

# BHILWARA TEX-FIN LIMITED

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

Telephone No - 011- 28315036 ; Fax No - 011-2831504

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## NOTICE


Notice is hereby given that the **16<sup>th</sup> Annual General Meeting** of the Company shall be held on **Thursday, 30<sup>th</sup> day of September, 2010 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 2010 and Profit & Loss Account of the Company for the period from 1<sup>st</sup> April, 2009 to 31<sup>st</sup> March 2010 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. Satish Kumar Sharma**, who retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.
4. To appoint a Director in place of **Sh. Rajendra Prasad Baldwa**, who retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for reappointment.
5. To appoint Statutory Auditors and to fix their remuneration and to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution in this regard:

**"RESOLVED THAT M/s Nagar Goel & Chawla**, Chartered Accountants, New Delhi, retiring Statutory Auditors of the Company, being eligible for re-appointment and offer themselves for re-appointment, be and are hereby re-appointed as Statutory Auditors of the Company, to hold office as such from the date of conclusion of the ensuing Annual General Meeting till the date of conclusion of the next Annual General Meeting on such remuneration as mutually agreed by the Board and the Statutory Auditors.

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

  
**(Satish Kumar Sharma)  
Chairman**

**Place: New Delhi  
Date: 4<sup>th</sup> September, 2010**

### 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.**

**Cont. 2/-**

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- 3 Annual report has been sent to all members and members are requested to bring their copy of the Report 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 Register of Members and Share Transfer Book of the Company shall remain closed from **Friday, 24<sup>th</sup> September, 2010 to Thursday, 30<sup>th</sup> September, 2010** (both days inclusive) for the purpose of Annual General Meeting.

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

**a) Sh. Satish Kumar Sharma**

Sh. Satish Kumar Sharma is an Associate Member of The Institute of Company Secretaries of India and a Law Graduate. He has in - depth knowledge in the field of legal and finance. He is fully conversant with the working of the NBFC & has extensive knowledge of the Financial Markets as well. He has been associated with the Company for the last 5 years.

Now, as per Section 255 & 256 of the Companies Act, 1956, the person who's longest in the office is liable to retire by rotation and hence is liable to retire by rotation and he has offered himself for being re-appointed.

As on date, his shareholding is nil in the Company.

Apart from this Company, Sh. Satish Kumar Sharma is also Director on Board and member of Committees of the following Public Limited Companies or Subsidiary of Public Limited Companies:-

<b>Name of the Public Companies / Subsidiaries of Public Companies in which he is a Director.</b>	<b>Name of Committees constituted in the respective Company</b>	<b>Chairman / Member</b>
Uttaranchal Finance Limited	Audit Committee	Chairman
	Shareholders/ Investors Committee	Member
Bhandari Consultancy and Finance Limited	Audit Committee	Chairman
	Shareholders/ Investors Committee	Member
Pragati Vanijaya Limited	Audit Committee	
	Shareholders/ Investors Committee	
Spectrum Power Generation Limited	NIL	N.A.
Parnami Habitat Developers Limited	Audit Committee	Member
	Shareholders/ Investors Committee	Chairman

**b) Sh. Rajendra Prasad Baldawa**

Sh. Rajendra Prasad Baldawa is a professionally qualified and a promoter director of the Company. He is a member of The Institute of Chartered Accountants of India. He has been on the Board of the Company since 1994. He has in-depth knowledge in the field of Capital Market, Investment Portfolio and Financing & Leasing. As on date, Sh. Rajendra Prasad Baldwa does not hold any shares of the Company.

Now, as per Section 255 & 256 of the Companies Act, 1956, the person who's longest in the office is liable to retire by rotation and hence is liable to retire by rotation and he has offered himself for being re-appointed.

As on date, his shareholding is nil in the Company.

Apart from the Company, Sh. Rajendra Prasad Baldwa is Director in 1 other Public Limited Company. Presently, he is neither a member nor Chairman of any of the Committees of the Board.

# BHILWARA TEX-FIN LIMITED

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

Telephone No - 011- 28315036; Fax No – 011-28315044

## DIRECTORS' REPORT

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

Your directors have pleasure in presenting their 16<sup>th</sup> Annual Report together with the Audited Statement of Accounts for the year ended on 31<sup>st</sup> March 2010.

