



# **BHILWARA SPINNERS LIMITED**

**CIN :- L17115 RJ 1980 PLC008217**

**Annual Report 2018 - 2019**

## CORPORATE INFORMATION

### BOARD OF DIRECTOR

Ashok Kothari	DIN 00132801	Managing Director
Anshul Kothari	DIN 02624500	Director
Hanuman Pokharna	DIN 03155927	Director
Smt. Sushila Kothari	DIN 00132802	Director
Arvind Tater	DIN 07167125	Director

### KEY EXECUTIVE

Ashok Kothari	Managing Director & CEO
Bhopal Singh Choudhary	Chief Financial Officer

### COMPANY SECRETARY

Neelu Mehta

### BANKERS

Central Bank of India  
State Bank of India  
ICICI Bank Ltd.

### AUDITORS

M/s CLB & ASSOCIATES MUMBAI

### REGISTERED OFFICE

26, Industrial Area  
Bhilwara - 311 001, Rajasthan

## FINANCIAL HIGHLIGHTS

(Rs. in lac)

Particulars	2016-2017	2017-2018	2018-2019
Turnover	485	535	211
Exports	-	-	-
PBIDT	228.16	96.00	624
Interest	0.00	0.00	-
PBDT	228.16	96.00	624
Depreciation	0.00	0.00	-
Taxation	50.00	22.00	128
PAT	178.15	74.00	496
Net Worth	1230.57	1304.57	1800
Capital Expenditure	23.14	102.74	19
Book Value Per Share Rs.	18.20	19.29	26.62

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## DIRECTOR'S REPORT

To The Members,

The Directors of your Company have pleasure in presenting their 38th Annual Report along with audited annual statements of Accounts for the financial year ended on 31st March, 2019

### FINANCIAL RESULTS

(Rs. in Lacs)

	Financial Year ended 31-3-2019	Previous Year ended 31-3-2018
<b>Turnover</b>	211	535
<b>Profit/(Loss) before Depreciation</b>	<b>624</b>	<b>96</b>
Depreciation	<b>0</b>	<b>0</b>
<b>Profit/(Loss) before Tax</b>	<b>624</b>	<b>96</b>
Provision for Income Tax		
- Current Tax	128	22
- Deferred Tax	0	0
<b>Profit/(Loss) after Tax</b>	<b>495</b>	<b>74</b>
Balance brought forward	204	130
<b>Balance carried forward</b>	<b>699</b>	<b>204</b>

### OPERATIONS

the manufacturing operations of the Company have come to a stand still. But trading in yarn and Cotton continue in the year.

### DIVIDEND

Your Directors are unable to recommend any Dividend on the Equity Shares in view of the financial position of the Company.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

Your Directors inform that Shri Ashok Kothar(holding din no 00132801) was appointed upon the recommendation of Nomination and Remuneration Committee as a Managing Director & CEO in the Board Meeting held on 28th May 2019 subject to shareholders approval for a period of 5 years i.e. 28th May 2019 to 27th May,2024 .He will continue to act as Chairman and Chief Executive officer of the Company in accordance with the Articles of Association and the SEBI (Listing Obligation and Disclosure Requirement) Regulations.2015.

Two of your Director namely Ansul Kothari(Din no 02624500) & Arvind Tater(Din no 07167125) shall retire by rotation at the ensuring Annual General Meeting and being eligible, offer themselves for re-appointment.The Board recommends their re-appointment in the ensuing Annual General Meeting.

Shri Bhopal Singh Choudhary who has been associated with the Company since 1986 is re-designated as Chief Financial Officer by Board on 28th May.2019 for a Period of 5 years.

In accordance with the provisions of Section 2(51),203 of the Companies Act,2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules,2014 the following are the key managerial personnel of the Company.

A.Shri Ashok Kothari,Chairman,Managing Director & CEO

B.Shri Bhopal SinghChoudhary,Chief Financial Officer.

### AUDITORS

M/s. CLB & ASSOCIATES.Firm Regn.no 124305w Chartered Accountant ,The Statutory Auditors of the Company, will hold office till the conclusion of the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

Pursuant to the notification dated May,7 2018 issued by Ministry of Corporate Affairs,the requirement for ratification of appointment of Auditors by the shareholders at every Annual General Meeting has been done away with.Further the Auditors have Confirmed their eligibility under Section 141 of the Companies Act,2013 and the rules made theirunder.

The observations in the Auditors' Report are dealt within the notes to the accounts at appropriate places and are self-explanatory.The Auditors Report does not contain any qualification,reservation or adverse remark.

No fraud has been reported by the Statutory Auditors under Section 143(12) of the Companies Act 2013 and the rules made thereunder.

### SECRETARIAL AUDITOR

Pursuant to Section 204 of the Companies Act 2013 read with the Companies (Appointment and Remuneration of Managerial Personal ) Rule,2014,the Company had appointed M/S Abhik Jain Associates Company Secretaries a practicing secretaries firm as the Secretarial Auditor of the Company for the year ending 31st march 2019,The Report of Secretarial Audit as Annexure-1.

The Report of Secretarial Audit does note contain any qualification,reservation or adverse remark.

### CORPORATE SOCIAL RESPONSIBILITY

Your Directors inform the Members that your Company is not covered within the scope of Section 135 of Companies Act. 2013 and the Rules framed thereunder. However, your Directors endeavour to contribute to such causes as and when deem appropriate.

### NUMBER OF MEETINGS OF THE BOARD

The particulars of the meetings held during the year along with the details regarding the meetings attended by the directors form part of the Corporate Governance Report.

The composition of the Board and its committees has also been given in detail in the report on Corporate Governance

### ANNUAL RETURN

Pursuant to Section 92 of the companies Act, 2013 read with Rule 12 of The Companies (Management and administration) Rules 2014, the Extract of Annual Return is attached as Annexure-II.

### DIRECTORS' APPOINTMENT AND REMUNERATION POLICY

Pursuant to the provision of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement the Board of Directors on the recommendation of Nomination and Remuneration Committee has framed a policy for the appointment of Directors and Senior Management and their remuneration. The policy forms part of the Board Report as Annexure-III.

### ANNUAL EVALUATION BY THE BOARD

Pursuant to the provisions of the Comanies Act, 2013 and Clause 49 of the Listing agreement the annual evaluation has been made by the Board of its own performance, its committees and the individual directors The manner of evaluation is mentioned in the Nomination and Remuneration policy which forms part of Board Report.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans Gurantees or Investments made in accordance with the requiremnts covered under the provision of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.at appropriate Places.

## DIRECTOR'S REPORT

### PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the Financial Year there was no material contracts or arrangements entered into by the company with any of the related party. Your Directors draw attention to the member to note no 27.2 to the financial statements which contain particulars of transactions with related parties as per applicable provision of Companies Act 2013.

### SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There was no Significant And material orders passed by the Regulators or courts during the year

### RISK MANAGEMENT

Your Directors review the risks associated with the Company on a regular basis, but considering meager operations of the Company there was negligible exposure to business risks.

### CORPORATE GOVERNANCE

Your company has complied with all the requirements of Corporate Governance as required under Clause 49 of the Listing Agreement entered into with the Stock Exchange, where the Company's shares are listed.

A comprehensive report on corporate Governance in this regard is made part of this annual Report and a Certificate from the Statutory Auditors of your Company i.e. M/S Clb & Associates Chartered Accountants regarding compliance of the conditions of the Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements), 2015 form part of Annual Report.

### WHISTLE BLOWER POLICY

With the objective of pursuing the business in a fair and transparent manner by adopting the highest standards of professionalism honesty, integrity, integrity and ethical behavior and to encourage and protect the employees who wish to raise and report their genuine concerns about any unethical behaviour, actual or suspected fraud or violation of Company's Code Of Conduct, the Company has adopted a Whistle Blower Policy. The Company has adopted a framework whereby the identity of the complainant is not disclosed.

### INTERNAL CONTROL SYSTEMS

The Company has an internal control system commensurate with its size and nature of business. These systems provide a robust structure which in turn helps in the complying of various laws and statutes which automatically translates into Financial and Operational Development of the Company.

The Company's Audit Committee reviews adherence to internal control systems and legal compliances. This committee reviews all quarterly and yearly results of the Company and recommends the same to the Board for its approval.

### ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information required to be disclosed pursuant to Section 134(3) (m) of the Companies Act, 2013 read with the Rule 8 (3) of the Companies (Accounts) Rules, 2014 is given in Annexure -IV forming part of the Report.

### PARTICULARS OF EMPLOYEES

The information pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, of the employees is annexed as Annexure- V

Further your directors inform the members that pursuant to Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, no employee is drawing remuneration in excess of the limits prescribed under the said provision.

### PUBLIC DEPOSIT

During the period under review your company has not accepted any public deposit within the meaning of provisions of section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rule, 2014 and there is no outstanding Deposit due for re-payment.

### Director's Responsibility statement

Pursuant to Section 134 (3) (c) of the Companies Act, 2013 the Directors state that.

- a) In the preparation of the Annual Accounts the applicable Accounting Standards have been followed and no material departures have been made from the same
- b) Appropriate Accounting Policies have been selected and applied consistently and they have made Judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company on 31st March, 2019 and of the Profit and Loss of Company for the year ended on that date.
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the annual accounts have been prepared on a going concern basis;
- e) proper internal financial controls were in place and that financial controls were adequate and were operating effectively.
- f) systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

### INDIAN ACCOUNTING STANDARDS (IND AS):

The Company has followed the guidelines of Accounting Standards/IND –AS laid down by the institute of Chartered Accountant of India in preparation of Financial statement

### GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the financial year under review:

- i. Issue of equity shares with differential rights as to dividend, voting or otherwise.
- ii. Issue of shares (including sweat equity shares) to employees of the company under any scheme save and except ESOS referred to in this report.
- iii. No amount has been transferred to General Reserves during the year.
- iv. There is no change in the nature of business of the Company.
- v. There were no frauds found which have been reported to the Audit Committee/Board members as well as to the Central Government.

### ACKNOWLEDGEMENTS

Your Directors acknowledge the support and assistance extended by the stakeholders' bankers, Central Government & State Government including various other authorities. The Board also takes this Opportunity to express its deep gratitude for the continued co-operation and support received from its valued shareholders.

for and on behalf of the Board

Place : Bhilwara  
Date : 28<sup>th</sup> May 2019

**Ashok Kothari**  
Managing Director & CEO  
DIN-00132801

## ANNEXURE 1 TO DIRECTOR'S REPORT

### FORM No. MR-3

#### Secretarial Audit Report

(Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014)

The Members,

Bhilwara Spinners Limited

26, Industrial Area

Gandhi Nagar

Bhilwara-311001 (Raj.)

I have Conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bhilwara Spinners Limited ('the Company') for the Financial year ended 31thMarch 2019 The secretarial audit was conducted in a manner, that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering The financial year ended on March 31, 2019 ("Audit Period) complied with the statutory provision Listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent and in the manner reported herein after.

- (A). I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provision of-
1. The Companies Act, 2013 (the Act) (to the extent sections and schedules notified) and the Rules made there under including Amendments, Circulars, Notifications and Removal of Difficulties Orders passed by the Ministry of Corporate Affairs from time to time
  2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under to the extent applicable.
  3. The Depositories Act, 1996 and the Regulations and Bye-laws framed under that Act;
  4. Foreign Exchange Management Act, 1999 and the Rules & Regulation made there under to the extent of Foreign Direct Investment
  5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act') as amended:
    - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
    - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015;
    - c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulation 2008
    - d) The Securities and Exchange Board of India (Issue of capital and disclosures requirement) Regulation 2018
    - e) The Securities and Exchange Board of India (Registrar to an issue and share transfer agent) Regulator 1993 regarding the Companies Act. :
    - f) The Securities and Exchange Board of India (Share based employee benefits) Regulation 2014
    - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulation 2009 (Not applicable to the company during the Audit Period)
    - h) The Securities and Exchange Board of India (Buy Back of Securities) Regulation 1998 (Not applicable to the company during the Audit period)
- (B) I further report that during the period under review and as per the information received explanation given, process explained, records maintained, statutory compliance reports submitted to the Board on quarterly basis, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulation, Guidelines etc.

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

- (1) Secretarial Standards with respect to meetings of Board of Directors (SS-1) and General Meeting (SS-2) issued by The Institute of Company Secretaries of India.
- (2) The listing Agreements entered by te Company with Stock Exchanges read with Securities and Ex-change Board of India (Listing Obligations and Disclosures Requirements) Regulation 2015

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

I further report that the compliance by the company of applicable financial laws. Like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by the statutory financial audit and other designated professional.

I further report that the

That the Board of Directors of the company is duly constituted with proper balance of executive director, Non- Executive Director and Independent Director. and a women Director However as per Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rule 201, the Company has not appointed or designated some of the key Managerial personnel during the year under review. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate Notice is given to all directors to schedule the Board Meetings, Agenda and detailed Notes on Agenda were sent at least 7 days in advance and system exist for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

That all the decisions are carried unanimously the members of the Board have not expressed dissenting views on any of the Agenda items.

I further report that based on the information provided and the representation made by the company and also on the review of the compliance certificates/reports taken on record by the Board of Directors of the company, in my opinion there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliances with applicable laws, rules, regulations, guidelines etc.

I further report that during the year under report the company has not undertaken event/action having a major bearing on the company's affairs in pursuance of the above referred rules, regulations, guidelines, standards etc.

Place - Bhilwara  
Dated-25 May 2019

FOR :- **ABHIK JAIN & ASSOCIATES**  
Company Secretaries

**(ABHIK JAIN)**  
Proprietor  
ACS-37412  
COP No. : 20056

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

## ANNEXURE A

To,  
The Members, of  
Bhilwara Spinners Ltd. - BHILWARA  
26, Industrial Area Gandhi Nagar, BHILWARA-311001 (Raj.)  
CIN L17115 RJ 1980 PLC 00 8217

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

- 1 Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2 We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in The secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
- 3 We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4 Where ever required we have obtained the Management Representation about the Compliance of laws, rules and regulation and happening of events etc.
- 5 The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards etc is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- 6 The Secretarial Audit Report is neither as assurance as to the future viability of the company nor of the efficiency of effectiveness with which the management has conducted the affairs of the Company.

