxation</b>		<b>(2,65,404.11)</b>	<b>(17,08,183.54)</b>
Less: Provision for Income Tax- Current		-	-
<b>Profit (Loss) After Taxation</b>		<b>(2,65,404.11)</b>	<b>(17,08,183.54)</b>
Add: Balance in Profit & Loss Appropriation A/c brought forward from previous year		<b>(32,62,348.63)</b>	<b>(15,54,165.09)</b>
<b>Balance Carried to Balance Sheet</b>		<b>(35,27,752.74)</b>	<b>(32,62,348.63)</b>
 <b>Earning Per Share</b>		<b>(0.08)</b>	<b>(0.49)</b>

In terms of our Audit Report of Even Date  
**FOR NAGAR GOEL & CHAWLA**  
Chartered Accountants

On Behalf of Board of Directors  
**FOR BHILWARA TEX-FIN LIMITED**

*Deepak*  
**(DEEPAK NAGAR)**  
Partner



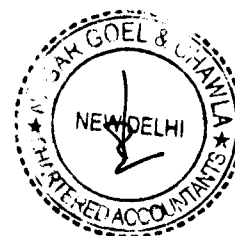
*Sharma*  
**(SATISH KUMAR SHARMA)**  
Director

*(Signature)*  
**(AJAY SACHDEVA)**  
Director

Place : New Delhi  
Dated : 1st September 2009

**BHILWARA TEX-FIN LTD.  
YEAR ENDED 31ST MARCH 2009**

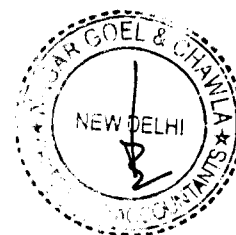
	AMOUNT (RS.) CURRENT YEAR	AMOUNT (RS.) PREVIOUS YEAR
<b>SCHEDULE 'A'</b>		
<b><u>SHARE CAPITAL</u></b>		
<b><u>Authorised Capital</u></b>		
40,00,000 Equity Shares of Rs. 10/- each	4,00,00,000.00	4,00,00,000.00
<b><u>Issued, Subscribed &amp; Paid Up Capital</u></b>		
35,02,700 equity shares of Rs. 10 /- each (Previous Year 35,02,700 equity shares of Rs. 10/- Each)	3,50,27,000.00	3,50,27,000.00
<b>Total</b>	<b>3,50,27,000.00</b>	<b>3,50,27,000.00</b>
<b>SCHEDULE 'B'</b>		
<b><u>RESERVES &amp; SURPLUS</u></b>		
<b>General Reserve</b>		
Balance as per Last Year	1,76,099.00	1,76,099.00
<b>Special Reserve Fund</b>		
Opening Balance	4,64,237.00	
Add: Transferred During the Year	-	4,64,237.00
<b>Total</b>	<b>6,40,336.00</b>	<b>6,40,336.00</b>
<b>SCHEDULE 'C'</b>		
<b><u>UNSECURED LOANS</u></b>		
Shri R.P.Baldwa	78,000.00	78,000.00
<b>Total</b>	<b>78,000.00</b>	<b>78,000.00</b>





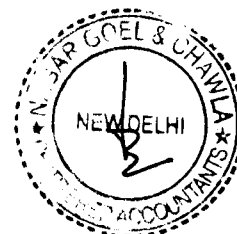
**BHILWARA TEX-FIN LTD.**  
**YEAR ENDED 31ST MARCH 2009**