### 1. FINANCIAL RESULTS

(In Rs.)

Particulars		2009-10	2008-09
	Income	2,15,821.00	2,41,999.00
Less:	Total Expenditure	3,02,800.59	5,07,403.11
	Net Profit/(Loss) before Tax & Depreciation (PBDT)	(86,979.59)	(2,65,404.11)
Less:	Depreciation	-	-
	Net Profit/(Loss) after Depreciation before Tax (PBT)	(86,979.59)	(2,65,404.11)
Less:	Provision for Income Tax-Current	9,506.39	-
	Provision for Income Tax- Deferred	-	-
	Provision for Fringe Benefit Tax	-	-
	<b>Profit after Tax</b>	<b>(96,485.98)</b>	<b>(2,65,404.11)</b>
Less:	Transfer to Special Reserve Fund	-	-
Add:	Balance brought forward from Previous Year	(35,27,752.74)	(32,62,348.63)
	Balance carried forward to the Balance Sheet	(36,24,238.72)	(35,27,752.74)

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, 2010.

### 3. DIRECTORS

**Sh. Satish Kumar Sharma** and **Sh. Rajendra Prasad Baldwa**, Directors of the Company retire by rotation and being eligible, has offered themselves for re-appointment. Your directors recommend their re-appointment subject to retirement 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 45-1(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.

Contd.2/-

## **5. AUDITORS REPORT**

The Report of Auditors' on Annual Accounts of the Company for the year ended on 31<sup>st</sup> March, 2010 is self explanatory. Hence, no explanation is required to be given.

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

M/s Nagar Goel & Chawla, Chartered Accountants, New Delhi, retiring Statutory Auditors of the company 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) of the Companies Act 1956, confirming their eligibility for re-appointment. You directors recommend their re-appointment for the period commencing from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company.

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

The provisions 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, 2010, 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**

A Report on Corporate Governance, as required under Clause 49 of the Listing Agreement, is annexed herewith.

**Contd. 3/-**

## 11. SECRETARIAL COMPLIANCE CERTIFICATE:

The Secretarial Compliance Certificate, pursuant to proviso to sub-section (1) of section 383A of the Companies Act, 1956 is received, considered and the same is annexed herewith.

## 12. LISTING OF SHARES

Presently the Equity Shares of the Company are listed on Bombay Stock Exchange and Delhi Stock Exchange. Listing fees for the financial year 2010-11 has been paid by the Company to all the Stock Exchanges. The Company has filed applications for voluntary delisting of its equity shares to Delhi Stock Exchange Limited and Jaipur Stock Exchange Limited on 14<sup>th</sup> December, 2009. During the year under review, the Company has received approval for Voluntary Delisting of the Securities from Jaipur Stock Exchange Limited vide its letter ref. No. JSEL/2010/500 dated 4<sup>th</sup> March, 2010. However, the application for Voluntary Delisting of securities with Delhi Stock Exchange is still pending.

## 13. 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  
Date: 4<sup>th</sup> September, 2010

# BHILWARA TEX-FIN LIMITED

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Telephone No - 011- 28315036 ; Fax No – 011-28315044

## **Corporate Governance Report**

**(for the year ended 31<sup>st</sup> March, 2010)**

*“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 candour; 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**

#### **2.1 Composition of the 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.

The composition of the Board of Directors as on date is as follows:

<b>NAME OF DIRECTOR</b>	<b>CATEGORY</b>
Mr. Rajendra Prasad Baldwa	Promoter - Executive Director
Mr. Satish Kumar Sharma	Non-Independent - Executive Director
Mr. Ajay Sachdeva	Independent Non-Executive Director
Mr. Baldev Singh Kashthwal	Independent Non-Executive Director

**Contd.2/-**

**:2:**

Sh. Satish Kumar Sharma, Director of the Company acts as Chairman at the Board Meetings and at the General Meetings of the Company. He is also the Compliance Officer of the Company.

None of the Director 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.