**Date : 25-May-2019**

**Place: Bhilwara**

For ABHIK JAIN & ASSOCIATES  
Company Secretaries

ABHIK JAIN  
Proprietor  
ACS -37412  
C.P No. 20056

**ANNEXURE -II TO DIRECTORS' REPORT**

Form No MGT-9

**EXTRACT OF ANNUAL RETURN****as on the financial year ended on 31 March, 2019**

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

**I. REGISTRATION AND OTHER DETAILS :**

i)	CIN	:	CIN L 17115 RJ 1980 PL C00 8217
ii)	Registration Date	:	7 <sup>th</sup> June 1980
iii)	Name of the Company	:	BHILWARA SPINNERS LIMITED
iv)	Category/ Sub-Category of the Company	:	Public Company / Company limited by shares
v)	Address of the Registered office and contact detail	:	26, Industrial Area gandhi Nagar-BHILWARA Tel No. 91-1482-246601, 91-1482-246461 Email - bhilspinbs@gmail.com
vi)	Whether listed compay	:	Yes
vii)	Name Address and Contact details of Registrar and Transfer Agent, if any	:	MCS share Transfure Agent Ltd. f-65 1 <sup>st</sup> floor okhia Industrial Area, Phase- 1 New Delhi - 20 Phone 011 - 414061148, Fax-011 41709881 E mail :-admin@mcsregistrars.com

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

All the business activities contributing 10% or more of the total turnover of the company shall be stated

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
<b>NOT APPLICABLE</b>			

**III. SHARE HOLDING PATTERN (equity share capital breakup as percentage of total equity)**

## i) Category -wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2018				No. of Shares held at the end of the year 31.03.2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A) Promoters</b>									
<b>1 Indian</b>									
(a) Individual / HUF	800	-	800	01	800	-	800	01	-
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt (s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corporate	3531670	-	3531670	52.23	3531670	-	3531670	52.23	-
(e) Bank /FI		-	-	-	-	-	-	-	-
(f) Any Other		-	-	-	-	-	-	-	-
<b>SUbttotal (A) (1)</b>	<b>3532470</b>	<b>-</b>	<b>3532470</b>	<b>52.24</b>	<b>3532470</b>	<b>-</b>	<b>3532470</b>	<b>52.24</b>	<b>-</b>



Category of Shareholders		No. of Shares held at the beginning of the year 1.04.2018				No. of Shares held at the end of the year 31.03.2019				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2</b>	<b>Foreign</b>									
(a)	NRIs - Individual	-	-	-	-	-	-	-	-	-
(b)	Other - Individuals	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(d)	Banks/ FI	-	-	-	-	-	-	-	-	-
(e)	Any Other	-	-	-	-	-	-	-	-	-
	<b>SUBtotal (A) (2)</b>	-	-	-	-	-	-	-	-	-
	<b>Total Shareholding of Promoters (A) = (A) (1) + (A) (2)</b>	<b>3532470</b>	<b>-</b>	<b>3532470</b>	<b>52.24</b>	<b>3532470</b>	<b>-</b>	<b>3532470</b>	<b>52.24</b>	<b>-</b>
<b>(B)</b>	<b>Public Shareholding</b>									
<b>1</b>	<b>Institutions</b>									
(a)	Mutual Funds	-	2500	2500	.03	-	2200	2200	.03	-
(b)	Banks /FI	-	-	-	-	-	-	-	-	-
(c)	Central Govt	-	-	-	-	-	-	-	-	-
(d)	State Govt (s)	-	-	-	-	-	-	-	-	-
(e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f)	Insurance Companies	-	-	-	-	-	-	-	-	-
(g)	FIs	-	-	-	-	-	-	-	-	-
(h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i)	Other	-	-	-	-	-	-	-	-	-
	<b>Sub- total (B) (1)</b>	-	<b>2500</b>	<b>2500</b>	<b>.03</b>	-	<b>2200</b>	<b>2200</b>	<b>.03</b>	-
<b>B-2</b>	<b>Non - institutions</b>									
<b>(a)</b>	<b>Bodies Corporate</b>									
	i) Indial	1139329	7800	1147129	16.97	1073611	10800	1084411	16.04	- .93
	ii) Overseas	-	-	-	-	-	-	-	-	-
<b>(b)</b>	<b>Individuals</b>									
	i) Individual Shareholders holding nominal share capital up to Rs.1 lakh	952778	943200	1895978	28.05	1150515	876000	2026515	29.98	1.93
	i) Individual Shareholders holding nominal share capital in excess of Rs.1 lakh.	183053	-	183053	2.71	115534	-	115534	1.71	-1
	<b>Total Public</b>	<b>2275160</b>	<b>953500</b>	<b>3228660</b>	<b>47.76</b>	<b>2339660</b>	<b>889000</b>	<b>3228660</b>	<b>47.76</b>	
	<b>G. Total</b>	<b>5807630</b>	<b>953500</b>	<b>6761130</b>	<b>100</b>	<b>5872130</b>	<b>889000</b>	<b>6761130</b>	<b>100</b>	

## (ii) Shareholding of Promoters

S. No.	Shareholder's	Shareholding at the beginning of the year 01-04-2018			Shareholding at the end of the 31-3-2019			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares pledged/ encumbered to total shares	
1	Sushila Kothari	800	.01	-	800	.01	-	0.00
2	Ahinsa Infrastructure & Dovelopers Ltd.	3531670	52.23	-	3531670	52.23	-	0.00

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

Sl. No.		Shareholding at the beginning of the year 01-04-2017		Cumulative shareholding during the Year -31-03-2018	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	3532470	52.24		
	Date wise Increase / decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer/ bonus/ sweat equity etc.) :	#		#	
	At the end of the year	3532470	52.24		

## (iv) Shareholding Pattern of top ten Shareholders (other than Directors Promoters and Holders of GDRs and ADRs)

S. No.	Name	Shareholding		Date	Increase/ Decrease in Share holding	Reason	Cumulative Shareholding during the year (01-04-18 to 31-3-2019)	
		No. of Shares	% of total Shares of the Company				No. of Shares	% of total shares of the company
1	FASHION SUITINGS PVT. LTD.	1000000	14.79				1000000	14.79
2	SHAKUNTALA DEVI CHOUDHARY	302	0.001		43301		43603	0.65
3	PRAVIN KANTILAL VAKIL	30519	0.45		-500		30019	0.44
4	PRATIK RAJENDRA GANDHI	20000	0.3		1000		21000	0.31
5	VINITA DUTT	20912	0.31				20912	0.31
6	KOTTARU LAKSHMI PARAMESWARA RAO	19720	0.29		-3462		16258	0.24
7	UMA BALA KOTTARU	16082	0.24		- 647		15435	0.23
8	SHANTILAL SANGHVI	15300	0.23		-		15300	0.23
9	PARAMJIT KUMAR VERMA	0	0		11934		11934	0.18
10	MADHAV HARIDAS ASHER	11350	0.16		-		11350	0.16
11	SOM CHAND GUPTA	11000	0.16		-		11000	0.16
12	GUPTA BHAVNA	17863	0.26		-17863		0	0

## V) Shareholding of Directors any key managerial personnel

S. No.	Name	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-18 to 31-3-2019)	
		No. of Shares at the beginning (01-04-2017)	% of total Shares of the Company				No. of Shares	% of total shares of the company
1	B. S. Choudhary Chief Financial Officer & K.M.P	1427	.02	-	0	Nil movement during the year	1427	.02
		1427	.02	-			1427	.02

**(V) INDEBTEDNESS**

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

Sl. No.		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>A</b>	Indebtedness at the beginning of the financial year				
(i)	Principal Amount				
(ii)	interest due but not paid				
(iii)	Interest accrued but not due				
	<b>Total (i+ii+iii)</b>				
<b>B</b>	<b>Change in indebtedness during the financial year</b>			<b>NIL</b>	
	* Addition				
	* Reduction				
	<b>Net Change</b>				
<b>C</b>	Indebtedness at the end the financial year				
(i)	Principal Amount				
(ii)	Interest due but not paid				
(iii)	Interest accrued but not due				
	<b>Total (i+ii+iii)</b>				

**(VI) REMUNERATION OF DIRECTORS****A. Remuneration to Director**

Sl. No.	Particulars of Remuneration	Shri Ashok Kothari Director & CEO*	Total Amount
<b>1</b>	<b>Gross salary</b>	NIL	NIL
	(a) Salary as per provisions contained in section 17 (1) of the Income - tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17 (3) Income-tax Act 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission		
	-as% of profit		
	-others, specify		
5	Others, please specify		
	Total (A)		

\* No remuneration paid to Shri Ashok Kothari Director &amp; CEO of the Company

**B. Remuneration to other director**

S. No.	Particulars of Directors	Fee for attending board committee meetings	Commission	Others	Total Amount
<b>1</b>	<b>Independent</b>				
i	Shri Hanuman Pokharna	NIL	NIL	NIL	NIL
ii	Shri Arvind Tater	NIL	NIL	NIL	NIL
	Total B(1)	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>2</b>	<b>Other Non-Executive Directors</b>				
i	Shri Ansul Kothari	NIL	NIL	NIL	NIL
ii	Smt. Sushila Kothari	NIL	NIL	NIL	NIL
	<b>Total B (2)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
	<b>Total (1) + B (2)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

**C. Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD**

Sl. No.	Particulars of Remuneration	Shri Ashok Kothari Director & CEO*	B. S. Choudhary Chief Financial Officer & K.M.P	Neelu Mehta Company Secretary	Total
<b>1</b>	<b>Gross salary</b>	NIL			
	(a) Salary as per provisions contained in section 17 (1) of the Income - tax Act, 1961		906826	180000	1086826
	(b) Value of parquisites u/s 17(2) Income-tax Act, 1961		63360	7200	70560
	(c) Profits in lieu of salary under section 17 (3) Income-tax Act 1961		-	-	-
2	Stock Option		-	-	-
3	Sweat Equity		-	-	-
4	Commission		-	-	-
	-as% of profit		-	-	-
	-others, specify		-	-	-
5	Others, please specify		-	-	-
	Total (A)	<b>970186</b>	<b>187200</b>	<b>1157386</b>	

For and on behalf of The Board

**Sd-**  
**Ashok Kothari**  
Director & CEO  
DIN 00132801

## ANNEXURE-III TO DIRECTOR'S REPORT NOMINATION & REMUNERATION POLICY

Pursuant to Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, every Listed Company is required to constitute a Nomination and Remuneration Committee with at least two or more Non-Executive Directors, out of which not less than one half shall be independent Directors. The Company has a Nomination and Remuneration Committee with two Non Executive Independent Directors.

The Nomination and Remuneration Committee and its Policy being in compliance with the provisions of Section 178 of the Companies Act, 2013 read with the applicable Rules so also, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 applies to the Board of Directors, Key Managerial Personnel and the Senior management Personnel of the Company.

### "Key managerial personnel (KMP) means and comprise-

- Managing Director & Chief Executive officer;
- Whole-time Director;
- Company Secretary;
- Chief Financial Officer;
- Such other Officer as may be prescribed.

Senior Management comprise the personnel of the Company who are members of its core management team, excluding the Board of Directors, so also, that would also include all members of management one level below the Executive Directors, including Functional Heads.

### Role and Objective of the Committee:

1. To Formulate the criteria for determining qualifications, positive attributes and independence of a Director.
2. Identify persons who are qualified to become Director and who may be appointed in senior management positions in accordance with the criteria laid down in the policy.
3. Recommend to the Board the appointment and removal of Directors and Senior Management.
4. Carry out evaluation of every Director's performance.
5. Formulate criteria for evaluation of independent Directors and the Board.
6. Recommend to the Board a Policy, relating to the remuneration for the directors, key managerial personnel and senior management.
7. To devise a policy on Board diversity.
8. To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run Company successfully.

9. To ensure the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
10. To develop a Succession Plan for the Board and to review is regularly.
11. To perform such other functions as may be referred by the Board or be necessary in view of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of the Companies Act, 2013 and Rules made thereunder.

### Membership :

1. The committee shall comprise at least Two (2) Directors, all of whom shall be Non-Executive Directors and at least half of them shall be independent.
2. Minimum two (2) members shall constitute a Quorum for a Committee meeting.
3. Membership of the Committee shall be disclosed in the Annual Report.
4. Term of the Committee shall be continued unless terminated by the Board of Directors.

### Chairman:

1. Chairman of the Committee shall be an independent Director.
2. Chairman of the Company may be appointed as a member of the committee but shall not Chair the Committee.
3. In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
4. Chairman of the Nomination and Remuneration Committee should be present at the Annual General Meeting or may nominate some other member to answer the share holder's queries.

### Frequency of Meetings:

The meeting of the Committee shall be held at such regular intervals as may be required.

### Committee Member's Interests:

1. A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
2. The Committee may invite such executives, as it considers appropriate to be present at the meetings of the committee.

### Voting :

1. Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes, be deemed to be a decision of the Committee.

2. In the case of equality of votes the Chairman of the meeting will have a casting vote.

#### **Appointment of Directors/ KMP/Senior Officials:**

While recommending a candidate for appointment, the Committee shall have regard to :

- Assessing the Appointee against a range of criteria which include but not limited to qualification, skills, experience, background and other qualities required to operate successfully;
- The experience and knowledge that the appointee brings to the role of KMP/Senior Officials, which, in turn, will enhance the skill sets and experience of the Board as a whole;
- The nature of existing positions held by the appointee including directorship and such other relationship and the impact of the same on the Company's welfare.

#### **Letter of Appointment:**

Each Director/KMP/Senior Official is required to sign the duplicate copy of the letter of appointment issued by the Company, which contains the terms and conditions of his/her appointment.

#### **Policy on Board Diversity:**

The Nomination and Remuneration Committee shall ensure that the Board of Directors have the Combination of Directors from different areas/fields or as may be considered appropriate in the best interests of the Company. The Board shall have at least one Board member who has accounting/financial management expertise.

#### **Remuneration of Directors, Key Managerial Personnel and Senior Management:**

The salaries of Directors, Key Management Personnel and other senior officials shall be based and determined on the individual person's responsibilities and performance and in accordance with the limits as prescribed statutorily, if any.

##### **1. Fixed Pay:**

Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the Rules made thereunder for the time being in force. The salary paid need to be competitive and reflective of the individual's role, responsibility and experience in relation to performance of day-to-day activities to be usually reviewed on an annual basis;

##### **2. Minimum Remuneration:**

If, in any financial year, the Company has no profits or its profits inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior

approval of the Central Government.

##### **3. Provision for excess remuneration:**

If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government where required, he/she shall refund such sums to the Company and until such sum is refunded, Hold it in trust for the company The Company shall not waive recovery of such sum refundable to it, unless permitted by the Central Government.

##### **4. Increment:**

Increments to the existing remuneration/Compensation structure may be recommended by the Committee to the Board, which should be within the slabs approved by the Shareholders in the case of Managerial Person.

#### **Remuneration to Non-Executive/Independent Director:**

##### **1. Remuneration/Commission:**

The remuneration/commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the Rules made there under for the time being in force.