	AMOUNT (RS.) CURRENT YEAR	AMOUNT (RS.) PREVIOUS YEAR
<b>SCHEDULE 'D'</b>		
<b>INVESTMENT</b>		
<b>Long Term Investment in Unquoted Securities of Government</b>		
1067 Equity Shares of Sainik Mining & Allied Services Ltd.	2,87,12,970.00	2,87,12,970.00
<b>Total</b>	<b>2,87,12,970.00</b>	<b>2,87,12,970.00</b>
<b>SCHEDULE 'E'</b>		
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>		
<b>A. CURRENT ASSETS</b>		
i) Sundry Debtors		
(Unsecured but Considered Good)		
More than Six Month Old	6,51,500.00	
Less than Six Month Old	-	6,51,500.00
ii) Cash in hand	10,354.00	20,003.00
iii) Balance with Scheduled banks:		
a) In Current Account	29,19,195.26	19,84,946.37
b) In Equity Shares Application Refund Payable Account	-	480.00
<b>Total A</b>	<b>35,81,049.26</b>	<b>26,56,929.37</b>
<b>B. LOANS &amp; ADVANCES</b>		
(Unsecured but Considered Good)		
Deposit at Jaipur Stock Exchange	-	1,22,500.00
Prepaid Expenses	10,113.00	-
<b>Advance Income Tax &amp; TDS:</b>		
AY 2007-08	5,31,069.00	
AY 2008-09	2,38,695.00	
AY 2009-10	40,330.00	13,24,706.00
<b>Fringe Benefit Tax</b>		
AY 2007-08	3,061.00	3,061.00
<b>Total B</b>	<b>8,23,268.00</b>	<b>14,50,267.00</b>
<b>Total A+B</b>	<b>44,04,317.26</b>	<b>41,07,196.37</b>



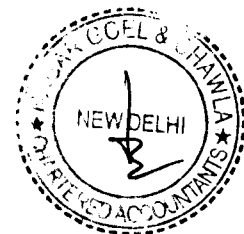
**BHILWARA TEX-FIN LTD.**  
**YEAR ENDED 31ST MARCH 2009**

	AMOUNT (RS.) CURRENT YEAR	AMOUNT (RS.) PREVIOUS YEAR
<b>SCHEDULE 'F'</b>		
<b><u>CURRENT LIABILITIES &amp; PROVISIONS</u></b>		
<b><u>A. Current Liabilities</u></b>		
Sundry Creditors	22,448.00	22,448.00
<u>Expenses Payable</u>		
Audit Fees Payable	49,469.00	50,515.00
TDS Payable (Professional)	5,681.00	5,665.00
Other Expenses	-	480.00
Excess Income Tax Refund Received AY 2006-07	5,89,910.00	-
<b>Total A</b>	<b>6,67,508.00</b>	<b>79,108.00</b>
<b><u>B. Provisions</u></b>		
<u>Provision for Income Tax</u>		
A.Y. 2006-07	-	25,875.00
A.Y. 2007-08	2,29,371.00	2,29,371.00
<u>Provision for Fringe Benefit Tax</u>		
A.Y. 2007-08	2,825.00	2,825.00
<b>Total B</b>	<b>2,32,196.00</b>	<b>2,58,071.00</b>
<b>Total A+B</b>	<b>8,99,704.00</b>	<b>3,37,179.00</b>



**BHILWARA TEX-FIN LTD.**  
**YEAR ENDED 31ST MARCH 2009**

	AMOUNT (RS.) CURRENT YEAR	AMOUNT (RS.) PREVIOUS YEAR
<b>SCHEDULE 'G'</b>		
<b><u>INTEREST, COMMISSION &amp; DIVIDEND</u></b>		
Interest on Loans & Advances	1,77,972.00	-
Commission	-	18,75,000.00
Interest on Income Tax refund	63,493.00	44,188.00
Dividend Income	534.00	-
<b>Total</b>	<b>2,41,999.00</b>	<b>19,19,188.00</b>
<b>SCHEDULE 'H'</b>		
<b><u>DECREASE IN STOCK OF SHARES</u></b>		
Opening Stock of Shares	-	39,50,000.00
Less: Closing Stock of Shares	-	-
Decrease in Stock of Shares	-	<b>39,50,000.00</b>
<b>SCHEDULE 'I'</b>		
<b><u>ADMINISTRATIVE EXPENSES</u></b>		
Salaries & Wages	75,000.00	36,000.00
Directors Remuneration	-	1,20,000.00
Sitting Fees	15,000.00	15,000.00
Printing & Stationary	12,067.00	601.00
Postage & Telegram	10,178.00	5,097.00
Advertisement	79,785.00	63,698.00
Office Rent	-	36,000.00
Filing Fees	2,000.00	4,668.00
Misc. Expenses	30,180.00	23,686.21
Bad Debts Written Off	-	16,048.00
Auditors Remuneration	55,150.00	56,180.00
Rate Fees & taxes	12,583.00	50.00
Listing Fees	1,98,841.00	40,289.00
Legal & Professional Expenses	14,750.00	9,690.00
<b>Total</b>	<b>5,05,534.00</b>	<b>4,27,007.21</b>
<b>SCHEDULE 'J'</b>		
<b><u>FINANCIAL EXPENSES</u></b>		
Bank Charges	1,869.11	364.33
<b>Total</b>	<b>1,869.11</b>	<b>364.33</b>