## 2.2 Number of Board Meetings

As against the requirement of holding one meeting every three months and at least four such meeting in every year under section 285 of the Companies Act, 1956, the Board of director of the Company met **Twelve** times on i.e. **1<sup>st</sup> April 2009, 30<sup>th</sup> April, 2009, 18<sup>th</sup> May, 2009, 31<sup>st</sup> July, 2009, 20<sup>th</sup> August, 2009, 1<sup>st</sup> September, 2009, 8<sup>th</sup> October, 2009, 31<sup>st</sup> October, 2009, 20<sup>th</sup> November, 2009, 2<sup>nd</sup> December, 2009, 31<sup>st</sup> January, 2010 and 31<sup>st</sup> March, 2010** during the year under review. The time gap between two meetings was not more than four months as stipulated in clause 49 of the listing agreement.

## 2.3 Attendance record of Directors at Board Meeting and Annual General Meeting and number of other Directorships / Committee memberships / Chairmanships.

Attendance of each Director at Board Meetings and at the last Annual General Meeting held during the year 2009 - 2010 and number of other Directorship / Committee Memberships / Chairmanships of each director is given below:

NAME OF DIRECTOR	ATTENDANCE DETAILS		NUMBER OF OTHER COMPANIES IN WHICH DIRECTOR*	OTHER COMMITTEES OF WHICH	
	BOARD MEETING	AGM HELD ON 30-09-09		CHAIRMAN	MEMBER
Mr. Rajendra Prasad Baldwa	-	No	-	--	--
Mr. Satish Kumar Sharma	12	YES	05	03	03
Mr. Ajay Sachdeva	12	YES	-	1	1
Mr. Baldev Singh Kashthwal	12	NO	1	1	1

\*Excluding directorship in Private Limited Companies.

## 2.4 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.

**Contd. 3/-**



### 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.

#### 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.

The Audit Committee as on report date i.e. 31<sup>st</sup> March, 2010 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 under review i.e. 2009-10, Audit Committee met **5 (Five) times**. The attendance record of the members during these meetings is set down below:-

Date of Meeting	Sh. Satish Kumar Sharma	Sh. Ajay Sachdeva	Sh. Baldev Singh Kashtwal
30-04-2009	YES	YES	YES
31-07-2009	YES	YES	YES
01-09-2009	YES	YES	YES
31-10-2009	YES	YES	YES
30-01-2010	YES	YES	YES

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

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### 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.

### 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 members:

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 i.e. 2009-10, the Share Transfer & Shareholder's / Investor's Grievance Committee met **5 (Five)** times. The attendance record of the members during these meetings is summarised as under:

Date of Meeting	Sh. Satish Kumar Sharma	Sh. Ajay Sachdeva	Sh. Baldev Singh Kashtwal
30-04-2009	YES	YES	YES
31-07-2009	YES	YES	YES
31-10-2009	YES	YES	YES
05-11-2009	YES	YES	YES
30-01-2010	YES	YES	YES

The details of queries/ complaints received from shares holders, status thereof etc. are summarised as under during the year under review:

SR. No.	Particulars	Status	Remark
1.	Number of queries/complaints received from shareholders/ investors from April 01, 2009 to March 31, 2010 regarding non-receipt of dividend/ interest warrants, non-receipt of shares sent for transfer etc	NIL	
2.	Number of queries/complaints not attended	N.A.	
3.	Number of request of Share Transfer / Transmission received during the year	1	
4.	Number of Share Transfer cases done during the year.	1	
5.	Number of Share Transfer pending during the year.	NIL	

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## 4. General Body Meetings

### 4.1 Particulars of last three Annual General Meetings:

Year	Date of Meeting	Time	Venue
2009	30 <sup>th</sup> September, 2009	11.30 A.M.	129, Transport Centre, Rohtak Road, Punjabi Bagh, New Delhi -110035.
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.

### 4.2 Details of Special Resolution, if any passed during the year under review: The following table summarises the details of Special Resolution passed or not during the last three years:

SR. 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	:	<b>1) The Pioneer (English)</b> <b>2) 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

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## **7. GENERAL SHAREHOLDERS INFORMATION**

### **7.1 Annual General Meeting:**

<b>Day &amp; Date of AGM</b>	<b>: Thursday, 30<sup>th</sup> day of September, 2010.</b>
<b>Time</b>	<b>: 11:30 a.m.</b>
<b>Venue</b>	<b>: 129, Transport Centre, Rohtak Road, Punjabi Bagh, New Delhi -110035.</b>

### **7.2 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, 2010	-	By the end of July, 2010.
	30 <sup>th</sup> September, 2010	-	By the end of October, 2010.
	31 <sup>st</sup> December, 2010	-	By the end of January, 2011
	31 <sup>st</sup> March, 2011	-	By the end of April, 2011.
(c)	Annual General Meeting (Next Year)-		September 2011.