##### **2. Sitting Fees:**

The Non- Executive/Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee (s) there of, Provided that the amount of such fees shall not exceed the maximum amount as provided by the Companies Act, 2013 per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

#### **Other Provisions:**

- Section 197 (1) of the Companies Act, 2013 provides that the total managerial remuneration payable by the Company to its Directors. Including Managing Director and Whole time Director, and its manager in respect of any financial year shall not exceed eleven percent of the net profits of the Company computed in the manner laid down in Section 198 in the manner as prescribed under the Act.
- The Company with the approval of the shareholders and Central Government, may authorise the payment of remuneration exceeding eleven percent of the net profit of the company. Subject to the provision of Schedule V.
- The Company may, with the approval of the shareholders, authorise the payment of remuneration upto five percent of the net profits of the Company to its any one Managing Director/Whole Time Director/Manager and ten percent in case of more than one such official.
- The Company may pay remuneration to its Director, other than managing Director and Whole Time Director upto one percent of the net profits of the Company, if there is a Managing Director or Whole Time Director or

Manager and three percent of the net profits in any other case.

- The independent Director Shall not be entitled to any stock Option.

#### **Evaluation/Assessment of Director/KMPs/Senior Officials of the Company**

The evaluation/assessment of the Director, KMP's and the senior officials of the Company is to be conducted on an annual basis and to satisfy the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

The Following Criteria may assist in determining how effective the performance of the Director/KMPs/Senior officials has been :

- Leadership & stewardship abilities
- Assess policies, structures & procedures
- Regular monitoring of corporate result against projections
- Contributing to define corporate objectives & plans
- Obtain adequate, relevant & timely information.
- Review achievement of strategic and operational

- plans, objectives, budgets
- Identify, monitor & mitigate significant corporate risks
- Directly monitor & evaluate KMPs, senior officials
- Review management's Succession Plan
- Effective meetings
- Clearly defining role & monitoring activities of Committees
- Review of ethical conduct

Evaluation following the aforesaid parameters, will be conducted by the independent Director for each of the Executive/Non-independent Directors in a separate meeting of the Independent Directors.

The Executive Director/Non-independent Directors along with the Independent Directors will evaluate/assess each of the Independent Director relative to the aforesaid parameters. Only the Independent Director being evaluated will not participate in the the said evaluation discussion.

#### **DEVIATIONS FROM THIS POLICY :**

Deviation on elements of this policy, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case

For and on behalf of The Board

Date : 28-5-2019

Place: Bhilwara

**Sd-**  
**Ashok Kothari**  
Director & CEO  
DIN 00132801

### **ANNEXURE - IV to DIRECTORS' REPORT**

**Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earning and Outgo required under Companies (Accounts) Rules, 2014**

#### **I. Conservation of Energy**

- |                                                                                                                                   |                |
|-----------------------------------------------------------------------------------------------------------------------------------|----------------|
| (a) Energy conservation measures taken:                                                                                           | Not applicable |
| (b) Additional Investment & Proposals, if any, being Implemented for reduction of consumption of energy:                          |                |
| (c) Impact of measures at (a) & (b) for reduction of energy consumption and consequent impact on the cost of production of goods. |                |

#### **II. TECHNOLOGY ABSORPTION**

Not Applicable

#### **III. Foreign Exchange Earnings and Outgo.**

During the year there were no foreign exchange transactions.

For and on behalf of The Board

Date : 28-5-2019

Place: Bhilwara

**Sd-**  
**Ashok Kothari**  
Director & CEO  
DIN 00132801

## ANNEXURE - V TO DIRECTOR'S REPORT

**DETAILS PERTAINING TO RENUMERATION AS REQUIRED UNDER SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND RENUMERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- (i) **the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;**

Median Salary for FY 2018-19

Since there is only Two Employee of the Company, the median cannot be calculate.

Name of the Director	Remuneration for the Financial Year 2018-19 ( Rs. in lac)	Ratio
Sh. Ashok Kothari	0	0.00

\*No remuneration is paid to Shri Ashok Kothari Director & CEO of the Company.

- (ii) **the percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary or manager, if any, in the financial year**

Name of the Director/ Manager	Remuneration for the Financial Year 2018-19 (Rs. in lac)	% Increase in remuneration
1 Shri Ashok Kothari	0	-
2. B.S. Choudhary	9.70	13.31%
3. Neelu Mehta	1.87	179%

No remuneration is paid to Shri Ashok Kothari director & CEO of the Company

- (iii) **the percentage increase in the median remuneration of employees in the financial year;**

% increase in the Median remuneration of the employees in the FY

Since there is only two employees of the Company, the median cannot be calculate.

- (iv) **the number of permanent employees on the rolls of company;**

No. of Permanent Emoployees 2 as on 31 March 2019

- (v) **The explanation on the relationship between average increase in remuneration and Company performance:**

Sh. Ashok Kothari Director of the Company does not draw any remuneration.

- (vi) **Comparison of the remuneration of the Key Managerial Parsonnel against the performance of the Company:**

The remuneration Paid to Key Managerial Personnel is in line with the performance of the Company.

- (vii) **affirmation that the remuneration is as per the remuneration policy of the company.**

Yes it is affirmed that the remuneration is as per the remuneration policy of the Company.

Place - Bhilwara Camp  
Dated-28 May 2019

For and on behalf of The Board

**Sd-**  
**ASHOK KOTHARI**  
DIRECTOR  
DIN 00132801



## ANNEXURE - V TO DIRECTOR'S REPORT

**Statement of particulars of Employees. pursuant to Section 197 of Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

**A. The name of the top Employee in terms of remuneration drawn.**

Since there is only Two employee in the Company, his remuneration details are as follows :

S. No.	Name of Employee	Designation	Remuneration (Rs. In Lacs)	Qualification	experance (Years)	Commencement of Employment	No. of Shares Held	Whether Premanent/ Contractual	Age (years)
1	Bhopal Singh Choudhary	CFO	9.70	M.COM	34	26-08-1986	1427	Permanet	56
2	Neelu mehta	Company Secretary	1.87	B.COM & C.S.	9	01-04-2010	0	Contractual	32
B.	Persons employed throughout the financial year & paid Rs. one crore two lac P.A. or more.								
	No. employee is drawing remuneration in excess of the limits precribed under the said provision.								
C.	Persons employed part of the financial year and paid Rs. 8 lac 50,000 P.M. or more :- NIL								

# Corporate Governance 2018-19

## Company's Philosophy on Corporate Governance

The Company adopts the best practices and highest standards of Corporate Governance through transparency in the information, highest standards of professionalism honesty, ethical behavior, accountability to the shareholders, stakeholders, customers etc. Good Corporate Governance underpins the success and integrity of the organizations, institutions and markets. The Company recognizes that good governance is a continuing exercise and reiterates its commitment to pursue highest standards of Corporate Governance in the overall interest of all its stakeholders. The Philosophy of the Company is to maintain the level of ethics in all its dealings in order to achieve its goal of building the trust of investors in the Company.

The Board of Directors of Bhilwara Spinners Limited (the "Company") sets high Standards and exercises its fiduciary responsibilities in the widest sense of the term.

## **Board of Directors**

### **Composition of the Board**

The Company is managed by its Board of Directors, which formulate strategies, policies and review its performance periodically. As on 31<sup>st</sup> March, 2019, BHILSPIN's Board comprises of 5 (five) Directors, out of which 4 (Four) Directors are Non-Executive. Among the Non- Executive, 2 (Two) Directors comprising 40 % of the total strength of the Board, are Independent Directors which were drawn from diverse fields / professions.

### **Number of Board Meetings**

During 2018-2019 the Board of BHILSPIN met four times on 28<sup>th</sup> May, 2018, 13<sup>th</sup> Aug, 2018 14<sup>th</sup> November, 2018, and 12<sup>th</sup> february, 2019 The maximum time gap between any two consecutive meetings was less than hundred and twenty days.

The Company in consultation with all the directors of the Company prepares a Tentative Calendar for the next Meetings of the Board/ Committee to ensure the presence of all the directors in the meetings. Agenda papers containing all the necessary information are sent well in advance to all the directors of the Company so as to enable the directors to become aware of all the facts on timely basis.

### **Directors' Attendance Record and Directorship Held**

Sl. No.	Name Director	Category	No. of Meetings held in 2018-19 during tenure	No. of Meetings held in 2017-18 attended	No. of outside Director ships of public companies*	No. of Outside Board-level Committees where Chairperson or member #	
						member**	Chairperson
1	Mr. Ashok Kothari	Promoter - Executive	4	4	-	-	-
2	Mr. Anshul Kothari	Promoter - Non - Executive	4	4	-	-	-
3	Mr. Hanuman Pokharna	Independent-Non Executive	4	4	-	-	-
4	Mrs Sushila Kothari	Promoter - Non - Executive	4	4	-	-	-
5	Mr. Arvind Tater	Independent-Non Executive	4	4	-	-	-

Note : \* Excludes Directorships in private limited companies foreign companies memberships of management committees of various chambers, bodies and section 8 companies

# Includes Audit and Stakeholders Relationship Committees only.

\*\* Includes Committee Chairmanships

The Previous Annual General Meeting of the Company was held on 25<sup>th</sup> September, 2018 and was attended by sh. Ashok Kothari , Director and Hanuman pokharna Audit Committee.

None of the Directors is a member of more than 10 Board level committees and Chairman of 5 such committees across all the Public Companies in which he/ she is a Director.

Independent Director means Director as mandated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 149(6) of the Companies Act, 2013 All the Independent Directors have given the declaration of their independence at the beginning of the financial year or at the time of their co-option on the Board.

**The information placed before the Board includes ;**

The Board has complete access to all information about the Company. The following information is regularly provided to the Board :

- Quarterly results for the Company and operating divisions and business segments.
- Minutes of the meetings of the Audit Committee and other Committees of the Board.
- Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary.
- Any material default in financial obligations to and by the Company or substantial nonpayment for goods sold by the Company.
- Sale of material nature of investments, subsidiaries, assets, which is not in the normal course of business.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer among others.

**Shareholding of Non-executive Directors**

**Equity shares and Convertible Instruments held by Non-Executive Directors as on 31<sup>st</sup> March, 2019**

Name of Director	Category	Number of Equity shares held	Convertible Warrants
Mr. Ansul Kothari	Promoter Non - Executive	NIL	NIL
Mr. Hanuman Pokharna	Independent - Non- Executive	NIL	NIL
Mrs Sushila Kothari	Promoter Non - Executive	800	NIL
Mr. Arvind Tater	Independent - Non- Executive	NIL	NIL

**Board- Level Committees**

**I. Audit Committee**

As on 31st March, 2019 Bhilspin Audit Committee comprised two members namely Mr. Ashok Kothari Mr. Hanuman Pokharna of whom, including the Chairman of the Committee are Promoter while the second is a Non-Executive Independent Director. The terms of reference of the Audit Committee are in conformity with those mentioned in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well

As Section 177 of the Companies Act, 2013 In 2018-19 the Audit Committee met times on 28<sup>th</sup> May, 2018 13<sup>th</sup> August , 2018, 14<sup>th</sup> November 2018 and 12<sup>th</sup> February, 2019.

**Details of the Audit Committee**

Name of the Member	Category	No. of Meetings held during tenure	No. of Meeting Attended
Shri Hanuman Pokharna (Chairman)	Independent, Non- Executive	4	4
Sh. Ashok Kothari	Promoter, Executive	4	4

Mr. B.S. Choudhary Chief Financial Officer of the Company was the Secretary to the Committee who has since been acting as Secretary to the Committee. Invitees to the Audit Committee include the representative of the Statutory Auditors.

The Chairman of the Audit Committee attended the Annual General Meeting held on 25<sup>th</sup> September 2018 and was available to answer shareholder queries.

Company has performed all functions mentioned in the terms of reference of the Audit Committee as listed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

BHILSPIN has Systems and procedures in place to ensure that the Audit Committee mandatorily reviews wherever applicable:

- Management Discussion and Analysis of the financial condition and results of the Company
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management
- Management letters / letters of internal control weaknesses issued by the Statutory Auditors
- The uses/ applications of funds raised through public issues rights issues preferential issues by major category (capital expenditure, sales and marketing, working capital among others), as part of the quarterly declaration of financial results whenever applicable
- Statement certified by the Statutory Auditors, On an annual basis detailing the use of funds raised through public issues, rights issues, preferential issues for purposes other than those stated in the offer document/ prospectus/ notice if applicable

#### The Audit Committee is empowered to :

- Investigate any activity within its terms of reference and to seek any information it requires from any employee
- Obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, when considered necessary

## II. Nomination and remuneration Committee

### a) Terms of reference

The terms of reference of Nomination and Remuneration Committee are in line with the Provision as contained in section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which included the following :-

- Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria and recommend to the Board their approval and removal.
- Carry out the evaluation of directors performance
- Formulate the criteria for determining qualification, positive attributes and independence of a director.
- Recommend to the Board a policy relating to the remuneration for the directors, KMP and other Employees.
- Carry out such other functions as are required or appropriate in discharging their duties.
- Devising a policy on diversity of Board of Directors.
- To determine whether to extend or continue the term of appointment of Independent Director on the basis of the report of performance evaluation of Independent Directors.

### b) Composition of the Committee

As on 31<sup>st</sup> March 2019, BHILSPIN's Nomination and Remuneration Committee comprised Three members one of whom including the Chairman of the Committee, are independent while the second is a promoter Director. and Third is Independent Director The Nomination and Remuneration Committee met one times on 28<sup>th</sup> May 2018,

Sr. No.	Name of the Member	Category	No. of Meetings held during tenure	No. of Meeting Attended
1	Shri Hanuman Pokharna (Chairman)	Independent, Non- Executive	1	1
2	Shri Ansul Kothari	Promoter, Non- Executive	1	1
3	Shri Arvind Tater	Independent, Non- Executive	1	1

### Nomination and Remuneration Policy

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and relevant provisions of the Companies Act, 2013 the Company has framed a policy relating to the remuneration of the Directors, Key Managerial Personnel and Senior Management which is approved by the Board of Directors on the Recommendation of the Nomination and Remuneration Committee.

The terms of reference of the Nomination and Remuneration Committee, inter alia, includes determination of salary, perquisites, commission to be paid to the Company's Managing Directors (s) and whole time Directors, recommend to the Board retirement benefits to be paid to the Managing Director (s) and whole time directors The compensation terms of Executive Directors are approved by the Board of Directors upon recommendation of the Nomination and Remuneration Committee and subsequently approved by the shareholders in the General Meeting The Nomination and Remuneration Committee recommends the remuneration based on the criteria such as responsibilities given, past track record of performance industry standards and various other factors.