# BHILWARA TEX-FIN LIMITED

129, TRANSPORT CENTRE, PUNJABI BAGH, ROHTAK ROAD, NEW DELHI-110055

## SCHEDULE – K

### SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS (Forming Part of Balance Sheet as at 31<sup>st</sup> March, 2009)

#### A. SIGNIFICANT ACCOUNTING POLICIES

##### 1. SYSTEM OF ACCOUNTING

The financial statement are prepared under the historical cost convention on an accrual basis and are in accordance with the requirement of the companies Act, 1956

##### 2. REVENUE RECOGNITION

- a) Interest income is recognized on accrual basis except in case of nonperforming assets where it is recognized upon realization as per RBI Guidelines.
- b) Penal interest is recognized as income on realization.
- c) Dividend income is accounted on an accrual basis when the company's right to receive the dividend is established.

##### 3. STOCK IN TRADE

Stock of Shares are Valued at lower of cost or Market Value.

##### 4. INVESTMENTS

- a) The investments (other than those held as stock in trade) are categorized into "Current" and "Long Term" investment.
- b) Current investments are carried at lower of cost or market value. Long term Investments are valued at cost less provision for permanent diminution in value.

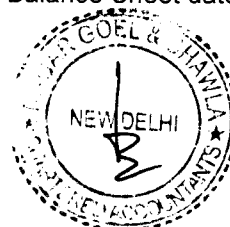
##### 5. FIXED ASSETS

- a) The company has no fixed assets.

##### 6. TAXATION

Income Taxes are accounted for in accordance with Accounting Standard 22 on "Accounting for Taxes on Income" (AS-22) issued by the Institute of Chartered Accountants of India. Tax expenses comprise both current and deferred tax.

Current Tax is determined as the amount of tax payable in respect of taxable income for the period using the applicable tax rates and tax laws. Deferred tax assets and liabilities are recognized, subject to consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income, that originate in one period and are capable of reversal in one or more subsequent periods and are measured using tax rates enacted or substantively enacted as at the Balance Sheet date. The carrying amount of deferred tax assets and liabilities are reviewed at each Balance Sheet date.



## B. NOTES TO ACCOUNTS

1. Foreign Currency converted into Indian Rupee is Nil.
2. Contingent Liability is Nil. (Previous Year Nil).
3. a) No provision for gratuity has been made as no employee has put in the qualifying period of service for entitlement of this benefit.  
b) No provision for bonus has been made, as the company is not covered under the payment of Bonus Act.
4. Debit balances of debtors are subjected to confirmation and reconciliation form respective parties. The final adjustment, if any, in the account of parties shall be known only after confirmation / reconciliation, the amount of which could not be ascertained.
5. In compliance of Sec. 45 IC of the Reserve Bank of India Act, 1934, the company has transferred a sum of Rs. Nil to Special reserve Fund. The reserve fund so created is available for utilization for specified purposes as may be prescribed by the Reserve Bank from time to time.

6. Auditors' Remuneration:

<b>Particulars</b>	<b>2008-2009</b>	<b>2007-2008</b>
i) Audit Fee	50000.00	50000.00
ii) Service Tax	5150.00	6180.00
<b>Total</b>	<b>55150.00</b>	<b>56180.00</b>

7. Remuneration and perquisites to the directors is Rs. Nil, (Previous Year 1,20,000/-)
8. There are certain parties to whom advances in the nature of loans have been given by the company. As per management, principal and interest thereon is recoverable at a later date as per stipulations made with respective parties. As such, interest income is accounted for on yearly basis, but their recovery is deferred to a later date.
9. Disclosure in respect of related party transaction in accordance with Accounting Standard 18 issued by the institute of Chartered Accountants of India and effective from 1<sup>st</sup> April, 2001 is given below:

<u>Particulars</u>	<u>Relative Key Management Personnel</u>	<u>Key Management Personnel</u>
a) Rent of office paid to Dr. S. L. Baldwa (Being relative of 3 Directors)	Rs. Nil (Previous Year Rs. 36,000.00)	-----
b) Remuneration of Director Sh. R.P. Baldwa	-----	Rs. Nil (Previous Year Rs. 1,20,000.00)
c) Sitting Fees Paid to Directors (Mr. Ashok Arora, Mr. Baldev Singh & Mr. Ajay Sachdeva)	-----	Rs. 15,000.00 (Previous Year Rs.15,000)
d) Loan from Director repaid during the year	-----	Rs. Nil (Previous Year Rs.646000/-)
e) Sale of Shares to Director during the year	-----	Rs. Nil (Previous Year Rs.750000)



10. Segment Reporting

The Company operates in one segment only namely Finance & Investment and related consultancy. Therefore, information about segment reporting in line with AS – 17 of ICAI has not been given.

11. Earning Per Share

Particulars	2008-2009	2007-2008
Profit/(Loss) After Taxation as per Profit & Loss Account	(2,65,404)	(17,08,183)
Number of Equity shares outstanding	35,02,700	35,02,700
<b>Basic and Diluted Earnings per shares In rupees (Face value Rs. 10 per shares)</b>	<b>(0.08)</b>	<b>(0.49)</b>

12. Previous years figures have been regrouped and rearranged wherever necessary.

13. Additional information pursuant to the provision of paragraphs 3, 4C & 4D of part II of schedule VI of the companies Act, 1956.

a) Particulars in respect of the opening Stock, Purchases, Sales & Closing Stock

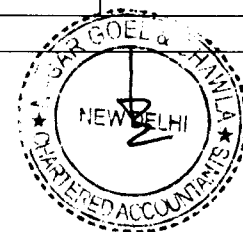
Particulars	2008-2009	2007-2008
Opening Stock of Shares	Nil	Rs. 39,50,000.00 (5,30,000 Units)
Purchases	Nil	Nil
Sales	Nil	Rs. 7,50,000.00 (5,30,000 Units)
Closing Stock	Nil	Nil

- b) CIF Value of Import of Raw Materials Components, Spare parts & Capital goods: Nil
- c) Expenditure in Foreign Currency: Nil
- d) Remittance in Foreign Currency: Nil
- e) Earning in Foreign currency: Nil  
(CIF Value in Exports)

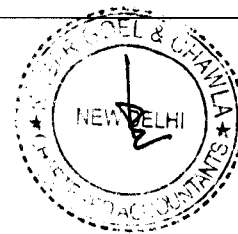
14. Schedule in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007

(in Lakhs)

Particulars			
<b>Liabilities side :</b>			
(1)	<b>Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid :</b>	Amount out-standing-	Amount overdue
	(a) Debentures : Secured	Nil	Nil
	: Unsecured	Nil	Nil
	(other than falling within the meaning of public deposits*)	Nil	Nil
	(b) Deferred Credits	Nil	Nil
	(c) Term Loans	Nil	Nil
	(d) Inter-corporate loans and borrowing	Nil	Nil
	(e) Commercial Paper	Nil	Nil
	(f) Other Loans (Non Convertible Debenture-Application Money)	0.78	Nil
	* Please see Note 1 below		
<b>Assets side :</b>			



		Amount outstanding
(2)	<b>Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:</b> (a) Secured (b) Unsecured	Nil 8.23
(3)	<b>Break up of Leased Assets and stock on hire and other Assets counting towards AFC activities.</b>	
	(i) <b>Lease assets including lease rentals under sundry debtors :</b> (a) Financial lease (b) Operating lease (ii) <b>Stock on hire including hire charges under sundry debtors:</b> (a) Assets on hire (b) Repossessed Assets (iii) <b>Other loans towards AFC activities</b> (a) Loans where assets have been repossessed (b) Loans other than (a) above	Nil Nil Nil Nil Nil Nil
(4)	<b>Break-up of Investments :</b> <b>Current Investments :</b> 1. Quoted (i) Shares : (a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (please specify)  2. Unquoted : (i) Shares :(a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (Please specify)  <b>Long Term investments :</b> 1. Quoted : (i) Share : (a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (Please specify)  2. Unquoted : (i) Shares : (a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (Please specify)	Nil Nil Nil Nil Nil Nil  Nil Nil Nil Nil Nil Nil  Nil Nil Nil Nil Nil Nil  287.13 Nil Nil Nil Nil Nil
(5)	<b>Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances :</b> Please see Note 2 below	
	Category	Amount net of provisions