### **7.3 Date of Book closure:**

From **Friday, 24<sup>th</sup> day of September, 2010** to **Thursday, 30<sup>th</sup> day of September, 2010** (both days inclusive).

### **7.4 Listing on Stock Exchanges:**

- **The Delhi Stock Exchange 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.

**The Listing fees have been paid to the above Stock Exchanges for the year 2010-2011.**

#### **Note:**

The Company has filed applications for voluntary delisting of its equity shares to Delhi Stock Exchange Limited and Jaipur Stock Exchange Limited on 14<sup>th</sup> December, 2009. During the year under review, the Company has received approval for Voluntary Delisting of the Securities from Jaipur Stock Exchange Limited vide its letter ref. No. JSEL/2010/500 dated 4<sup>th</sup> March, 2010. However, the application for Voluntary Delisting of securities with Delhi Stock Exchange is still pending.

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

The Company's shares are listed at Bombay Stock Exchange and Delhi Stock Exchange.

### Stock Exchange Code

For Bombay Stock Exchange - 530879

Market Price data (as traded in the Bombay Stock Exchange Limited) during the year under report.

Month	High (Rs.)	Low (Rs.)	Month	High (Rs.)	Low (Rs.)
April, 2009	Nil	Nil	Oct., 2009	8.49	7.00
May, 2009	Nil	Nil	Nov., 2009	10.81	8.91
June, 2009	Nil	Nil	Dec., 2009	18.37	11.35
July, 2009	5.50	5.50	Jan., 2010	25.50	19.25
Aug., 2009	6.36	5.77	Feb., 2010	24.20	23.05
Sept., 2009	6.67	6.67	Mar., 2010	26.65	23.00

## 7.6 Share Transfer System:

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

At the office of the RTA	Share Transfer Office of the Company
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 (thirty) days. The demat requests received by RTA are processed in about 10(ten) days from the date of receipt.

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### 7.7 Distribution of shareholding as on 31<sup>st</sup> March, 2010:

Category wise shareholding (in shares)	Number of Shareholders	% to total Shareholders	Number of Share held	% to total share capital
UPTO - 500	258	34.04	116200	3.32
501-1000	227	29.95	204700	5.84
1001-5000	240	31.66	609200	17.39
5001-10000	10	01.32	99000	2.83
10001-20000	5	00.66	88200	2.52
20001-30000	8	1.05	225300	6.43
30001-40000	1	0.13	39600	1.13
40001-50000	4	0.53	198000	5.65
50001-100000	3	0.40	211600	6.04
Above 100000	2	0.26	1710900	48.85
<b>Total</b>	<b>758</b>	<b>100.00</b>	<b>35,02,700</b>	<b>100.00</b>

### 7.8 Shareholding details as on 31<sup>st</sup> March, 2010:

Category	No. of shares held	% to Total Shareholding
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	2,83,600	08.10
Indian Public	17,50,900	49.99
NRIs/OBC	400	0.01
<b>Total</b>	<b>35,02,700</b>	<b>100%</b>

### 7.9 Top 10 shareholders as on 31<sup>st</sup> March, 2010:

Sr. 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 PVT. 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>

Contd. 9/-

## **7.10 - 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, 2010**, **42.54%** of the total paid up capital of the Company representing **14,90,000** Equity Shares of Rs 10/- each were held in dematerialised form (i.e. 14,88,400 shares (42.49%) with NSDL and 1,600 share (0.05%) with CDSL) and remaining 57.46% representing 20,12,700 Equity Shares of Rs. 10/- each were held in physical form.

## **7.11 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:** 4<sup>th</sup> September, 2010

# **BHILWARA TEX-FIN LIMITED**

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


*Telephone No - 011- 28315036 ; Fax No - 011-28315044*

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## **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)



# NAGAR GOEL & CHAWLA

Chartered Accountants

## 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, 2010 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

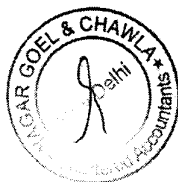
The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of 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 : 4<sup>th</sup> September 2010

# NAGAR GOEL & CHAWLA

Chartered Accountants

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 2010. 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

Place : New Delhi  
Dated : 4<sup>th</sup> September 2010



*Deepak Nagar*  
(Deepak Nagar)  
Partner

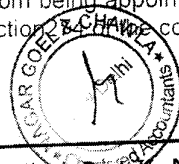
**AUDITOR'S REPORT**

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 2010, 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 251 of the companies Act, 1956.