### Remuneration of Directors

Remuneration Paid to Directors for 2018-19

Name of Director	Category	Sitting fees	Salaries, allowances and Perquisites	Comission	Total
Mr. Ashok Kothari	Promoter- Executive	-	-	-	-
Mr. Anshul Kothari	Promoter - Non - Executive	-	-	-	-
Mr. Hanuman Pokharna	Independent-Non Executive	-	-	-	-
Mrs Sushila Kothari	Promoter - Non - Executive	-	-	-	-
Mr. Arvind Tater	Independent-Non Executive	-	-	-	-

During the year ended the 31<sup>st</sup> March, 2019 the Company did not advance any loans to any of its Directors. The Company does not have any Stock Option scheme.

### III. Stakeholders Relationship & Investors' Grievances Committee

As on 31<sup>st</sup> March, 2019, the Company's Stakeholders' Relationship Committee comprised of three Directors Shri Anshul Kothari (Chairman) Shri Arvind Tater and Smt. Sushila Kothari.

The Committee mainly look into the matters pertaining to Redressal of the Stakeholders' grievances and related matters. The Committee received 6 complaint from the shareholders during the financial year under review.

No Stakeholders Grievance remained unattended / pending for more than 15 days There were no complaints pending disposal as on the 31<sup>st</sup> March, 2019 No request for dematerialization of Equity Shares of the Company was pending for approval as at the 31<sup>st</sup> March 2019.

During 2018-19, the Committee met four times on 28<sup>th</sup> May 2018, 13<sup>th</sup> August 2018, 14<sup>th</sup> November 2018 and 12<sup>th</sup> February, 2019

The Company also has a Share Transfer Committee to deal with the requests of transfer /transmission of Equity Shares, Issue of Duplicate Share Certificates and Consolidation /Replacement of Share Certificates re-materialisation of shares etc.

The Share Transfer Committee presently comprises of :

- 1) Shri Anshul Kothari
- 2) Shri Arvind Tater

The Share Transfer Committee of the Company meets as often as required under the chairmanship of Shri Anshul Kothari Director. All valid requests for share transfer received during the year have been acted upon by the Company within the stipulated time limit.

To expeditiously approve tranfer of shares, Shri Anshul kothari Director and Shri B.S. Choudhary- Chief financial Officer also attend and approve the Share Transfer Requests on fortnightly basis under the delegated authorisation of the Board of Directors.

Nature of Requests	No. of requests Received during the year	No. of Shares Received during the year
Share Transfer	36	8000
Duplicate Share Certificates	0	0
Consolidated / Torn Certificates	0	0

Pursuant to Regulation 7 (3) of the SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015 certificate on half yearly basis, duly signed by the compliance officer and the authorized representative of the share transfer agent certifying that all activities in relation to both physical and electronic share transfer facility are maintained with Registrar to an issue and share transfer agent.

Pursuant to Clause 47 (c) of the Listing Agreement with the Stock Exchanges and Regulation 40 (9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 certificate on half yearly basis, have been issued by a practicing Company Secretary for due compliance of share transfer formalities by the Company.

Reconciliation of Share Capital Audit :

A qualified practicing Company Secretary carries out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and central Depository Services (India) Limited (CDSL) and the total issued and listed capital and places the report for the perusal of the Board.

The report confirms that the total issued and listed capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

## General Body Meetings

### Details of the Previous Annual General Meetings

Year	Date	Time	Location	Special resolution (s) Passed
2015-16	24 <sup>th</sup> September ,2016	11.00 am	26 industrial area Bhilwara Rajasthan -311001	----
2016-17	24 <sup>th</sup> September ,2017	11.00 am	26 industrial area Bhilwara Rajasthan -311001	----
2017-18	25 <sup>th</sup> September ,2018	11.00 am	26 industrial area Bhilwara Rajasthan -311001	----

No Special Resolutions were taken up in the last three Annual General Meetings :

### POSTAL BALLOT/E-VOTING

During the year under review, no resolution was passed through Postal Ballot and e-voting.

### DISCLOSURES

#### a) Related Party Disclosure

As required by the Accounting Standard AS-18, the details of Related Party Transactions are given in Note 27.ii to the Annual Accounts.

#### b) Disclosure of Accounting Treatment in preparation of Financial Statements

The Company has adopted Ind As and the adoption was carried out in accordance with Ind As 101 First time adoption of Indian Accounting Standard

#### c) Risk Management

The Company has a well -defined risk management framework in place. Under this framework, the Management identifies and monitors business risks on a continuous basis and initiates appropriate risk mitigation steps as and when deemed necessary. The Company has established procedures to periodically place before the Board the risk assessment and minimization procedures being followed by the Company and steps taken by it to mitigate those risks through a properly defined framework

#### d) Details of Non- Compliance by the Company in Previous Years

with regard to the matters related to capital markets, the Company has complied with all requirements of the Listing Agreement as well as SEBI regulations and guidelines. No. penalties / strictures were imposed on the Company by the Stock Exchange or SEBI or any statutory authority during the last three years.

#### e) Initiatives on Prevention of Insider Trading Practices

In compliance with the SEBI regulation on prevention of insider trading, the Company has instituted a comprehensive code of conduct for its management staff. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of BHILSPIN, and cautions them on consequences of violations

The Company follows closure of trading window prior to the publication of price sensitive information. The Company has been informing the directors, senior management personnel and other persons covered under the code and advice them not to trade in Company's securities during the closure of trading window period.

#### f) Compliance with Clause 49 and Regulation 34 (3) of SEBI (Listing Obligations and disclosure Requirements) regulation, 2015

The Company is fully compliant with the applicable mandatory requirements of the Clause 49 of the Listing Agreement till its applicability, The Company is also compliant with the requirements of SEBI (Listing Obligations and) Disclosure Requirements) Regulation, 2015 from its applicability from December 1, 2015 A certificate from Statutory Auditors to this effect is enclosed in the Annual Report.

#### Audit Qualifications.

The Company's Financial Statements are free from any qualifications by the Auditors and Company continues to adopt best practices to move towards a regime of Unqualified Financial Statements.

#### Management Discussion and Analysis

Senior Management personnel (Promoters, Directors, Management or relatives etc.) have made disclosure to the Board relating to all material, financial and other transactions stating that they did not have any personal interest that could result in a conflict with the interest of the Company at large.

#### Whistle Blower Policy

With the objective of pursuing the business in a fair and transparent manner by adopting the highest standards of professionalism honesty, integrity and ethical behavior and to encourage and protect the employees who wish to raise and report their genuine concerns about any unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct, the Company has adopted a Whistle Blower Policy. The Company has adopted a framework whereby the identity of the complainant is not disclosed. During the year, the Company did not receive any whistle Blower reference.

#### Director / CFO Certification

The director and CFO certification of the Financial Statements for the year form part of this Annual Report.

BHILSPIN's Board has laid down a Code of Conduct for all Board members and Senior Management of the Company. The Company is committed to conduct its business in accordance with the pertinent laws, rules and regulations and with the highest standards of business ethics. Board Members and designated Senior Management Officials have affirmed compliance with the Code of Conduct for the current year.

#### Means of Communication

The effective communication of information is considered to be very essential component of Corporate Governance. The Company interact with its shareholders through various means of communication i.e., Print Media Annual Report etc.

#### Quarterly / Annual results :

The quarterly & annual audited results are forthwith sent to the stock exchanges where the Company's shares are listed after they are approved by the Board of Directors, The results of the Company are published in accordance with Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 in at least one prominent national and one regional newspaper.

The Company has a dedicated investor email -id: bhilspinbs@gmail.com

#### Shareholders

##### i. Appointment or Reappointment of Independent Director and Promoter Director

One Promotor Director and One Independent Directors of your Company are liable to retire by rotation. Of these Directors, at least one-third retires every year and if eligible, propose themselves for the re-appointment. This year, Sh. Ansul kothari and Shri Arvind Tater is retiring by rotation and being eligible, offer themselves for re-appointment in the Annula General Meeting.

## ADDITIONAL SHAREHOLDER INFORMATION

### Annual General Meeting

Date : 25th September,2019  
 Day : Wednesday  
 Time : 11.00am  
 Venue : 26,Industrial Area Gandhi Nagar Bhilwara (Rajasthan)311001.

### Financial Results

Financial year: 1st April, 2018 to 31st March, 2019

For the year ended 31st March, 2019, results were announced on:

- 13th August, 2018 : First quarter
- 14th November, 2018 : Second quarter and Half year
- 12th February, 2019 : Third quarter and 9 months
- 29th May, 2019 : Fourth quarter and Annual.

For the financial year ending 31st March, 2019, quarterly results will be announced within 45 days from the end of the each quarter except fourth quarter when the audited annual results will be published within 60 days.

### Book Closure

The dates of book closure are from 17 Sept, 2019 (day) to 25 Sept, 2019(day)(Both days inclusive).

### Dividend Dates

No dividend has been recommended on the Equity Shares.

### Listing and Stock Codes

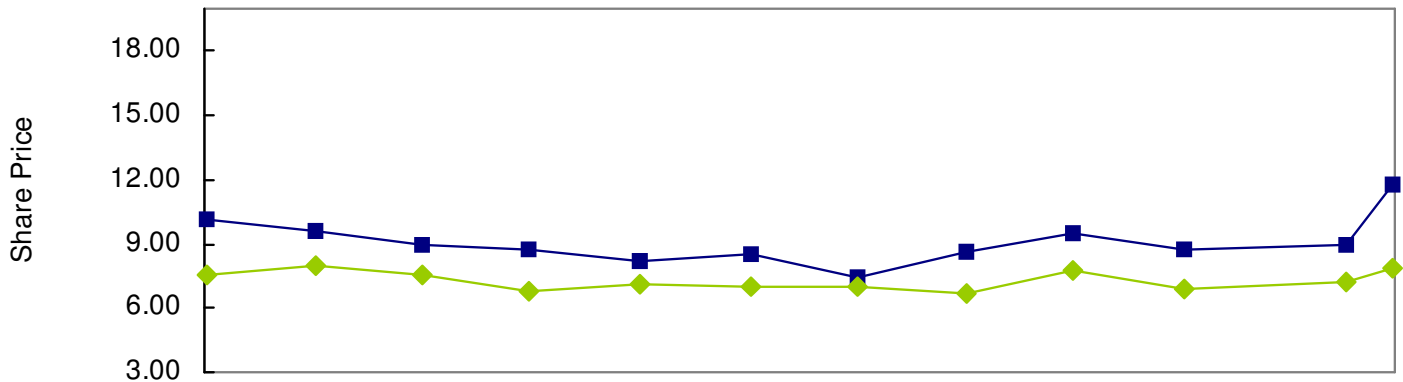
The Company's Equity shares are listed on Bombay Stock Exchange Limited (BSE). Listing fee as prescribed has been paid to the BSE up to 31st March, 2020. The scrip code of the Company at BSE is given below:

Stock Exchange	Scrip ID	Scrip code
BSE	BHILSPIN	514272



## Stock Data

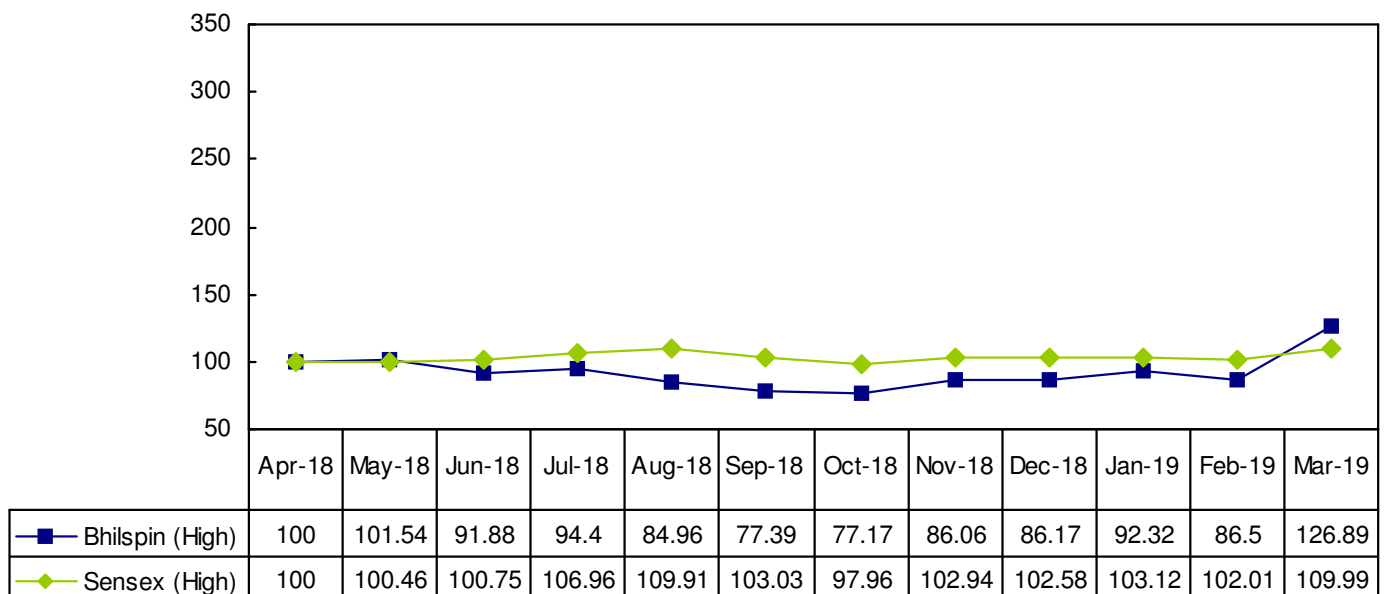
### A. Stock Market Data: Monthly High Low (in ₹) at BSE:



	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
High	10.19	9.56	9.00	8.69	8.17	8.52	7.40	8.66	9.55	8.75	8.92	11.76
Low	7.52	7.96	7.55	6.75	7.11	6.96	7.03	6.68	7.79	6.90	7.22	7.90

Source : BSE Limited

### B. Performance in comparison with BSE Sensex (Both series indexed to 100 as on April, 2018)



Source : BSE Limited

**Shareholding Pattern****Shareholding Pattern by Ownership as on 31st March, 2019**

Categories	No. of shares	Percentage
Promoters, Directors, Relatives and Associates	3532470	52.24
Foreign institutional Investors	-	-
Mutual funds	2200	.03
Nationalised and other banks	-	-
Financial Institution & Insurance Companies	-	-
Public	3226460	47.73
<b>Total</b>	<b>6761130</b>	<b>100</b>

**Shareholding Pattern by Size-Class as on 31<sup>st</sup> March 2019**

Categories	No. of Shareholders	% of Shareholding	No. of shares	% of Shareholding
Upto 500	6914	93.43	1186582	17.55
501-1000	284	3.84	239430	3.54
1001-10000	188	2.54	586329	8.67
10001 and above	14	0.19	4748789	70.24
<b>Total</b>	<b>7400</b>	<b>100.00</b>	<b>6761130</b>	<b>100.00</b>

**Dematerialisation of Shares**

As on 31<sup>st</sup> March, 2019, 5872130 Equity Shares representing 86.01 percent of the total equity capital were held in dematerialised form. Trading in shares of the Company is permitted in dematerialised form only.