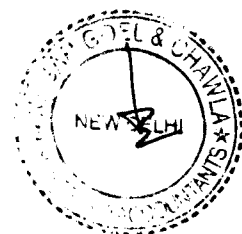
		Secured	Unsecured	Total
	1. Related Parties **			
	(a) Subsidiaries	Nil	Nil	Nil
	(b) Companies in the same group	Nil	Nil	Nil
	(c) Other related parties	Nil	Nil	Nil
	2. Other than related parties	Nil	8.23	8.23
	Total	Nil	8.23	8.23
(6)	<b>Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):</b> Please see note 3 below			
	Category	Market Value / Break up or fair value or NAV		Book Value (Net of Provisions)
	1. Related Parties **			
	(a) Subsidiaries	Nil		Nil
	(b) Companies in the same group	287.13		287.13
	(c) Other related parties	Nil		Nil
	2. Other than related parties	Nil		Nil
	Total	287.13		287.13

\*\* As per Accounting Standard of ICAI (Please see Note 3)

(7)	Other information		
	Particulars		Amount
	(i)	Gross Non-Performing Assets	
		(a) Related parties	Nil
		Other than related parties	Nil
	(ii)	Net Non-Performing Assets	
		(a) Related parties	Nil
		(b) Other than related parties	Nil
	(iii)	Assets acquired in satisfaction of debt	Nil

**Notes:**

- 1) As defined in Paragraph 2(1) (xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- 2) Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007.
- 3) All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (4) above.
15. None of the employees of the company was in receipt of remuneration exceeding Rs. 2,00,000/- per month where employed for part of the year or Rs.24,00,000/- p.a. where employed throughout the year.
16. The Requirements of Accounting Standard (AS29) – "Provisions, Contingent Liabilities and Contingent Assets" have been compiled while compiling the accounts.
17. Balance Sheet abstract & general business profile of the company pursuant to Part IV of Schedule VI of Companies Act, 1956 are given in the annexure attached to the notes to accounts





**Balance Sheet Abstract and Company's General Business Profile**

**i) Registration Details**

<b>Registration No.</b>	09037
<b>State Code</b>	55
<b>Balance Sheet Date</b>	31/03/2009

**ii) Capital Raised During the year (Amount in Rs. Thousand)**

Public Issue	Nil
Nil	Nil
Bonus Share	Nil
Nil	Nil

**iii) Position of Mobilisation and Deployment of funds (Amount in Rs. Thousand)**

<b>Total Liabilities</b>	<b>Total Assets</b>
35745	35745

**SOURCE OF FUNDS**

<b>Paid Up Capital</b>	<b>Reserve &amp; Surplus</b>
35027	640
<b>Secured Loans</b>	<b>Unsecured Loans</b>
Nil	78
<b>Deferred Tax Liability</b>	Nil

**APPLICATION OF FUNDS**

<b>Net Fixed Assets</b>	<b>Investments</b>
NIL	28713
<b>Net Current Assets</b>	<b>Misc. Expenditure</b>
3505	NIL
<b>Accumulated Losses</b>	3527

**iv) Performance of Company (Amount in Rs. Thousand)**

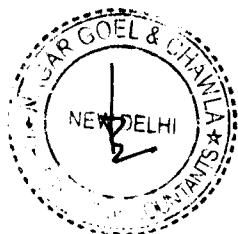
<b>Turnover</b>	<b>Total Expenditure</b>
242	507
<b>Profit /(Loss) Before Tax</b>	<b>Profit /(Loss) After Tax</b>
(265)	(265)
<b>Earning Per share in Rs.</b>	<b>Dividend Rate %</b>
(0.08)	Nil

**v) Generic Name of Three Principal Product/Services of Company (As per Monetary terms): NA**

18. Schedule A to K Annexed herewith forms integral part of Balance Sheet and Profit & Loss Accounts.

As per our Audit Report of Even Date Attached  
For NAGAR GOEL & CHAWLA  
Chartered Accountants