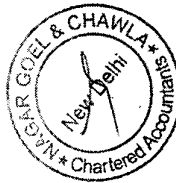
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- vi) In our opinion and to the best of our information and according to the explanation given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting
- a) In the case of Balance Sheet of the state of affairs of the Company as at 31st March 2010,
  - b) In the case of Profit & Loss Account of the Loss for the year ended 31st March 2010.
  - 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*

(Deepak Nagar)  
Partner

Membership No. :-  
87456

Place : New Delhi  
Dated : 4<sup>th</sup> September 2010

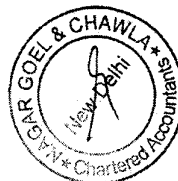
ANNEXURE TO THE AUDITOR'S REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2010

Re: Bhilwara Tex-Fin Ltd.

- i. (a) The Company does not own any fixed assets. Hence, this clause is not applicable.
  - (a) Not applicable in view of (a) above.
  - (c) Not applicable in view of (b) above.
- ii. (a) The Company does not own any inventory. Hence, this clause is not applicable.
  - (b) Not applicable in view of (a) above.
  - (c) Not applicable in view of (a) above.
- iii. (a) The company has not given loans to any parties covered in the register maintained under section 301 of the Companies' Act, 1956.
  - (b) Not applicable in view of (a) above.
  - (c) Not applicable in view of (a) above.
  - (d) Not applicable in view of (a) above.
  - (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) Not applicable in view of (e) above.
  - (g) Not applicable in view of (e) above.
- iv. 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.
- v. (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 company has not made any transaction that required to be entered into the register maintained under section 301 of the Act, 1956.
  - (b) Not applicable in view of (a) above.



- vi. 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.
- vii. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- viii. The Company is not required to maintain the cost records under clause (d) of sub section (1) of Section 209 of the Act.
- ix. (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 2010 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.
- x. In our opinion, the accumulated losses of the company are not more than fifty percent of its net worth. The company has incurred cash losses of Rs86,980/- during the financial year covered by our audit and Rs 265,404/- in the immediately preceding financial year.
- xi. 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.
- xii. The company has not granted loans and advances on the basis of security by the way of pledge of shares, debentures and other securities.
- xiii. 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.
- xiv. 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.
- xv. According to the information and explanation given to us, the Company has not provided guarantee of any type for loan taken by others.
- xvi. According to the records of the company, the company has not obtained any term loan. Hence, comments under the clause are not called for.



- xvii. 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.
- xviii. The Company has not made any preferential allotment of shares to parties covered in the register maintained under section 301 of the Act.
- xix. The Company has not issued debenture of any type during the financial year.
- xx. The company has not raised any money by public issue during the financial year.
- xxi. 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 Nagar*

(Deepak Nagar)

Partner

Place : New Delhi

Dated : 4<sup>th</sup> September 2010

Membership No. :- 81456



**BHILWARA TEX-FIN LTD.**  
BALANCE SHEET AS ON 31ST MARCH, 2010

	SCH	CURRENT YEAR (Rs.)	PREVIOUS YEAR (Rs.)
<b><u>SOURCES OF FUNDS</u></b>			
<b>Shareholders Funds</b>			
Share Capital	A	35,027,000.00	35,027,000.00
Reserves & Surplus	B	640,336.00	640,336.00
<b>Loan Funds</b>			
Unsecured Loan	C	78,000.00	78,000.00
<b>TOTAL</b>		<b>35,745,336.00</b>	<b>35,745,336.00</b>
<b><u>APPLICATION OF FUNDS</u></b>			
Investment	D	28,712,970.00	28,712,970.00
Current Assets, Loans & Advances	E	3,727,427.67	4,404,317.26
Less: Current Liabilities & Provisions	F	319,300.39	899,704.00
Net Current Assets		3,408,127.29	3,504,613.26
<b>Profit &amp; Loss Account</b>		<b>3,624,238.72</b>	<b>3,527,752.74</b>
<b>Total</b>		<b>35,745,336.00</b>	<b>35,745,336.00</b>
Significant Accounting Policies and Notes to Accounts	J	-	-