The ISIN number for BHILSPIN's equity shares on NSDL and CDSL is INE436CO1014.

**Share Transfer System**

Matters related to share transfer and transmission are attended by the delegated authorities on a fortnightly basis. Share transfers are registered and returned within 15 days from the date of receipt if the documents are in order in all respects 8000 Equity shares were transferred during the year 2018-19

**Details of Public Funding Obtained in the Last Three Years**

BHILSPIN has not obtained any public funding in the previous years.

**Investor Correspondence**

Investor correspondence should be addressed to :

Registrar & Share Transfer Agent :

MCS Share Transfere Agent Limited

F-65, 1<sup>st</sup> Floor, OKhla Industrial Area

Phase-1,

New Delhi - 20

Phone No. : 011 - 414061148

Fax No. : 011 - 41709881

E-mail : mcscomplaintsdel@gmail.com

**Compliance Officer**

Bhilwara Spinners Limited  
26, Industrial Area  
Gandhi Nagar Bhilwara  
Rajasthan -311001

Phone Nos. : 01482-246601  
Fax Nos. : 01482-246461  
E-mail : bhilspinbs@gmail.com

**Registered Office**

26, Industrial Area  
Gandhi Nagar-Bhilwara  
Rajasthan-311001

**Other information to the Shareholders****Green Initiative**

As a responsible Corporate citizen, the Company welcome the Green Initiative by sending the communications/documents including Notices for General Meeting and Annual Reports from time to time in electronic mode to those members who have provided their e-mail addresses to their Depository Participants (DP).

Shareholders who have not registered their e-mail addresses are requested to register/ update their e-mail addresses in respect of equity shares held by them in demat form with their e-mail address in respect of equity shares held by them in demat form with their respective DPs and in case of physical form with the Company.

**Internal Complaints Committee (ICC)**

As per the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2014 which came into effect from the 9th of December 2014, the Company has formulated an Internal Complaints Committee that will ensure a work environment free of all forms of sexual harassment verbal, written, physical, visual or otherwise.

The Committee is formed as per the statute it is headed by a women Director, it has adequate independent representation of women from the social and legal fields. It lays down the whole procedure of filing complaint, enquiry, redressal of grievance and taking action against those who are found guilty by Committee in a fairly transparent manner. During the year under review no incident of sexual harassment was reported.

**Unpaid/Unclaimed Dividends**

There were no amount of unpaid/unclaimed dividend was pending with the Company from last seven years because the company has not declared since last many years. In view of the same Company had not transferred any dividend amount and shares which are unpaid/ unclaimed to the Demat account of IEPF Authority as per the provisions of Sections 124 and 125 of Companies Act, 2013 and read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rule notified by the Ministry of Corporate Affairs.

**For and On Behalf of the Board**

**Place :Bhilwara**  
**Dated : 28-5- 2019**

**sd/-**  
**ASHOK KOTHARI**  
Director  
DIN : 00132801

**CERTIFICATION BY DIRECTOR AND CHIEF FINANCIAL OFFICER OF THE COMPANY**

We Ashok Kothari, Director and Bhopal Singh Choudhary, Chief Financial Officer, of Bhilwara Spinners Limited, hereby certify to the Board that :

- (a) We have reviewed financial statements and the cash flow statement of the year and that to the best of our knowledge and belief :
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by Bhilwara Spinners Limited during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We are responsible for establishing and maintaining internal controls for financial reporting in Bhilwara Spinners Limited and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. We have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee
  - (i) Significant changes in internal control over financial reporting during the year.
  - (ii) Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
  - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.
- (e) We affirm that we have not denied any personnel access to the Audit Committee of the company (in respect of matters involving alleged misconduct).
- (f) We further declare that all Board members and designated senior management have affirmed compliance with the Code of Conduct for the current year.

For **BHILWARA SPINNERS LIMITED**

**ASHOK KOTHARI**  
Director

**BHOPAL SINGH CHOUDHARY**  
CHIEF FINANCIAL OFFICER

Place : Bhilwara  
Date : 28 May 2019

**CERTIFICATE OF COMPLIANCE FROM AUDITORS AS STIPULATED UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

To the Members of

Bhilwara Spinners Limited

We have examined the compliance of conditions of Corporate Governance by Bhilwara Spinners Limited, for the year ended on 31st March, 2019 as stipulated in clause 49 of the Listing Agreement of the said Company with 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 the 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 with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Shareholders / Investors Grievance Committee.

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

As per our report of even date attached

**Place: Bhilwara**  
**Date : 28-5-2019**

For **CLB & ASSOCIATES**  
*Chartered Accountants*  
F.R. No. 124305W

**Kumbhar Jeetu**  
Partner  
M.No. - 132629

Abhik jain  
ACS MBA, BBM, LLB  
Company Secretary

## **Abhik Jain & ASSOCIATES**

Practicing Company Secretaries  
A-31 Kashipuri, Bhilwara , Rajasthan -311001  
E-mail-abhikjain100@gmail.com

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### **CERTIFICATE OF NON -DISQUALIFICATION OF DIRECTORS**

(As per clause C of Schedule V of Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 read with regulation 34 (3) of the said Listing Regulations)

To,

The Membrs,

Bhilwara Spinners Limited

26,Industrial Area

Gandhi Nagar

Bhilwara -311001 (Raj.)

As required by item 10 (i) Part C of schedule V of Schedule V of Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) RegulationS, 2015 we certify that none of the directors on the board of Bhilwara Spinners Limited have been debarred or disqualified from appointed or continuing as directors of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority.

**FOR ABHIK JAIN & ASSOCIATES**

Company Secretaries

Place Bilwara

Dated 25<sup>th</sup> May 2019

(ABHIK Jain)  
Proprietor  
ACS -37412  
C.P. No. -20056

## INDEPENDENT AUDITOR'S REPORT

### INDEPENDENT AUDITOR'S REPORT

#### To the Members of Bhilwara Spinners Limited Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of **BHILWARA SPINNERS LIMITED** ("the Company"), which comprise the balance sheet as at 31st March 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity, Statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting Standards prescribed under section 133 of the Act read with companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the management discussion and analysis Board's Report, Report on Corporate governance and Business Responsibility report but does not include the Standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated, if, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

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

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Financial Statements

1. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.
2. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also :
  - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

## INDEPENDENT AUDITOR'S REPORT

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
3. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
  4. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
  5. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, The Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with relevant rules issued there under and relevant provisions of the Act.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 23 to the standalone financial statements.
    - ii. The Company do not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- 3 **In respect of companies where managerial remuneration is within limit :**  
The company has not paid any managerial remuneration to its directors during the year, hence the clause is not applicable to the company.

For CLB & Associates  
Chartered Accountants  
FR No.: 124305W

Jeetu Kumbhar  
Partner  
M.No. 132629  
Place: Mumbai  
Date: 28/05/2019

**“Annexure A” to the Independent Auditors' Report**

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2019:

- (i). (a). The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b). As explained to us, fixed assets have been physically verified by the management at regular intervals as informed to us no material discrepancies were noticed on such verification;
- (c). According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of company
- (ii). The Company doesn't have any inventory during the year. Hence the requirement of Clause 3(ii) of the said order is not applicable to the Company.
- (iii). The company has not granted any loan, secured or unsecured to companies, firms or other covered parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv). In our opinion and according to the information and explanations given to us, the company has not made any contravention of with the provision of section 185 and section 186 of the act, in respect of loans, Investment, guarantees and security.
- (v). The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.
- (vi). As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the activities of the company
- (vii). (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service tax, Custom Duty, Excise Duty and other material statutory dues, as applicable, with the appropriate authorities in India.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, customs duty, and excise duty were outstanding, at the year end for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax, Customs Duty and Excise Duty and Goods and Service Tax which have not been deposited on account of any disputes.
- (d) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (viii). In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank.
- (ix). The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
- (x). According to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- (xi). According to the information and explanations given to us and based on our examination of the records of the company, the company paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the act.
- (xii). In our opinion and according to the information and explanations given to us, the company is not a Nidhi company.
- (xiii). According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv). According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv). According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with him.
- (xvi). The Company is not required to be registered under section 45-IA of Reserve Bank of India Act 1934.

For CLB & Associates  
Chartered Accountants  
FR No.: 124305W

Jeetu Kumbhar  
Partner  
M.No. 132629  
Place: Mumbai  
Date: 28/05/2019



**“Annexure B” to the Independent Auditor's Report**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Bhilwara Spinners Limited (“the Company”) as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

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

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

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

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For and on behalf of  
CLB & Associates  
Chartered Accountants  
FR NO.: 124305W

Jeetu Kumbhar  
Partner  
M No.:132629  
Place: Mumbai  
Date: 28/05/2019

**BALANCE SHEET AS AT 31st MARCH, 2019**

<i>in Rs.</i>			
Particulars	Note Ref.	Year ended March 31,2019	Year ended March 31,2018
<b>ASSETS</b>			
<b>(1) Non-current Assets</b>			
(a) Property, plant and equipment	2	15,087,837	19,415,820
(b) Financial Assets			
(i) Loans	3	107,078,892	63,054,887
(ii) Other Financial Assets	4	2,162,855	2,042,895
(c) Other non-current assets	5	73,719,247	73,921,259
		<b>198,048,830</b>	<b>158,434,861</b>
<b>(2) Current Assets</b>			
(a) Financial Assets			
(i) Trade Receivables	6	888,703	5,401,292
(ii) Cash & Cash Equivalents	7	652,635	797,584
(iii) Loans	8	-	145,000
		<b>1,541,338</b>	<b>6,343,876</b>
<b>TOTAL ASSETS</b>		<b>199,590,168</b>	<b>164,778,737</b>
Equity And Liabilities			
Equity			
(a) Equity Share Capital	9	67,611,300	67,611,300
(b) Other Equity	10	112,381,384	62,856,772
<b>TOTAL EQUITY</b>		<b>179,992,684</b>	<b>130,468,072</b>
<b>LIABILITIES</b>			
<b>(1) Non - Current Liabilities</b>			
(a) Other Non Current Liabilities	11	2,025,971	2,025,742
		<b>2,025,971</b>	<b>2,025,742</b>
<b>(2) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	12	-	9,760,294
(ii) Trade Payables	13	1,417,219	17,544,271
(b) Other Current Liabilities	14	8,415,161	3,955,598
(c) Current Tax Liabilities (Net)	15	7,739,133	1,024,760
		<b>17,571,513</b>	<b>32,284,923</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>199,590,168</b>	<b>164,778,737</b>

Statement of Significant accounting policies and other explanatory notes form part of the balance sheet and statement of profit and loss.

As per our Report of even date

For and behalf of the Board

For **CLB & ASSOCIATES**  
Chartered Accountants  
Firm's Regn No : 124305w

**CA KUMBHAR JEETU**  
Partner  
M. No. 132629

Place : Bhilwara  
Date : 28.05.2019

**Ashok Kothari**  
Director, DIN 00132801

**Anshul Kothari**  
Director, DIN 02624500

**Hanuman Pokharna**  
Director, DIN 03155927

**Smt. Sushila Kothari**  
Director, DIN 00132802

**Arvind Tater**  
Director, DIN 07167125

**Bhopal Singh Choudhary**  
Chief Financial Officer

**Neelu Mehta**  
Company Secretary

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2019**

<i>in Rs.</i>			
Particulars	Note Ref.	Yearended March 31,2019	Yearended March 31,2018
I Revenue from operations	16	21,108,176	53,535,033
II Other Income	17	6,496,050	8,970,755
III Total income (I+II)		<b>27,604,226</b>	<b>62,505,788</b>
IV Expenses :			
Purchases of stock-in trade	18	24,788,331	52,506,329
Employee benefit expenses	19	1,812,658	1,001,345
Finance costs	20	403,260	1,122,159
Other expenses	21	5,215,705	2,168,884
Total Expenses		<b>32,219,955</b>	<b>56,798,717</b>
V Profit before exceptional items and tax (III-IV)		<b>(4,615,729)</b>	<b>5,707,071</b>
VI Exceptional Items	22	66,986,861	3,892,112
VII Profit before tax (V-VI)		<b>62,371,132</b>	<b>9,599,183</b>
VIII Tax expenses :			
(1) Current tax		12,840,220	1,913,707
(2) Income tax of Earlier Year		6,300	231,451
Profit / (Loss) for the period from Continuing Operations (VII-VIII)		<b>49,524,612</b>	<b>7,454,025</b>
X Other Comprehensive Income		-	-
XI Total Comprehensive Income for the period (IX+X)		<b>49,524,612</b>	<b>7,454,025</b>
XII Earning per equity share (Basic and Diluted)		<b>7.32</b>	<b>1.10</b>

Statement of Significant accounting policies and other explanatory notes form part of the balance sheet and statement of profit and loss.