*Deepak Nagar*  
(DEEPAK NAGAR)  
Partner



On behalf of Board of Directors  
FOR BHILWARA TEX-FIN LIMITED

*Satish Kr Sharma*  
(SATISH KR SHARMA)  
(Director)

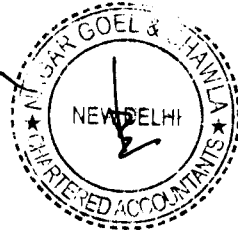

*Ajay Sachdeva*  
(AJAY SACHDEVA)  
(Director)


Place: New Delhi  
Dated: 1<sup>st</sup> September, 2009

**BHILWARA TEX-FIN LTD.****Cash Flow Statement**

For the year ended on 31.03.2009

PARTICULARS	Current Years Figure	Prvious Year's Figure
<b>A) CASH FROM OPERATING ACTIVITIES:-</b>		
Net profit before tax and extraordinary items Adjustments for Bad Debts Written/Off	(2,65,404.11)	(17,08,183.54)
<b>Operating profit before working capital changes-</b>	<b>(2,65,404.11)</b>	<b>(16,92,135.54)</b>
Adjustments for changes in Working capital :-		
Decrease in Inventory	-	39,50,000.00
Decrease in Loans and Advances	6,26,999.00	1,34,408.00
Increase in Current Liab. & Provisions	5,62,525.00	(35,835.00)
<b>Cash generated from operations-</b>	<b>9,24,119.89</b>	<b>23,56,437.46</b>
Direct taxes paid	-	-
<b>CASH FLOW BEFORE EXTRAORDINARY ITEMS:-</b>	<b>9,24,119.89</b>	<b>23,56,437.46</b>
Extraordinary items	-	-
<b>Net Cash used in operating activities (A)</b>	<b>9,24,119.89</b>	<b>23,56,437.46</b>
<b>B) CASH FROM INVESTING ACTIVITIES :</b>		
Net Cash from investing activities (B)	-	-
<b>C) CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Short Term Loans Repaid	-	(6,46,000.00)
<b>Net cash generated from financing activities (C)</b>	<b>-</b>	<b>(6,46,000.00)</b>
<b>Net increase/ decrease in cash and cash equivalents (A+B+C)</b>	<b>9,24,119.89</b>	<b>17,10,437.46</b>
<b>Cash and cash equivalents as at 31.03.2008 (Opening Balance)</b>	<b>20,05,429.37</b>	<b>2,94,991.91</b>
<b>Cash and cash equivalents as at 31.03.2009 (Closing Balance)</b>	<b>29,29,549.26</b>	<b>20,05,429.37</b>

FOR NAGAR GOEL & CHAWLA  
Chartered Accountants
  
 (DEEPAK NAGAR)  
Partner
On Behalf of Board of Directors  
FOR BHILWARA TEX-FIN LTD.
  
 (SATISH KUMAR SHARMA)  
Director

  
 (AJAY SACHDEVA)  
Director
Place : New Delhi  
Dated : 1st September 2009

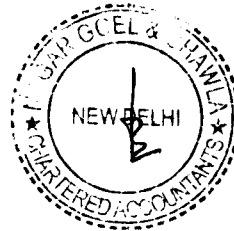
# *Nagar Goel & Chawla*

**CHARTERED ACCOUNTANTS**

M-79, 1<sup>st</sup> Floor, M-Block Central Market,  
Greater Kailash-II, New Delhi-110048  
Tel : 011-41435260, 41435261  
Fax : 91-11-41435262  
E-mail : ngcca@rediffmail.com

The Board of Directors  
**M/s Bhilwara Tex-Fin Limited**  
New Delhi

We have examined the above cash flow statement of **Bhilwara Tex-Fin Limited** for the year ended 31st March 2009. The statement has been prepared by the company in accordance with the requirement of the listing agreement under Clause 32 with Stock Exchanges and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the company covered by our report of even date to the members of the company.



**For Nagar Goel & Chawla**  
Chartered Accountants

A handwritten signature in black ink, appearing to read 'Deepak Nagar'.

**(Deepak Nagar)**  
Partner

**Place : New Delhi**  
**Dated : 1<sup>st</sup> September 2009**