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

*Deepak Nagar*  
DEEPAK NAGAR  
Partner

Place: New Delhi  
Dated: 04/09/10



Membership No. - 87456

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

*Satish Kumar Sharma*  
SATISH KUMAR SHARMA  
Director

*Ajay Sachdeva*  
AJAY SACHDEVA  
Director



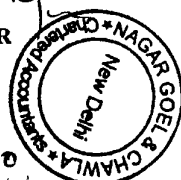
**BHILWARA TEX-FIN LTD.**  
**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010**

	SCH	CURRENT YEAR (Rs.)	PREVIOUS YEAR (Rs.)
<b><u>INCOME</u></b>			
Sales of Shares		-	-
Interest, Commission and Dividend	G	215,821.00	241,999.00
<b>Total</b>		<b>215,821.00</b>	<b>241,999.00</b>
<b><u>EXPENDITURE</u></b>			
Administrative Expenses	H	302,276.65	505,534.00
Financial Expenses	I	523.94	1,869.11
<b>Total</b>		<b>302,800.59</b>	<b>507,403.11</b>
<b>Profit (Loss) Before Taxation</b>		<b>(86,979.59)</b>	<b>(265,404.11)</b>
Less: Provision for Income Tax- Current		9,506.39	-
<b>Profit (Loss) After Taxation</b>		<b>(96,485.98)</b>	<b>(265,404.11)</b>
Add: Balance in Profit & Loss Appropriation A/c brought forward from previous year		<b>(3,527,752.74)</b>	<b>(3,262,348.63)</b>
<b>Balance Carried to Balance Sheet</b>		<b>(3,624,238.72)</b>	<b>(3,527,752.74)</b>

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

*Deepak*  
**DEEPAK NAGAR**  
Partner

Place: New Delhi  
Dated: 04/9/10



Membership No. - 87456

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

*Satish Kumar Sharma*  
**SATISH KUMAR SHARMA**  
Director

*Ajay Sachdeva*  
**AJAY SACHDEVA**  
Director

**BHILWARA TEX-FIN LTD.**

**Cash Flow Statement**

For the year ended on 31.03.2010

PARTICULARS	Current Years (Rs.)	Prvious Year's (Rs.)
<b>A) CASH FROM OPERATING ACTIVITIES:-</b>		
Net profit before tax and extraordinary items Adjustments	(86,979.59)	(1,708,183.54)
Bad Debts Written/Off	-	16,048.00
<b>Operating profit before working capital changes-</b>	<b>(86,979.59)</b>	<b>(1,692,135.54)</b>
Adjustments for changes in Working capital :-		
Decrease in Inventory	-	3,950,000.00
Decrease in Loans and Advances	(22,020.00)	134,408.00
Increase in Current Liab. & Provisions	(580,403.62)	(35,835.00)
<b>Cash generated from operations-</b>	<b>(689,403.21)</b>	<b>2,356,437.46</b>
Direct taxes paid	9,506.39	-
<b>CASH FLOW BEFORE EXTRAORDINARY ITEMS:-</b>	<b>(698,909.59)</b>	<b>2,356,437.46</b>
Extraordinary items	-	-
<b>Net Cash used in operating activities (A)</b>	<b>(698,909.59)</b>	<b>2,356,437.46</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	-	(646,000.00)
<b>Net cash generated from financing activities (C)</b>	<b>-</b>	<b>(646,000.00)</b>
<b>Net increase/ decrease in cash and cash equivalents (A+B+C)</b>	<b>(698,909.59)</b>	<b>1,710,437.46</b>
<b>Cash and cash equivalents as at 31.03.2009 (Opening Balance)</b>	<b>2,929,549.26</b>	<b>294,991.91</b>
<b>Cash and cash equivalents as at 31.03.2010 (Closing Balance)</b>	<b>2,230,639.67</b>	<b>2,005,429.37</b>

FOR NAGAR GOEL & CHAWLA  
Chartered Accountants

(DEEPAK NAGAR)  
Partner

Place : New Delhi  
Dated 04/9/10



On Behalf of Board of Directors  
FOR BHILWARA TEX-FIN LTD.