As per our Report of even date

For and behalf of the Board

For **CLB & ASSOCIATES**

Chartered Accountants

Firm's Regn No : 124305W

**KUMBHAR JEETU**

Partner

M. No. 132629

Place : Bhilwara

Date : 28.05.2019

**Ashok Kothari**

Director, DIN 00132801

**Anshul Kothari**

Director, DIN 02624500

**Hanuman Pokharna**

Director, DIN 03155927

**Smt. Sushila Kothari**

Director, DIN 00132802

**Arvind Tater**

Director, DIN 07167125

**Bhopal Singh Choudhary**

Chief Financial Officer

**Neelu Mehta**

Company Secretary

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2019

Particulars	2018-2019		2017-2018	
	Rs.	Rs.	Rs.	Rs.
<b>Cash flows from operating activities</b>				
Profit before taxation				
Adjustments for :		62,371,132		9,599,183
Depreciation and amortization expense	-		-	
Profit on sale of fixed assets (Net)	(66,986,861)		(3,892,112)	
Interest received	(6,496,050)		(8,970,755)	
Liability no longer require written back	(403,260)		(1,122,159)	
Interest expenses	<u>(12,846,520)</u>		<u>(2,145,158)</u>	
Provision for taxes		<u>(86,732,692)</u>		<u>(16,130,184)</u>
		<u>(24,361,560)</u>		<u>(6,531,000)</u>
(Increase) decrease in trade and other receivables	(39,284,363)		(12,444,149)	
(Increase)/ decrease in inventories				
Increase/ (decrease) in trade payables and other liabilities	<u>(14,713,181)</u>		3,986,783	
		<u>(53,997,545)</u>		<u>(8,457,366)</u>
Income taxes paid		<u>(78,359,105)</u>		<u>(14,988,367)</u>
Net cash from operating activities		<u>(78,359,105)</u>		<u>(14,988,367)</u>
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	(1,933,609)		(10,273,709)	
Proceeds from sale of property, plant and equipment	73,248,453		4,269,490	
Purchase of investments				
Proceeds from sale of investments				
Interest received	6,496,050		8,970,755	
Dividend received	-			
Net cash from investing activities		<u>77,810,894</u>		<u>2,966,536</u>
<b>Cash flows from financing activities</b>				
Proceeds from of share capital				
Proceeds from long term borrowings				
Proceeds from short term borrowings				
Proceeds of finance lease obligation				
Repayment of long term borrowings				
Repayment of finance lease obligation	403,260		1,122,159	
Interest paid				1,122,159
Net cash from financing activities		<u>403,260</u>		<u>(10,899,671)</u>
<b>Net increase/ (decrease) in cash and cash equivalents</b>		<u>(144,950)</u>		
<b>Cash and cash equivalents at beginning of reporting period</b>		<u>797,584</u>		<u>11,697,255</u>
<b>Cash and cash equivalents at end of reporting period</b>		<u><b>652,634</b></u>		<u><b>797,584</b></u>
<b>Cash &amp; Cash equivalents :</b>				
Cash and equivalents consist of cash on hand balances with banks and investment in money market instruments Cash and cash equivalents included in the statement of cash flows comprise the following amounts in the balance sheet :				
equivalents included in the statement of cash flow comprise the following amounts in the balance sheet :				
Cash on hand and bank balances		652,635		797,584
Short term investments				
Cash and cash equivalents as reported		<u>652,635</u>		<u>797,584</u>
Effect on exchange rate changes				
<b>Cash and cash equivalents as restated</b>		<u><b>652,635</b></u>		<u><b>797,584</b></u>
In Accordance with our Report attached		For and on behalf of the Board		
For <b>CLB &amp; ASSOCIATES</b> Chartered Accountants Firm's Regn No : 124305w	<b>Ashok Kothari</b> Director, DIN 00132801	<b>Smt. Sushila Kothari</b> Director, DIN 00132802	<b>Bhopal Singh Choudhary</b> Chief Financial Officer	
<b>CA KUMBHAR JEETU</b> Partner Mem. No. 132629	<b>Anshul Kothari</b> Director, DIN 02624500	<b>Arvind Tater</b> Director, DIN 07167125	<b>Neelu Mehta</b> Company Secretary	
Place : Bhilwara Date : 28.05.2019	<b>Hanuman Pokharna</b> Director, DIN 03155927			

## Statement of Changes in Equity for period ended 31st MARCH 2019

(Figures in Rs.)

### 6 (A) Equity Share Capital

Equity share capital of face value 10.00 each	No. of Shares	Figures in (Rs.)
Balances as at March 31,2018	6,761,130	67,611,300
Changes in equity share capital during the year	-	-
Balance as at March 31, 2019	<b>6,761,130</b>	<b>67,611,300</b>

6 (B) Other equity					
	Reserves and Surplus			Items of OCI	Total
	Capital Reserve	Securities Premium	Retained Earnings	Other Comprehensive Income	
Balance as on 31st March 2018	269,500	42,230,500	20,356,772	-	62,856,772
Profit for the period	-	-	49,524,612	-	49,524,612
Balance as on 31 st March 2019	269,500	42,230,500	69,881,384	-	112,381,384

Statement of Significant accounting policies and other explanatory notes form part of the balance sheet and statement of profit and loss.

As per our Report of even date

For and behalf of the Board

For **CLB & ASSOCIATES**  
Chartered Accountants  
Firm's Regn No : 124305w

**KUMBHAR JEETU**  
Partner  
M. No. 132629

Place : Bhilwara  
Date : 28.05.2019

**Ashok Kothari**  
Director, DIN 00132801

**Anshul Kothari**  
Director, DIN 02624500

**Hanuman Pokharna**  
Director, DIN 03155927

**Smt. Sushila Kothari**  
Director, DIN 00132802

**Arvind Tater**  
Director, DIN 07167125

**Bhopal Singh Choudhary**  
Chief Financial Officer

**Neelu Mehta**  
Company Secretary

## BHILWARA SPINNERS LIMITED

### Note:1. SIGNIFICANT ACCOUNTING POLICIES & PRACTICES AND NOTES ON ACCOUNTS

#### (A). SIGNIFICANT ACCOUNTING POLICIES

##### 1. Accounting Conventions

The Company follows the Mercantile system of accounting and recognizes Income and Expenditure on accrual basis. The accounts are prepared on historical cost basis, as a going concern and are consistent with generally accepted accounting principles.

##### 2. Use Of Estimates

The preparation of the financial statements in conformity with the generally accepted accounting principles requires estimates and requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period.

##### 3. Revenue Recognition

- a) Income and expenditure are accounted for on accrual basis except :
- Interest charged in the invoices, which is accounted for at the time of raising of invoices.
  - Overdue interest on late payment, which is accounted for on cash basis.
  - Medical reimbursement to employees, which are accounted for on cash basis.

- b) Sales are exclude gst

##### 4. Fixed Assets

- a) Fixed assets are stated at their original cost of acquisition including freight , incidental expenses and other non refundable taxes or levies related to acquisition and installation of the concerned assets. Interest on borrowed funds attributable to acquisition/construction of fixed assets and related pre-operative expenses up to the date of commercial production, net of sales of trial production, are also capitalised where appropriate CENVAT availed has been deducted from the cost of respective assets.
- b) Project under Commissioning and other Capital Works-in-Progress are carried at cost, comprising direct cost, related incidental expenses and interest on borrowings there against.
- c) (i) The carrying amounts of fixed assets are reviewed at each balance sheet date, if there is any indication of impairment based on internal /external factors.
- (ii) An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount and the same is recognized as an expense in the statement of Profit & Loss and Carrying amount of the asset is reduced to recoverable amount.
- (iii) Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exists or have decreased.

##### 5. Depreciation

On Straight line method at the rates and in the manner prescribed under Part-C of Schedule II the Companies Act, 2013. Depreciation on assets costing upto Rs.5000/- is provided in full in the year of acquisition

##### 6. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

##### 7. Foreign Exchange Transaction /Translation

- (a) There is no Foreign currency transactions arising during the year.

## 8. Provisions, Contingent Liability & Contingent Assets

- (a) Provisions involving substantial degree of estimation in measurement, are recognized when the present obligation resulting from past events given rise to probability of outflow of resources embodying economic benefits on settlement.
- (b) Contingent liabilities are not recognized and are disclosed in notes.
- (c) Contingent assets are neither recognized nor disclosed in financial statements.
- (d) Provisions are reviewed at each Balance sheet date and adjusted to reflect the current best estimates.

## 9. Employees Benefits

- (a) Retirement benefits in the form of Provident fund, Pension Schemes and Superannuation are defined contribution schemes and the contributions are charged to the Profit & Loss Account of the year when the contributions to the respective funds are due.
- (b) Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation made at the end of each financial year. However, the company is contributing to the company's Gratuity Trust covering the gratuity liability of the employees. The difference between the actuarial valuation of the gratuity of employees at the year-end and balances of fund with Gratuity Trust is provided for as liability in the books.
- (c) Provision for Leave encashment is accrued and provided for on the basis of an actual valuation made at the end of each financial year.
- (d) Actuarial gains / losses are immediately taken to Profit & Loss Account and are not deferred.
- (e) Expenses incurred on voluntary retirement of employees are charged off to the Profit & Loss Account in the year of incurrence.
- (f) Liability on account of short term employee benefits, comprising largely of performance incentives is recognized on an undiscounted, accrual basis during the period on the vesting period of benefit.

## 10. Tax Expense

### a) Current year charge

Provision for taxation is ascertained on the basis of assessable profits computed in accordance with the provision of Income Tax Act, 1961. However, where the tax is computed in accordance with the provision of Section 115JB of the income Tax act, 1961, as Minimum Alternate Tax (MAT), it is charged.

### b) Deferred Tax

- i) Deferred tax is recognized, subject to the consideration of prudence, as the tax effect of timing difference between the taxable income and accounting income computed for the current accounting year and reversal of earlier years' timing differences.
- ii) Deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty, except arising from unabsorbed depreciation and carry forward losses which are recognized to the extent that there is deferred tax liabilities or there is virtual certainty, that sufficient future taxable income.

<b>NON-CURRENT ASSETS</b>						
<b>NOTE 2 : PROPERTY, PLANT &amp; EQUIPMENTS</b>						
<b>PARTICULARS</b>	<b>BUILDING</b>	<b>PLANT &amp; MACHINERY</b>	<b>FURNITURE &amp; FIXTURE</b>	<b>OFFICE EQUIPMENTS</b>	<b>LEASEHOLD LAND</b>	<b>TOTAL</b>
Gross Block						
As on 31/03/2018	3,083	12,848	3,624	77	19,396,188	19,415,820
Additions	-	-	-	-	1,933,609	1,933,609
Adjustments	-	-	-	-	6,261,592	6,261,592
As on 31/03/2019	3,083	12,848	3,624	77	15,068,205	15,087,837
						-
Accumulated Depreciation						-
As on 31/03/2019	-	-	-	-	-	-
For the year 2018-19	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
As on 31/03/2019	-	-	-	-	-	-
Net Block as on 31/03/2018	3,083	12,848	3,624	77	19,396,188	19,415,820
Net Block as on 31/03/2019	3,083	12,848	3,624	77	15,068,205	15,087,837

<b>NON-CURRENT ASSETS</b>		
<b>NOTE 3 : FINANCIAL ASSETS- LOANS</b>		
	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Loans & Advance	107,078,892	63,054,887
<b>Total</b>	<b>107,078,892</b>	<b>63,054,887</b>
<b>NOTE 4 : OTHER FINANCIAL ASSETS</b>		
	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Security Deposits	9,263	9,263
Fixed Deposits (Maturity after 12 Month)	2,153,592	2,033,632
<b>Total</b>	<b>2,162,855</b>	<b>2,042,895</b>
<b>NOTE 5 : OTHER NON-CURRENT ASSETS</b>		
	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Secured, Considered Good		
Advances	40,900,000	40,900,000
Unsecured, Considered Good		
Advances against purchase of Land	32,500,000	33,000,000
Excise Duty	-	6,411
Duties & Taxes Refundable	319,247	14,848
<b>Total</b>	<b>73,719,247</b>	<b>73,921,259</b>
Note : Secured Advances Rs. 409 lacs is fully secured by mortgage of tile deeds of 26800 sq meter RIICO lease hold land		



<b>CURRENT ASSETS</b>				
<b>NOTE 6 : FINANCIAL ASSETS- TRADE RECEIVABLES</b> (In )				
	<b>As at March 31, 2019</b>		<b>As at March 31, 2018</b>	
<b>UNSECURED, CONSIDERED GOOD :</b>				
(a) Outstanding for a period exceeding six months from the date they are due for payment	3,921,156		3,921,156	
(b) Others	888,703		5,401,292	
	<b>4,809,859</b>		<b>9,322,448</b>	
Less : Provisions for doubtful Debts	3,921,156		3,921,156	
<b>Total</b>	<b>888,703</b>		<b>5,401,292</b>	
<b>NOTE 7 : FINANCIAL ASSETS - CASH AND EQUIVALENT</b>				
	<b>As at March 31, 2019</b>		<b>As at March 31, 2018</b>	
<b>BALANCES WITH BANK</b>				
-Current account	282,738		473,150	
Cash in hand	369,896		324,434	
<b>Total</b>	<b>652,635</b>		<b>797,584</b>	
<b>NOTE 8 : FINANCIAL ASSETS - LOANS</b>				
	<b>As at March 31, 2019</b>		<b>As at March 31, 2018</b>	
Loans & Advance	-		145,000	
<b>Total</b>	<b>-</b>		<b>145,000</b>	
<b>NOTE 9 : SHAE CAPITAL</b>				
	<b>As at March 31, 2019</b>		<b>As at March 31, 2018</b>	
<b>A. Authorised :</b>				
1,24,90,000 equity shares of 10 each	12,490,000	124,900,000	12,490,000	124,900,000
1,000 redeemable Cumulative preference shares of 100 each	1,000	100,000	1,000	100,000
<b>Total</b>	<b>12,491,000</b>	<b>125,000,000</b>	<b>12,491,000</b>	<b>125,000,000</b>
<b>B. Issued Subscribed &amp; Fully Paid-up :</b>				
67,61,130 equity shares of 10 each	6,761,130	67,611,300	6,761,130	67,611,300
<b>Total</b>	<b>6,761,130</b>	<b>67,611,300</b>	<b>6,761,130</b>	<b>67,611,300</b>
Disclosures :				
<b>(i) Details of shareholding in excess of 5%</b>				
Name of Shareholder	<b>As at March 31, 2019</b>		<b>As at March 31, 2018</b>	
	Number of Shares held	%	Number of Shares held	%
Ahinsa infrastructure & Devopiers Ltd.	3531670	52.23	3531670	52.23
Fashion Sutings Pvt. Ltd.	1000000	14.79	1000000	14.79
<b>NOTE 10 : OTHER EQUITY</b> (In)				
Particulars	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>		
(a) Capital reserve	269,500	269,500		
(b) Security Premium	42,230,500	42,230,500		
(c) Retained Earnings	69,881,384	20,356,772		
(d) Other Comprehensive incom	-	-		
<b>Total</b>	<b>112,381,384</b>	<b>62,856,772</b>		

<b>NON-CURRENT LIABILITIES</b>		
<b>NOTE 11 : Other Non Current Liabilities</b>		
<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Liability towards staff and worker	1,864,276	1,849,897
Other liabilities	161,695	175,844
<b>Total</b>	<b>2,025,971</b>	<b>2,025,741</b>
<b>CURRENT LIABILITIES</b>		
<b>NOTE 12 : FINANCIAL LIABILITIES -BORROWINGS</b>		
<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Secured Loans :	-	9,760,294
Working Capital loan form banks repayable on demand		
<b>Total</b>	<b>-</b>	<b>9,760,294</b>
<b>NOTE 13 : FINANCIAL LIABILITIES -TRADE PAYABLES</b>		
<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Trade Payable for Goods : Others	1,417,219	17,544,270
<b>Total</b>	<b>1,417,219</b>	<b>17,544,270</b>
<b>NOTE 14 : OTHER FINANCIAL LIABILITIES</b>		
<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Advance from Customer	6,430,000	3,801,000
Statutory Liabilities	1,985,161	154,597
<b>Total</b>	<b>8,415,161</b>	<b>3,955,597</b>
<b>NOTE 15 : OTHER CURRENT LIABILITIES</b>		
<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Provision for Taxes	7,739,133	1,024,759
<b>Total</b>	<b>7,739,133</b>	<b>1,024,759</b>

<b>NOTE 16 :REVENUE FROM OPERATIONS</b>		
<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
(a) Sale of Products- Traded Goods	-	
	21,108,176	53,535,033
<b>Total</b>	<b>21,108,176</b>	<b>53,535,033</b>
<b>NOTE 17 : OTHER INCOME</b>		
<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
(a) Interest income	6,496,050	8,970,755
<b>Total</b>	<b>6,496,050</b>	<b>8,970,755</b>
<b>NOTE 18 : PURCHASES OF STOCK -IN- TRADE</b>		
<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Yarn	15,206,820	52,506,329
Cotton Waste	9,581,512	-
<b>Total</b>	<b>24,788,331</b>	<b>52,506,329</b>
<b>NOTE 19 : EMPLOYEE BENEFIT EXPENSE</b>		
<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
(a) Salaries, Wages and bonus	1,602,844	848,667
(b) Contribution to provident, gratuity and other funds	180,814	72,694
(c) Workmen and staff welfare	29,000	79,984
<b>Total</b>	<b>1,812,658</b>	<b>1,001,345</b>

<b>NOTE 20 : FINANCE COSTS</b>		
<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Interest	391,024	1,066,817
Bank Charges	12,236	55,342
<b>Total</b>	<b>403,260</b>	<b>1,122,159</b>
<b>NOTE 21 : OTHER EXPENSES (In )</b>		
<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
<b>A. ADMINISTRATIVE</b>		
Lease rent on Land	-	380,042
Legal & Professional Expenses	815,749	618,572
Power Charges	47,478	43,727
Audit fees	150,000	75,000
Repair & Maintenance	315,599	149,162
Share Expenses	392,690	397,803
Godown Rent	773,406	-
Miscellaneous expenses	1,122,363	504,552
Commission on sale of Property	1,421,420	-
<b>TOTAL (A)</b>	<b>5,038,705</b>	<b>2,168,858</b>
<b>B. OTHER EXPENSES</b>		
Balances write off	177,000	26
<b>TOTAL (B)</b>	<b>177,000</b>	<b>26</b>
<b>TOTAL (A+B)</b>	<b>5,215,705</b>	<b>2,168,884</b>
<b>NOTE 22 : EXCEPTIONAL ITEMS</b>		
<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
(a) Net Gain on Sale of Land	66,986,861	3,892,112
<b>Total</b>	<b>66,986,861</b>	<b>3,892,112</b>

	(Rs.in lacs)	(Rs.in lacs)
<b>23. Contingent Liabilities not provided for in respect of:</b>		
A) Claims against the company not acknowledged as debts:	1.01	1.01
<b>24. Estimated amount of contracts remaining to be executed on capital account and not provided for.,</b>	Nil	Nil

**25. EMPLOYEES BENEFITS PLANS**

1. The Company makes contribution towards employees' Provident Fund, Pension Fund, Under the rules of these schemes, the Company is required to contribute a specified percentage of payroll costs. During the year the Company has recognized Rs. 78 Lac as expenses to these plans.

2. In view of the non viability in the existing set of operational and manufacturing setup, all the fixed assets have been disposed off settling almost all liabilities and labour dues. However, accounts continued to be prepared on the basis of going concern, as the management is exploring other business opportunities to be carried in the company all the necessary provisions, losses and liabilities to the extent identified and assessed by the management have been provided for. Further management is of the view that the value in realization of current assets loans & advances and current liabilities would not significantly differ from the position as stated in the books as on year end.

26. Debtors, Creditors and advances are subject to confirmations, Reconciliations and adjustments, if any. The Management does not expect any significant variation and in the process of taking the necessary steps in this regard in the current year.

27. Related party disclosure in accordance with the Accounting Standard 18 issued by the Institute of Chartered Accountants of India is given below :

Names of Related parties and nature of relationship where control exists		
i)	Key Management personal and relative of such personal	
	Ashok Kumar Kothari	Director DIN00132801
	Anshul Kothari	Director DIN02624500
	Hanuman Pokharna	Director DIN03155927
	Smt. Sushila Kothari	Director DIN00132802
	Arvind Tater	Director DIN07167125
ii)	<b>Enterprise over which key Management personal and their relatives are able to exercise influence</b>	
	Ahinsa Sutings Bhilwara , Shree Barkha Synthetics Ltd, Shree Barkha India Ltd., Ahinsa Infrastructure and developers Ltd. The related party tranction are as under	

	As mentioned in (i) above		As mentioned in (ii) above	
	C.Y.	P.Y.	C.Y.	P.Y.
Sales	-	-	15528113	53535033
Purchase	-	-	-	-
Outstanding in the year end	-	-	-	-
Receivable	-	-	32523817	5401292
Payables	-	-	-	-

**28. Earnings per share:**

	Current Year	Previous Year
Net Profit after tax	49,524,612	7,454,025
	<u>49,524,612</u>	<u>7,454,025</u>
Weighted average number of equity shares	6,761,130	6,761,130
Earning per share	7.32	1.10

29. Based on the information available with the Company, no balance is due to Micro & Small Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as on 31st March 2017. Further during the year no interest has been paid or payable under the term of said act.

28. a) In View of absence of Profit in accordance with Section 197(12) of the Companies Act 2013, no commission is payable to the Managing Director for the current year.

(i) Directors	2018-19	2017-18
Sitting fees	Nil	Nil

In Accordance with our Report attached

For **CLB & ASSOCIATES**

Chartered Accountants

Firm's Regn No : 124305w

**C.A Kumbhar Jeetu** Partner

M. No. 132629

Place : Bhilwara

Date : 28.05.2019

For and behalf of the Board

**Ashok Kothari**

Director, DIN 00132801

**Anshul Kothari**

Director, DIN 02624500

**Hanuman Pokharna**

Director, DIN 03155927

**Smt. Sushila Kothari**

Additional Director, DIN 00132802

**Arvind Tater**

Director, DIN 07167125

**Bhopal Singh Choudhary**

Chief Financial Officer

**Neelu Mehta**

Company Secretary

## BOOK-POST



*If undelivered, please return to :*

**Bhilwara Spinners Limited**

**CIN :- L17115 RJ 1980 PLCOO8217**

26, Industrial Area, Bhilwara - 311 001, Rajasthan

# BHILWARA SPINNERS LTD.



## NOTICE

Corporate Identity Number (CIN) L17115RJ1980PLC008217  
Registered Office : 26 Industrial Area, Gandhi Nagar, Bhilwara 311 001 (Rajasthan)  
Phone : + 91-1482-246601 Fax +91-1482-246461  
E-mail :- bhilspinbs@gmail.com

NOTICE is hereby given that the 38th Annual General Meeting of the Members of the Company will be held on Wednesday the 25th day of September, 2019 at 11.00 A.M. at the Registered Office of the Company at 26, Industrial Area, Bhilwara - 311 001, Rajasthan, to transact the following Business :

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2019, The Report of the Board of Directors and Auditors thereon.
2. To appoint Auditors and fix their remuneration and for that purpose to consider and if thought fit to pass with or without modification the following resolution as an ORDINARY RESOLUTION:  
"RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and other applicable provisions, if any, for the time being in force, M/s. CLB & Associates Chartered Accountants, Mumbai, the retiring Auditors of the Company be and are hereby re-appointed as Auditors of the Company to hold office from conclusion of this meeting until the conclusion of next Annual General Meeting of the Company on a remuneration to be fixed by the Board of Directors plus out of pocket expenses as may be incurred by them for the purpose of Audit."
3. To appoint a Director in place of Sh. Ansul Kothari DIN:02624500 who retire by rotation in term of Section 152 (6) of the companies Act ,2013 and being eligible offer himself for reappointment.
4. To appoint a Director in place of Sh. Arvind Tater DIN:07167125 who retire by rotation in term of Section 152(6) of the companies Act ,2013 and being eligible offer himself for reappointment.

### SPECIAL BUSINESS

5. APPOINTMENT OF SHRI ASHOK KOTHARI (HOLDING DIN NO 00132801) AS MANAGING DIRECTOR & CEO  
To consider and if thought fit, to pass with or without modification resolution as Special Resolution.  
"Resolved that pursuant to the provision of Section 196, 197, 203 Read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, and the companies (Appointment and remuneration of managerial personal) Rules 2014 (Including any statutory modification or reenactment there off for the time being in force) and the provision of article of association

of the company approval of members be and is hereby Accorded to the appointment of Shri Ashok Kothari (Holding Din 00132801) as the CEO & Managing Director of the Company, not liable to retire by rotation in term of section 152 of the Companies Act, 2013, for a period of five years with effect from 28th May, 2019 upto 27th May, 2024.

RESOLVED FURTHER THAT; the remuneration payable to Shri Ashok Kothari (Holding Din 00132801) Managing Director do hereby field for a period of five years with effect from 28th May, 2019 up to 27th May, 2024. on following term and conditions:

Basic Salary	Rs.100000/- per month
Commission	Note more than 2.5% of the net profits of the Company as computed in the manner laid down in section 198 of the Companies Act, 2013.
perquisites	In addition to the salary and commission, Shri Ashok Kothari is entitled to the following
perquisites.	

#### Category-"A"

##### I) Housing

- A. The expenditure incurred by the company hiring unfurnished accommodation for him subject to a ceiling ,40% of the basic Salary
- B In case the accommodation is owned by the Company 10% of the basic salary shall be deduct by the Company, or
- C. In case no accommodation is provided by the Company, a house rent allowance subject to a ceiling of 40% of the basic salary

##### II) Gas, Electricity and Water :-

The expenditure incurred by the Company on Gas, Electricity, Water and furnishing shall be valued as per Income-tax Rules, 1962 and will be subject to a ceiling of 10% of the basic salary.

##### III) Medical Allowance :-

For self and family subject to a ceiling of one month's basic salary in a year subject to payment of applicable tax as per Income Tax Rules

##### IV) Leave Travel Concession :-

For self and family once in a year incurred in accordance with the Rules Specified by the Company.

V) Club-Fees :-

Fees, Subject to a maximum of two clubs will be allowed, this will not include admission and life membership fees.

VI) Personal Accident insurance :-

Of an amount, the annual premium of which not exceed Rs.10000/-For the purpose of this category "family" means spouse, dependent children and dependent parents.

**Category-"B"**

I) Provident Fund :-

Company's contribution to provident fund shall be as per the rules of the Company

II) Superannuation/Annuity Fund :-

Company's Contribution to Superannuation/Annuity Fund shall be in accordance with the rules of the Company.

III) Gratuity :-

As per Rules of The Company at the rate of half a month's basic salary for each completed year of service

**Category-"C"**

I) Car :-

Provision of car for use on Company's business. and personal use shall be billed by the company

II) Telephone :-

Telephone at residence. Personal long distance calls shall be billed by the Company

RESOLVED FURTHER THAT approval of members be and is hereby also accorded for payment of above remuneration in terms of Regulation 17 (6) (e) of amended SEBI (LODR) Regulation, 2015.

RESOLVED FURTHER THAT the above remuneration will be paid even if it exceed the limits prescribed under the Companies Act 2013 and rule thereto subject to the provision of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT in the event of any loss, absence or inadequacy of the profit of the company in any financial year during the term of office Shri Ashok Kothari, the remuneration mentioned above shall be paid to Shri Ashok Kothari as minimum remuneration and the same shall be subject to this limits as set out in Section II of part II OF Schedule V of the Companies Act, 2013.

6. Approval for Related party transaction and in this regard, to consider and if thought fit, to pass, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under and as per Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, (including

any statutory modification (s) or re-enactment(s) there of for the time being in force) and subject to compliances of all other applicable laws and regulations, and also pursuant to the consent of the Audit Committee and the Board of Directors vide resolutions passed in their respective meetings, consent of the members of the Company be and is hereby accorded for entering into related party transaction by the Company during the year.2019-2020 up to the maximum per annum amounts as laid down in the explanatory note to this agenda item with Bhilwara Spinners Ltd.

Resolved Further That to give effect to this resolution the Board of Directors be and is hereby authorized to settle any question difficulty, or doubt that may arise with regard to giving effect to the above Resolution and to do all acts, deeds, things as may be necessary, proper desirable and to finalize any documents and writings related thereto"

EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013

Item -5

Members of the Company may note that the Nomination & Remuneration Committee and the Board of Director in their respective meetings held on 28th May, 2019 have approved the Appointment and payment of remuneration of Shree Ashok Kothari (DIN 00132801) as the Managing Director of the company, not liable to retire by rotation in term of Section 152 of the Companies Act, 2013, for a period of five years with effect of from 28th May, 2019 to 27th May 2024, subject to the approval of members. The Nomination & Remuneration Committee and the Board of directors also in their respective meeting accorded their approval for Appointment of Shri Ashok Kothari Managing Director as Chairman and CEO of the Company, in accordance with Articles Of Association of the company and also in term of SEBI (LODR) Regulation, 2015, as amended from time to time.

The Board considered the feedback/views of Nomination and Remuneration Committee on the performance evaluation of Shri Ashok Kothari Chairman, Managing Director & CEO of the Company while approving his Appointment and payment of remuneration, for a period of five years subject to the approval of members of the Company.

Members may also note that proposed remuneration as set forth in the resolution in the accordance with and within the limits of Schedule V and applicable provisions of the Companies Act, 2013 (the Act) and it therefore, require approval of shareholders by way of Special Resolution.

Shri Ashok Kothari is not disqualified from being appointed as a Director in term of Section 164 of the Act and has given his consent to act as a Director.

Shri Ashok Kothari is not debarred from holding the office of Director, pursuant to any SEBI order or any other such authority.



Shri Ashok Kothari, is concerned or interested in the resolution of the accompanying notice relating to his appointment and payment of remuneration.

Shri Ansul Kothari & Smt.Sushila Kothari, Director being relative of Shri Ashok Kothari, is also Interested in his appointment and payment of remuneration. Their relatives to the extent of their shareholding are concerned or interested in the said resolution.

Save and except of the above, none of the other Directors, key Managerial personnel of the company, and/or their relatives may be deemed to be concerned or interested financially or otherwise in the aforesaid Resolution. This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

**Item No. 6**

In the light or provisions of section 188 of the Companies Act 2013 and rules there of (including any amendment thereto or re-enactment there of) and Regulation 23 of SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company in their Meeting held on February, 2019, 12th approved the proposed transactions along with annual limits that the Company may enter into with its Related Party (as defined under the Companies Act 2013) for the financial Year 2019-20, for such amount as Board of Directors of the Company may from time to time determine in the interest of the Company, think proper and fit in the ordinary course of Business and on Arm's length Basis.

All prescribed disclosures as required to be given under the provisions of the Companies Act 2013 and Companies (Meetings of Board and its Powers) Rules 2014 and as per Regulation 23 of SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015 are given herein below in a tabular format for kind perusal of the members.