(SATISH KUMAR SHARMA)  
Director

(AJAY SACHDEVA)  
Director

**BHILWARA TEX-FIN LTD.  
YEAR ENDED 31ST MARCH 2010**

	<b>CURRENT YEAR</b>	<b>PREVIOUS YEAR</b>
	(Rs.)	(Rs.)
<b>SCHEDULE 'A'</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised Capital</b>		
40,00,000 Equity Shares of Rs. 10/- each	40,000,000.00	40,000,000.00
<b>Issued, Subscribed &amp; Paid Up Capital</b>		
35,02,700 equity shares of Rs. 10/- each (Previous Year 35,02,700 equity shares of Rs. 10/- Each)	35,027,000.00	35,027,000.00
<b>Total</b>	<b>35,027,000.00</b>	<b>35,027,000.00</b>
<b>SCHEDULE 'B'</b>		
<b>RESERVES &amp; SURPLUS</b>		
<b>General Reserve</b>	176,099.00	176,099.00
<b>Special Reserve Fund</b>	464,237.00	464,237.00
<b>Total</b>	<b>640,336.00</b>	<b>640,336.00</b>
<b>SCHEDULE 'C'</b>		
<b>UNSECURED LOANS</b>		
Shri R.P.Baldwa	78,000.00	78,000.00
<b>Total</b>	<b>78,000.00</b>	<b>78,000.00</b>



*(Handwritten mark)*

**BHILWARA TEX-FIN LTD.**  
**YEAR ENDED 31ST MARCH 2010**

	CURRENT YEAR (Rs.)	PREVIOUS YEAR (Rs.)
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**SCHEDULE 'D'**  
**INVESTMENT**

<u>Long Term Investment in Unquoted Securities</u>		
1067 Equity Shares of Sainik Mining & Allied Services Ltd.	28,712,970.00	28,712,970.00
<b>Total</b>	28,712,970.00	28,712,970.00

**SCHEDULE 'E'**  
**CURRENT ASSETS, LOANS & ADVANCES**

**A. CURRENT ASSETS**

i) Sundry Debtors (Unsecured but Considered Good)			
More than Six Month Old	651,500.00		
Less than Six Month Old	-	651,500.00	651,500.00
ii) Cash in hand		11,994.00	10,354.00
iii) Balance with Scheduled banks:			
a) In Current Account		2,218,645.67	2,919,195.26
<b>Total A</b>		2,882,139.67	3,581,049.26

**B. LOANS & ADVANCES**

(Unsecured but Considered Good)			
Prepaid Expenses			10,113.00
<u>Advance Income Tax &amp; TDS:</u>			
AY 2007-08	531,069.00		
AY 2008-09	238,695.00		
AY 2009-10	40,330.00		
AY 2010-11	32,133.00	842,227.00	810,094.00
<u>Fringe Benefit Tax</u>			
AY 2007-08		3,061.00	3,061.00
<b>Total B</b>		845,288.00	823,268.00
<b>Total A+B</b>		3,727,427.67	4,404,317.26



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**BHILWARA TEX-FIN LTD.**  
**YEAR ENDED 31ST MARCH 2010**

	CURRENT YEAR (Rs.)	PREVIOUS YEAR (Rs.)
<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
<b><u>Expenses Payable</u></b>		
Audit Fees Payable	49,635.00	49,469.00
TDS Payable (Professional)	5,515.00	5,681.00
Excess Income Tax Refund Received AY 2006-07	-	589,910.00
<b>Total A</b>	<b>77,598.00</b>	<b>667,508.00</b>
<b><u>B. Provisions</u></b>		
<b><u>Provision for Income Tax</u></b>		
A.Y. 2007-08	229,371.00	229,371.00
A.Y. 2010-11	9,506.39	-
<b><u>Provision for Fringe Benefit Tax</u></b>		
A.Y. 2007-08	2,825.00	2,825.00
<b>Total B</b>	<b>241,702.39</b>	<b>232,196.00</b>
<b>Total A+B</b>	<b>319,300.39</b>	<b>899,704.00</b>



**BHILWARA TEX-FIN LTD.  
YEAR ENDED 31ST MARCH 2010**

	CURRENT YEAR (Rs.)	PREVIOUS YEAR (Rs.)
<b>SCHEDULE 'G'</b>		
<b><u>INTEREST, COMMISSION &amp; DIVIDEND</u></b>		
Interest on Loans & Advances	215,287.00	177,972.00
Interest on Income Tax refund	-	63,493.00
Dividend Income	534.00	534.00
<b>Total</b>	<b>215,821.00</b>	<b>241,999.00</b>
<b>SCHEDULE 'H'</b>		
<b><u>ADMINISTRATIVE EXPENSES</u></b>		
Salaries & Wages	-	75,000.00
Sitting Fees	-	15,000.00
Printing & Stationary	140.00	12,067.00
Postage & Telegram	5,505.00	10,178.00
Advertisement	117,745.00	79,785.00
Filing Fees	-	2,000.00
Misc. Expenses	325.00	30,180.00
Auditors Remuneration	55,150.00	55,150.00
Rate Fees & taxes	14,733.65	12,583.00
Listing Fees	42,836.00	198,841.00
Legal & Professional Expenses	12,750.00	14,750.00
Interest Paid on Income tax refund	53,092.00	-
<b>Total</b>	<b>302,276.65</b>	<b>505,534.00</b>
<b>SCHEDULE 'I'</b>		
<b><u>FINANCIAL EXPENSES</u></b>		
Bank Charges	523.94	1,869.11
<b>Total</b>	<b>523.94</b>	<b>1,869.11</b>



# BHILWARA TEX-FIN LIMITED

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

## SCHEDULE - J

### SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS (Forming Part of Balance Sheet as at 31<sup>st</sup> March, 2010)

#### 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 does not possess any 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:

Particulars	2009-2010	2008-2009
i) Audit Fee	50000.00	50000.00
ii) Service Tax	5150.00	5150.00
<b>Total</b>	<b>55150.00</b>	<b>55150.00</b>

7. Remuneration and perquisites to the directors is Rs. Nil.
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. There is no related party transaction as in accordance with Accounting Standard 18 issued by the institute of Chartered Accountants of India.

### 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	2009-2010	2008-2009
Profit /(Loss) After Taxation as per Profit & Loss Account	(86,979)	(2,65,404)
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>	-	-

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	2009-2010	2008-2009
Opening Stock of Shares	Nil	Nil
Purchases	Nil	Nil
Sales	Nil	Nil
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)

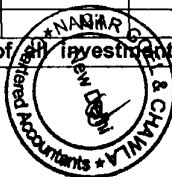
14. Schedule in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007

(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 (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	0.78
	* 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	Nil	
	(b) Unsecured	6.51	
		<b>(See Note Below)*</b>	
(3)	<b>Break up of Leased Assets and stock on hire and other Assets counting towards AFC activities.</b>		



	(i) Lease assets including lease rentals under sundry debtors : (a) Financial lease (b) Operating lease		Nil Nil	
	(ii) Stock on hire including hire charges under sundry debtors: (a) Assets on hire (b) Repossessed Assets		Nil Nil	
	(iii) Other loans towards AFC activities (a) Loans where assets have been repossessed (b) Loans other than (a) above		Nil Nil	
<b>*The above amount represents Sundry Debtors outstanding for more than 6 months</b>				
(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  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	6.51	6.51
	Total		6.51	6.51
(6)	<b>Investor group-wise classification of all investments (current and long term) in</b>			



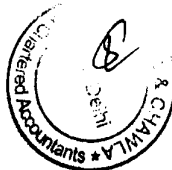
shares and securities (both quoted and unquoted): Please see note 3 below		
Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties **		
(a) Subsidiaries	Nil	Nil
(b) Companies in the same group	287.13	287.13
(c) Other related parties	Nil	Nil
2. Other than 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 complied 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**

Registration No.	09037
State Code	55
Balance Sheet Date	31/03/2010

**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)**

Total Liabilities	Total Assets
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>
3408	NIL
<b>Accumulated Losses</b>	3624

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

<b>Turnover</b>	<b>Total Expenditure</b>
216	303
<b>Profit/(Loss) Before Tax</b>	<b>Profit/(Loss) After Tax</b>
(87)	(96)
<b>Earning Per share in Rs.</b>	<b>Dividend Rate %</b>
(0.03)	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

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

Deepak  
(DEEPAK NAGAR GOEL & CHAWLA)  
Partner  
Place: New Delhi  
Dated: 09/09/10



(SATISH KR SHARMA)  
(Director)

(AJAY SACHDEVA)  
(Director)