**PARTICULARS OF THE PROPOSED TRANSACTIONS FOR THE PURPOSE OF APPROVAL U/S 188 OF THE COMPANIES ACT 2013 AND REGULATION 23 OF SEBI (LISTING REGULATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

<b>TRANSACTION DEFINED U/S 188(1) OF COMPANIES ACT.2013</b>			
Name and Nature of Related Parties	Sales, purchase or supply of any goods, material*	Availing or rendering of any services*	Leasing of Property of any Kind*
Shree Barkha india ltd, Shree Barkha synthetics Limited, Ahinsa sutings ltd (Agroup Company)	₹10 Coree	₹ 2.00 Coree	₹ 0.25 Coree

\* In Ordinary of Business and on Arm's length basis.

The details of related party contract are as under:

- Name of Related party and nature of relationship: As provided in table above.
- Nature of Contract material terms, material, monetary value and Particulars of the contract or arrangement: Purchase/Sale of Yarn and Fibre Services received or rendered having value of 10.00 Crores per Annum in the ordinary course of Business and at Arm's Length Prices.

Any advance paid or received for the contract or arrangement, if any: NIL

Manner of determining the pricing and other commercial terms both included as part of contract and not considered as part of the contract : All proposed transactions would be carried out as part of the business requirements of the Company and are ensured to be on Arm's length basis.

Whether all factors relevant to the contract have been considered, if not the details of factors not considered with the rationale for not considering those factors: All factors have been considered.

Any other information relevant or important for the Board to take a decision on the proposed transaction : NIL.

The Board Commends the ordinary Resolution set out at Item No.6 of the Notice for approval by the shareholders.

None of the Directors & Key Managerial Personnel of the Company including their relatives except as mentioned above are, in any way concerned or interested, financially or otherwise in the Resolution set out at Item No. 6

1. The relevant Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 relating to Special to be transacted at the Meeting is annexed.
2. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company not less than forty eight hours before the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed 18th Sept. 2019 to 25th Sept. 2019 (both days inclusive)
4. Members are requested to :
  - (i) Quote their Folio No./ Credit ID No. in all correspondence with the company.
  - (ii) Notify immediately to the Company any change in their address and their mandate, if any. Members holding Shares in electronic form should send their respective Depository Participants.

5. Members seeking any information / clarification with regard to account and audit are requested to write to the Company in advance and their queries should reach the Company at least seven day prior to the date of meeting, so as to enable the Management to keep the information / clarification ready.
  6. Members holding shares in physical form are Requested to furnish their email ID through e-mail at admin@mcsregi strars.com or bhilspinbs@gmail.com or send letter to MCS Share Transfer Agent Limited, F-65, Okhla Industrial Area, Phase I, New Delhi-110020 quoting their Folio no and e-mail ID to enable them to serve any document, notice, communication, annual reports etc. through e-mail, For members who have not registered their email addresses, physical copies of the Annual Report 2019 are being sent by the permitted mode Members holding shares in demat form may get their email ID updated with their respective Depository Participants, We request the members to support the Green Initiative introduced by MCA and make it a success.
  7. The Notice and Annual Report of the Company will also be available on the website of the BSE www.bseindia.com
  8. Members holding shares in physical form are Requested to dematerialize their holding in their own interest Attention of the members holding shares in physical form is also drawn towards the recent amendment by SEBI which stipulates that except in the case of transmission and transposition of shares, requests for effecting transfer of shares shall not be processed after 31st March, 2019. Unless the securities are held in dematerialized form.
  9. Details under Regulation 36(3) and 26(4) of the SEBI (Listing Obligation and Disclosure requirements) Regulation 2015 and in term of Secretarial Standard -2 in respect of the Directors seeking re-appointment at the 38th Annual General Meeting are annexed as Annexure-I to this Notice which form part of the explanatory statement.
10. Voting through electronic means
- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Rules 2015 the Company is pleased to provide members facility to exercise their right to vote on resolution proposed to be considered at the 38th Annual General Meeting by electronic means and the business may be trasacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the ("remote e- voting") will be provided by National Securities Depository Limited (NSDL).
    - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
    - III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
    - IV. The remote e-voting period commences on 21th September 2019 (9.00 am) and ends on 24th September 2019 (5.00 pm) During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut- off date of 17th September 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member the member shall not be allowed to change it subsequently.
    - V. The Process and manner for remote- evoting are as under :
      - A. In Case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository participants (S)] :
        - (i) Open email and open PDF file Viz; "Bhilwara Spinners remote e-voting.pdf" with your Client ID or Folio No. as Password. The said (PDF file contains your user ID and password/PIN for remote e-voting. Please note that the Password is an initial password.
        - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nSDL.com/>
        - (iii) Click on shareholder-Login
        - (iv) Put user ID and password as initial password /Pin noted in step (1) above Click Login.
        - (v) password Change menu appears. Change the password /PIN with new password of your choice with minimum 8 digits/ Characters or combination there of Note new password it is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
        - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
        - (vii) Select "EVEN" of
        - (viii) Now you are ready remote e-voting as Cast Vote page Opens.
        - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted,
        - (X) Upon confirmation, the message " Vote cast successfully" will be displayed.

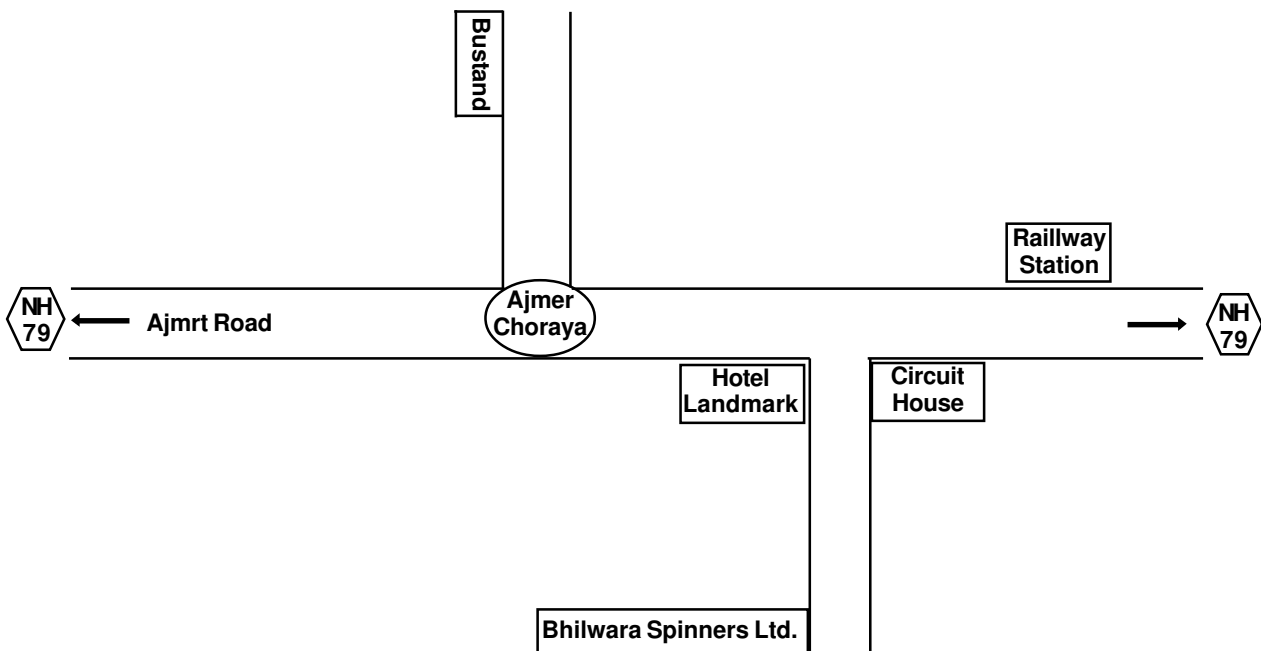
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individual, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer through e-mail to nls har ma 21@redifmail. com with a copy marked to evoting@ nsdl.co.in.
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository participants(s) or requesting physical copy]:
- (i) Initial password is provided separately by post registered address with the Company.  
EVEN (Remote e-voting USER ID PASSWORD/PIN Event Number)
- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (Xii) above, to cast vote.
- VI. In case of any queries, you may refer the frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. :1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication (s)
- IX The Voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut- off date of 18th september, 2019
- X Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e.17th September, 2019 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in.](mailto:evoting@nsdl.co.in) or [bhilspinbs@gmail.com](mailto:bhilspinbs@gmail.com)  
However if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset you password by using " Forgot User Details/ Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no. 1800-222-990.
- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mr. Natwar Sharma Company Secretary Membership No. FCS 075493 and partner R.K. Bhandari & associates Bhilwara has appointed as the scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote-evoting process in a fair and transparent manner.
- XIV. The chairman shall, at AGM at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e- voting facility,
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make not later than three days of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the bse at [www.bseIndia.com](http://www.bseIndia.com) immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited Mumbai.
17. All documents referred to in the accompanying Notice and the Explanatory statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working except Saturdays, up to and including the date of the Annual General Meeting of the Company.

By Order of the Board  
For Bhilwara Spinners Limited Sd/-  
**Neelu Mehta**  
Company Secretary  
C.o.p. No. 25832

**Place : Bhilwara**  
**Date : 25<sup>th</sup> July 2019**

<b>Details of the directors seeking appointment / re-appointment in forthcoming annual general meeting</b> (In pursuance of Clause 49 of the Listing Agreement)			
<b>NAME OF DIRECTOR</b>	<b>MR. ASHOK KUMAR KOTHARI</b>	<b>MR. ANSUL KOTHARI</b>	<b>MR. ARVIND TATER</b>
DIN	00132801	002624500	07167125
DATE OF BIRTH	1-9-1961	25-9-1990	08-7-1969
DATE OF APPOINTMENT	22-7-2010	22-7-2010	22-4-2015
QUALIFICATION	B.COM	B.COM,MBA	B.COM
CATEGEORY	Promoter Executive	Promoter Non Executive	Independent Non Executive
INTER RELISTIONSHIP	Father of Sh Ansul kothari & Husband of Smt. Sushila Kothari	Son of Shri Ashok Kothari & Smt. Sushila Kothari	None
EXPERTISE IN SPECIFIC FUNCTIONAL AREA	Experience in the field of Textile,Infrastruture developments & Real Estates	Experience in the field of Textile,Infrastruture developments & Real Estates	Experience in the field of Textile,Infrastruture developments & Real Estates
LIST OF OTHER PUBLIC COMPANIES IN WHICH DIRECTORSHIP HELD	None	None	None
CHAIRMAN/ MEMBER OF THE COMMITTEE OF THE BOARD OF DIRECTORS OF THE COMPANY	None	None	None
<b>CHAIRMAN/MEMBER OF THE COMMITTEES OF DIRECTORS OF OTHER COMPANIES</b>			
A) Audit Committee	-		-
b) Sharehoder/ investor's grievances committee	-		-
c) Remuneration Committee	-		-
no. of equity share held in company	NIL		NIL

**ROUTE MAP TO THE VENUE OF THE AGM**  
**BHILWARA SPINNERS LTD. 26, INDUSTRIAL AREA, GANDHI NAGAR, BHILWARA -311001**





# PROXY FORM

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## **Bhilwara Spinners Limited**

**CIN :U17115 RJ 1980 PLCOO8217**

Regd. Office : 26, Industrial Area, Bhilwara - 311 001, Rajasthan

DP Id\* ..... Folio No. ....

Client Id\* ..... No. of share(s) held .....

I/We .....

of .....

.....

being a member / members of Bhilwara Spinners Ltd., hereby appoint .....

of ..... failing him .....

of ..... or failing him .....

of ..... as my/our Proxy in my/our absence to attend and vote for me/us on

my/our behalf at the 38<sup>th</sup> Annual General Meeting of the Company to be held on Wednesday , the 25th day of September 2019 at 11.00

A.M. and at any adjournment thereof As WITNESS my / our hand / hands this ..... day of

.....2019.

**Bhilwara Spinners Limited**

**CIN :- L17115 RJ 1980 PLCoo8217**

Regd. Office : 26, Industrial Area, Bhilwara - 311 001, Rajasthan

Please complete this attendance slip and hand it over at the entrance of the meeting hall. Joint Shareholders may obtain additional attendance slips on request.

DP Id\* ..... Folio No. ....

Client Id\* ..... Number of share held :.....

Name and address of the Shareholders :

I hereby record my presence at the 38th Annual General Meeting of the Company held on Wednesday , the 25th September, 2019 at 11.00 P.M. at 26, Industrial Area, Bhilwara - 311 001, Rajasthan.

\* Applicable for investors holding Shares in electronics form.

\*\* Strike out whichever is not applicable.

**Signature of the Shareholder / Proxy /**

**Representative\*\***

.....  
.....

being a member / members of Bhilwara Spinners Ltd., hereby appoint .....  
of ..... failing him .....  
of ..... or failing him. ....  
of ..... as my/our Proxy in my/our absence to attend and vote for me/us on  
my/our behalf at the 38th Annual General Meeting of the Company to be held on Wednesday , the 25th day of September  
2019 at 11.00 A.M. and at any adjournment thereof As WITNESS my / our hand / hands this.....

day of .....2019

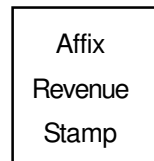
I wish my above proxy to vote in the manner as indicated in the box below :

Resolution No.	For	Against
1. <b>Receive consider, approve and adopt Audited Financial Statement for the financial year ended the 31<sup>st</sup> March,2019 and , Reports of the Board of Directors and Auditors thereon</b>		
2 .Re- Appointment of Auditors and fixing their remuneration		
3. Re appointment of Sh.Ansul Kothari DIN 02624500 who retires by rotation and being eligible ,offers himself for reappointment		
4. Re Appointment of Shri Arvind Tater DIN 07167125 who retires by rotation and being eligible ,offers himself for reappointment. Special Business		
5. Appointment and fixation of remuneration of Shri Ashok Kothari (Holding DIN no 0132801) as the Managing Director of the Company ,not liable to retire by rotation with effect from 28 <sup>th</sup> May 2019 upto 27 <sup>th</sup> May,2024.		
6. Approval for Related Party transactions		

Applicable for investors holding shares in electronic form

Signed this .....day of .....2019

Signature of Shareholder



Signature of first proxy holder

Signature of Second proxy holder

Signature of third proxy holder

**Notes :**

- 1 This of prxy in order to be effective should be duly competed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- 2 A proxy need not be a member of the Company.
- 3 This only optional, Please put a 'X' in the appropriate column against the resolutions indicated in the Box. if you leave the 'For' or Against' Column blank against any or all the resolution, your proxy will be entitled to vote in the manner as he/ she thinks appropriate.
- 4 Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes