



**Bhilwara Technical Textiles Limited**

Annual Report 2010 - 2011

## BOARD OF DIRECTORS

Shri Shekhar Agarwal	Chairman & Managing Director
Shri Riju Jhunjhunwala	Director
Shri P.S. Dasgupta	Director
Shri Pawan Kumar Deora	Director

## COMPANY SECRETARY

Ms. Sonali Manchanda

## REGISTERED OFFICE

LNJ Nagar, Mordi,  
Banswara – 327 001 (Rajasthan)  
Phone: 02961 – 231640  
Fax: 02961 – 231254

## CORPORATE OFFICE

Bhilwara Towers  
A-12, Sector-1  
Noida – 201 301 (U.P.)  
Phone: 0120-2541810, 4390000  
Fax: 0120-2531648, 4390300  
Website : [www.bttil.co.in](http://www.bttil.co.in)

## AUDITORS

M/s. Ashim & Associates,  
E – 36, Greater Kailash Part – 1  
New Delhi – 110 048.

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# NOTICE

**BHILWARA TECHNICAL TEXTILES LIMITED**  
Regd. Office: LNJ Nagar, Mordī, Banswara - 327 001, RAJASTHAN

NOTICE is hereby given that the Fourth Annual General Meeting of the Members of the Company will be held on Friday, the 30<sup>th</sup> day of September, 2011 at 10:00 A.M. at the Registered Office of the Company at LNJ Nagar, Mordī, Banswara – 327 001, Rajasthan to transact the following business:

## **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and Profit & Loss Account for the period ended on that date and the Report of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Pawan Kumar Deora, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors and to fix their remuneration.

## **SPECIAL BUSINESS**

4. To consider and if thought fit, to pass, with or without modification, the following resolution as an **ORDINARY RESOLUTION**:-  
“RESOLVED THAT Shri Nirmal Kumar Bothra who has proposed his candidature for directorship by giving a notice under section 257 of the Companies Act, 1956, be and is hereby appointed as director of the Company, liable to retire by rotation.”
5. To consider and if thought fit, to pass, with or without modification, the following resolution as an **ORDINARY RESOLUTION**:-  
“RESOLVED THAT Shri Rakesh Bohra whose candidature was proposed by a shareholder of the Company for directorship by giving a notice under section 257 of the Companies Act, 1956, be and is hereby appointed as director of the Company, liable to retire by rotation.”

By Order of the Board  
For **BHILWARA TECHNICAL TEXTILES LIMITED**

Place : Noida (U. P.)  
Date : 24<sup>th</sup> August, 2011

**SONALI MANCHANDA**  
**COMPANY SECRETARY**

## **NOTES**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF 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 48 HOURS BEFORE THE MEETING.**
2. The relevant Explanatory Statement pursuant to the section 173(2) of the Companies Act, 1956, in respect of business under item no. 4 and 5 and the relevant detail in respect of item nos. 2, 4 and 5 pursuant to Clause 49 of the Listing Agreement are annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 23<sup>rd</sup> September, 2011 (Friday) to 30<sup>th</sup> September, 2011 (Friday) (both days inclusive).
4. Members are requested to:
  - (i) Quote their folio number/ Client ID No. in all correspondence with the Company.
  - (ii) Notify immediately to the Company all changes with respect to their bank details, mandate, nomination, Power of Attorney and Change of Address. Members holding shares in electronic form should send their requests regarding the same to their respective Depository Participants.
5. Members who are holding Company's shares in electronic form are required to bring details of their Depository Account, such as Client ID and DPID numbers for identification.
6. Members seeking any information/ clarification with regard to accounts and audit are requested to write to the Company in advance and their queries should reach the registered office of the Company at least seven days prior to the date of meeting, so as to enable the Management to keep the information/ clarification ready.
7. Members holding shares in physical form are requested to furnish their email ID through e-mail at

**bttl.investor@Injbhilwara.com** and/or send letter to us quoting their Folio No. and e-mail ID for sending necessary communication / information in future. Members holding shares in demat form may get their email ID updated with their respective Depository Participants. The Annual Report of the Company will also be available on the website of the Company, **www.bttl.co.in**. Documents in physical form shall be sent to members upon request.

**ANNEXURE TO NOTICE  
EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF  
THE COMPANIES ACT, 1956.**

**Item No. 4 & 5**

The Company has received a notice, under section 257(1) of the Companies Act, 1956 in writing alongwith a deposit of ₹500/- as prescribed under the section, from Shri Nirmal Kumar Bothra proposing his candidature for the office of Director, liable to retire by rotation.

The Company has also received a notice, under section 257(1) of the Companies Act, 1956 in writing alongwith a deposit of ₹500/- as prescribed under the section, from Shri Naveen Bothra shareholder of the Company proposing candidature of Shri Rakesh Bohra for the office of Director, liable to retire by rotation.

This may also be treated as notice in each case under sub-section (1A) of section 257 of the Companies Act, 1956.

None of the Directors is in any way concerned or interested in the resolutions.

By Order of the Board  
For **BHILWARA TECHNICAL TEXTILES LIMITED**

Place : Noida (U. P.)  
Date : 24<sup>th</sup> August, 2011

**SONALI MANCHANDA  
COMPANY SECRETARY**

**DETAILS OF THE DIRECTOR SEEKING APPOINTMENT/  
RE-APPOINTMENT IN FORTHCOMING ANNUAL GENERAL MEETING**

(In pursuance of Clause 49 of the Listing Agreement)

<b>Name of Director</b>	Shri Pawan Kumar Deora	Shri Nirmal Kumar Bothra	Shri Rakesh Bohra
<b>Category</b>	Independent-Non Executive	Not Applicable	Not Applicable
<b>Interse Relationship</b>	Not Applicable	Not Applicable	Not Applicable
<b>Date of Birth</b>	30 <sup>th</sup> July, 1955	3rd July, 1970	11 <sup>th</sup> October, 1970
<b>Date of Appointment</b>	20 <sup>th</sup> April, 2009	Not Applicable	Not Applicable
<b>Qualification</b>	Chartered Accountant by profession.	B. Com	Chartered Accountant and Cost & Works Accountant
<b>Expertise in specific functional areas</b>	He has rich experience in field of finance and accounting.	Experience in financial sector.	He has experience in field of finance and accounting.
<b>List of other Public Companies in which Directorships held.</b>	NIL	Not Available	Not Available
<b>Chairman/Member of the Committee of the Board of Directors of the Company.</b>	Audit Committee – Chairman Shareholders'/ Investors' Grievance Committee - Member	Not Applicable	Not Applicable
<b>Chairman/Member of the Committees of Directors of other companies :</b>			
<b>a) Audit Committee</b>	NIL	Not Available	Not Available
<b>b) Shareholders'/Investors' Grievance Committee</b>	NIL	Not Available	Not Available
<b>No. of Equity Shares held in Company</b>	NIL	500	16,384

# MANAGEMENT DISCUSSION AND ANALYSIS

## REVIEW OF THE SECTOR

The Indian economy has shown its deep rooted strength and sustainability by surviving and growing during the global economic recession. India's GDP grew at the rate of 8.6% in 2010-11 in comparison to 8% during the previous year of which agriculture sector was a major contributor.

The Indian Textile Industry has significant presence in the economic life of the country. The textile industry also plays a vital role through its contribution to industrial output, employment generation and export earnings of the country. The textile industry has contributed 4% in the India's GDP which includes soaring investment flow both in domestic market and export production.

The close linkage of the textile industry to agriculture and the ancient culture and traditions of the country make the sector unique in comparison with the textiles industry of other countries. This also provides the industry with the capacity to produce a variety of products suitable to the different market segments, both within and outside the country. Thus, the growth and all around development of this industry has a direct bearing on the improvement of the economy of the nation.

## TECHNICAL TEXTILES

In India, the value-added textiles industry is collectively grouped into a single sector commonly referred to as technical textiles. This sector encompasses a range of products from fibre to finished products. Government of India sponsored a nation-wide market survey to estimate the size, need and growth potential of this industry. ICRA, a management consultancy undertook the government sponsored study and has estimated growth of 11% for next few years.

## BUSINESS

Management is in pursuit of exploring the business opportunities in the current dynamic economic scenario.

BTTL is holding investment in BMD Pvt. Ltd. which is the OE supplier to almost all automobile manufacturers in the Country. The automobile industry in the past few years has witnessed robust growth thus yielding higher returns on the investments made in the sector and its ancillaries segments.

Apart from the above BMD is also catering to entertainment, railways and aviation sector which are also fast growing on the back of the country's young population. BMD supplies the seating fabric to multiplexes, railways and aircrafts.

## STRENGTHS AND OPPORTUNITIES

- Supportive Government policies.
- Big pool of skilled and talented workforce.
- Huge Domestic market consumption.
- Use of latest technology.

## THREATS

- Increased global competition.
- Inefficient supply chain management.
- Appreciation in rupee value.

## HUMAN RESOURCES

BTTL is gearing itself to build sustainable competitive advantage through its human resources and maximizing human resource potential to match the market environment. The Company has in place proper HR policies and is in pursuit to achieve the highest standards for the development of human resources. The Company at present has two employees.

## CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility has always been an integral part of the LNJ Bhilwara Group's vision and at the forefront of our Core Value of Good Corporate Citizenship. Company believes that a substantive business success cannot be achieved solely through

maximizing short term profits, it requires market oriented yet responsible behavior. BTTL being privileged to be a part of this group is committed to carry on the long tradition of community service and a strong sense of Corporate Social Responsibility towards various stakeholders viz **Employees:** providing a competitive and challenging work environment that respects his health, having ethical recruitment, remuneration, promotion and other policies that allows them to move to better living conditions, ensuring a safe working environment for them, having fair policies for the solution of employee disputes; **Shareholders:** presenting a fair picture of the Company's financial position and profit/loss to the shareholders; **Government:** providing the necessary information to the government as and when required, timely payment of the due taxes and duties, abiding by the laws and regulations of the area in which the Company operates.

#### CAUTIONARY STATEMENT

*Certain statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward-looking statements' within the meaning of applicable laws and regulations. Forward-looking statements are identified in this report by using words like 'anticipates', 'believes', 'expects', 'intends' and similar expressions in such statements. Although we believe our expectations are based on reasonable assumptions, these forward-looking statements may be influenced by numerous risks and uncertainties that could cause actual outcomes and results to be materially different from those expressed or implied. The Company takes no responsibility for any consequence of decisions made based on such statements, and holds no obligation to update these in the future.*

# DIRECTORS' REPORT

To the Members,

Your Directors present the Fourth Annual Report together with the audited Balance Sheet and the Profit and Loss Account of Bhilwara Technical Textiles Limited ("BTTL") for the year ended 31<sup>st</sup> March 2011.

## COMPANY'S PERFORMANCE

Your Company's performance during the year 2010-2011 is summarized below:

## FINANCIAL RESULTS

(₹ in lacs)

	This Year	Previous Year
<b>Total Income</b>	<b>112.00</b>	88.63
Profit before Interest & Depreciation	<b>99.31</b>	74.72
<b>Profit before Depreciation</b>	<b>99.31</b>	74.72
<b>Profit before Tax</b>	<b>99.31</b>	74.72
<b>Profit after Tax</b>	<b>98.60</b>	74.72
Add: Opening Balance	<b>125.81</b>	51.09
<b>Profit available for appropriation</b>	<b>224.41</b>	125.81
<b>Profit Carried to Balance Sheet</b>	<b>224.41</b>	125.81

## OPERATIONAL INFORMATION

Your Directors feel pleasure to inform you that the Company earned profit after tax of ₹ 98.60 lacs for the year ended 31<sup>st</sup> March, 2011 as against ₹ 74.72 lacs during the previous year ended 31<sup>st</sup> March, 2010.

## DIVIDEND AND OTHER APPROPRIATIONS

In order to conserve resources, your directors do not recommend any dividend for the year under review.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors state that:

- appropriate Accounting Policies have been selected and applied consistently and they have made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company on 31st March, 2011 and of the Profit and Loss of the Company for the year ended on that date;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Annual Accounts have been prepared on a going concern basis.

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

As your Company was not engaged in any activity during the period under review, this information is not relevant.

## DIRECTORS

Shri Pawan Kumar Deora retires by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.

## INTERNAL CONTROL SYSTEMS

The Company has proper, adequate and effective Internal Control Systems commensurate with the nature and size of its operations. The Audit Committee examines and evaluates the adequacy, relevance and effectiveness and compliance with prevailing laws and regulations.

## PARTICULARS OF EMPLOYEES

There was no employee drawing remuneration in excess of the limits prescribed under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

## AUDITORS

The Company's Auditors M/s. Ashim & Associates,

Chartered Accountants, New Delhi retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The observations of the Auditors, if any, are explained wherever necessary, in the appropriate Note to the Accounts.

### **CORPORATE GOVERNANCE**

Report on Corporate Governance along with the Certificate of Auditors M/s Ashim & Associates, Chartered Accountants, confirming compliance to conditions of Corporate Governance as stipulated under clause 49 of the Listing Agreement, form part of the Annual Report.

### **ACKNOWLEDGEMENTS**

Your Directors place on record their appreciation for the continued support and co-operation received from all concerned authorities and stakeholders including Central and State Governments.

For and on behalf of the Board

Place : Noida

Date : 26<sup>th</sup> April, 2011

**SHEKHAR AGARWAL**

Chairman &

Managing Director

DIN : 00066113



# CORPORATE GOVERNANCE

## CORPORATE GOVERNANCE PHILOSOPHY

Corporate Governance is a reflection of Company's culture, policies, relationship with stakeholders, commitment to value & ethical business conduct. Needless to say, timely & accurate disclosure of information regarding the financial situation, performance, ownership and governance of the Company is an important part of Corporate Governance. Your Company has consistently been following high level of Corporate Governance. Your Company believes in promoting corporate fairness, transparency and accountability. It fundamentally believes that good Corporate Governance should be an internally driven need and is not to be looked upon as an issue of compliance dictated by statutory/ regulatory requirements. The Company's guiding principles are focused on attaining the highest standards of Corporate Governance and the business operations of the Company are conducted in such a manner so as not to benefit any particular interest group, but for the benefit of all the stakeholders.

This chapter, along with the chapters on Management Discussion and Analysis and Additional Shareholders Information, reports BTTL's compliance with the Clause 49.

## Board of Directors

### Composition of the Board

As on 31<sup>st</sup> March, 2011, BTTL's Board comprises 4 (four) Directors, out of which 3 (Three) Directors are Non-Executive, of these, 2 (two) Directors are independent. The composition of the Board is in conformity with Clause 49 of the Listing Agreements entered into with the Stock Exchange.

### Number of Board Meetings

During 2010-2011, the Board of BTTL met 4 (four) times on – 27<sup>th</sup> April, 2010, 27<sup>th</sup> July, 2010, 25<sup>th</sup> October, 2010 and 25<sup>th</sup> January, 2011. The maximum time gap between any two consecutive meetings was less than four months.

### Directors' Attendance Record and Directorship Held

Table 1

Sl. No.	Name of Director	Position	Category	No. of meetings held in 2010-11 during tenure	No. of meetings attended	No. of outside Director-ships of public companies*	No. of Outside Board-level Committees where chairperson or member #	
							Member	Chairperson
1.	Shri Shekhar Agarwal	Chairman & Managing Director	Promoter - Executive	4	4	5	4	0
2.	Shri Riju Jhunjunwala	Director	Promoter - Non-Executive	4	4	4	2	0
3.	Shri P.S. Dasgupta	Director	Independent	4	3	7	7	1
4.	Shri Pawan Kumar Deora	Director	Independent	4	4	0	0	0

Notes: \* Excludes Directorships in private limited companies, foreign companies, memberships of management committees of various chambers, bodies and section 25 companies.

# Includes Audit and Shareholders'/Investors' Grievance Committees only.

None of the Directors is a member of more than 10 Board-level Committees or Chairman of more than five such Committees.

As mandated in the Clause 49, the Independent Directors on BTTL's Board:

- Apart from receiving Director's remuneration, do not have any material pecuniary relationships or transactions with the Company, its Promoters, its Directors, its Senior Management or its Holding Company, its Subsidiaries and Associates which may affect independence of the Director.
- Are not related to Promoters or persons occupying management positions at the Board level or at one level below the Board.
- Have not been an executive of the Company in the immediately preceding three financial years.
- Are not partners or executives or were not partners or executives during the preceding three years of the:

- Statutory audit firm or the internal audit firm that is associated with the Company.
- Legal firm(s) and consulting firm(s) that have a material association with the Company.
- Are not material suppliers, service providers or customers or lessors or lessees of the Company, which may affect independence of the Director.
- Are not substantial shareholders of the Company, i.e. do not own two percent or more of the block of voting shares.

#### Directors with Materially Significant Pecuniary Relationship or Business Transaction with the Company

Non-Executive Directors receive sitting fees. There have been no materially significant pecuniary relationships or transactions between the Company and its Directors in the financial year under review.

#### Remuneration of Directors

**Table 2: Remuneration Paid or Payable to Directors for 2010-11**

(₹)

Name of Director	Category	Sitting fees	Salaries, allowances and perquisites	Commission	Total
Shri Shekhar Agarwal	Promoter, Executive	–	–	–	–
Shri Riju Jhunjunwala	Promoter, Non-Executive	20,000/-	–	–	20,000/-
Shri P. S. Dasgupta	Independent	22,000/-	–	–	22,000/-
Shri Pawan Kumar Deora	Independent	30,000/-	–	–	30,000/-

None of the Directors hold stock options.

**Table 3: Equity Shares and Convertible Instruments held by Non-Executive Directors as on 31<sup>st</sup> March, 2011**

Name of Director	Category	Number of Equity shares held	Convertible Warrants
Shri Riju Jhunjunwala	Promoter, Non-Executive	NIL	N.A.
Shri P. S. Dasgupta	Independent	NIL	N.A.
Shri Pawan Kumar Deora	Independent	NIL	N.A.

#### Remuneration Policy

The Non-Executive Directors are paid sitting fee for attending the Board meetings as well as other committee meetings. Shri Shekhar Agarwal was appointed as Managing Director of the Company in accordance with section 269 read-with schedule XIII of the Companies Act, 1956, without any remuneration.

#### Code of Conduct

BTTL's Board has laid down a code of conduct for all Board members and Senior Management of the Company. The Code of Conduct is displayed on the website of the Company [www.bttil.co.in](http://www.bttil.co.in). Board Members and designated Senior Management Officials have affirmed compliance with the Code of Conduct for the current year. It is further affirmed that access to the Audit Committee of the Company has not been denied to any personnel.

#### Board-Level Committees

##### Audit Committee

As on 31<sup>st</sup> March, 2011, BTTL's Audit Committee comprised three members - two of whom, including the Chairman of the Committee, are independent while the third is a Non-Executive Promoter Director. The terms of reference of the Audit Committee are in conformity with those mentioned in Clause 49 of the Listing Agreement of the Stock Exchange as well as Section 292A of the Companies Act, 1956. In 2010-11, the Audit Committee met four times on - 27<sup>th</sup> April, 2010, 23<sup>rd</sup> July, 2010, 25<sup>th</sup> October, 2010 and 20<sup>th</sup> January, 2011.

**Table 4: Details of the Audit Committee**

Name of the Member	Position	No. of Meetings held during tenure	No. of Meetings Attended	Sitting fee (Rupees)
Shri Pawan Kumar Deora (Chairman)	Independent	4	4	8,000/-
Shri Riju Jhunjhunwala	Promoter, Non-Executive	4	3	6,000/-
Shri P. S. Dasgupta	Independent	4	4	8,000/-

Shri Vikas Prakash, Company Secretary of the Company, is the Secretary to the Committee.

Shri Pawan Kumar Deora, Chairman of the Audit Committee, is a Chartered Accountant and possesses high degree of accounting and financial management expertise and all members of the Committee have sound accounting and financial knowledge.

The functions of the Audit Committee include the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditor and the fixation of audit fees.
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- Reviewing, with the Management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgement by Management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
  - Qualifications in the draft audit report.
- Reviewing, with the Management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the Management, performance of Statutory and Internal auditors, adequacy of the Internal Control Systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the Internal Audit Department, staffing and seniority of the official heading the Department, reporting structure coverage and frequency of internal audit.
- Discussion with Internal Auditors any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of Internal Control Systems of a material nature and reporting the matter to the Board.
- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

BTTL has systems and procedures in place to ensure that the Audit Committee mandatorily reviews, wherever applicable:

- Management discussion and analysis of financial condition and results of operations.
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by Management.
- Management letters / letters of internal control weaknesses issued by the Statutory Auditors.
- Whenever applicable, the uses/applications of funds raised through public issues, rights issues, preferential issues by major category (capital expenditure, sales and marketing, working capital etc.), as part of the quarterly declaration of financial results.
- If applicable, on an annual basis, statement certified by the Statutory Auditors, 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.

The Company has not implemented internal audit system because of its negligible operations.

With regard to information on related party transactions, whenever applicable, the Audit Committee is presented with the following information, wherever applicable:

- A statement in summary form of transactions with related parties in the ordinary course of business.
- Details of material individual transactions with related parties which are not in the normal course of business.
- Details of material individual transactions with related parties or others, which are not on an arm's length basis along with Management's justification for the same.

Pursuant to its terms of reference, 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.

#### **Remuneration Committee**

As on 31<sup>st</sup> March, 2011, Company's Remuneration Committee comprised three Non-Executive Directors - Shri P. S. Dasgupta (Chairman), Shri Riju Jhunjunwala and Shri Pawan Kumar Deora. The Remuneration Committee of the Company recommends to the Board the compensation terms of Executive Directors. The minutes of the Remuneration Committee meetings are noted by the Board. However, in the financial year 2010-11, no meeting of Remuneration Committee was held.

#### **Shareholders'/Investors' Grievances Committee**

The Company has constituted a Shareholders'/Investors' Grievance Committee of Directors to look into the redressal of complaints of investors.

As on 31<sup>st</sup> March, 2011, the Company's Shareholders'/Investors' Grievances Committee comprised of three Directors - Shri P. S. Dasgupta (Chairman), Shri Riju Jhunjunwala and Shri Pawan Kumar Deora.

During 2010-11, the Committee met four times on 27<sup>th</sup> April, 2010, 23<sup>rd</sup> July, 2010, 25<sup>th</sup> October, 2010 and 20<sup>th</sup> January, 2011.

**Table 5: Details of Shareholders'/Investors' Grievance Committee**

Name of the Member	Position	No. of Meetings held during tenure	No. of Meetings Attended	Sitting fees (Rupees)
Shri P. S. Dasgupta	Independent	4	4	8,000/-
Shri Riju Jhunjunwala	Promoter, Non-Executive	4	3	6,000/-
Shri Pawan Kumar Deora	Independent	4	4	8,000/-

The Company Secretary, Shri Vikas Prakash is the Compliance Officer. The Committee received no complaints from the shareholders during the financial year under review.

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/split/replacement of share certificates etc. to expeditiously approve transfer of shares, Shri Shekhar Agarwal, Chairman and Managing Director and Shri P. S.

Puri, President (Corporate Finance) also attend and approve the share transfer requests on fortnightly basis under the delegated authorisation of the Board of Directors.

## Management

### Management Discussion and Analysis

This Annual Report has a detailed chapter on Management Discussion and Analysis.

### Disclosures by Management to the Board

All details on the financial and commercial transactions where Directors may have a potential interest are provided to the Board. The interested Directors neither participate in the discussion nor vote on such matters.

### Details of Related Party Transactions

As required by the Accounting Standard AS-18, the details of related party transactions are given in Note 7 (B) (4) to the Annual Accounts.

### 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 and relevant business associates. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of BTTL, and cautions them on consequences of violations.

### Disclosure of Accounting Treatment in Preparation of Financial Statements

The Company has followed the guidelines of Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its Financial Statements.

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

BTTL has complied with all the requirements of regulatory authorities. No penalties/strictures were imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to capital market during the previous years.

### CEO/ CFO Certification

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

## Shareholders

### Appointment or Re-Appointments of Directors

Three of the Directors of your Company are liable to retire by rotation. Of these Directors, at least one-third retires every year and if eligible, propose himself for the re-appointment. This year, Shri P. K. Deora, is retiring by rotation and being eligible, offers himself for re-appointment in the Annual General Meeting. His brief resume is given below:

#### Shri P. K. Deora (55)

Shri P. K. Deora is an Independent Director of the Company. Shri Deora is a Chartered Accountant by profession. He has rich experience in field of finance and accounting.

**Table 6: Details of Other Directorship Held in Other Public Limited Companies**

Directors name	Name of the company in which Directorship held*	Committee Chairmanship	Committee Membership
Shri P. K. Deora	–	–	–

Note: \* Excludes Directorships in private limited companies, foreign companies, memberships of management committees of various chambers, bodies and section 25 companies.

### Means of Communication

The results of the Company are published in at least one prominent national and one regional newspaper. The financial results are also displayed on the Company's website [www.btll.co.in](http://www.btll.co.in).

The Company has designated an email-id [btll.investor@Injbhilwara.com](mailto:btll.investor@Injbhilwara.com).

## General Body Meetings

**Table 7: Details of the Previous Annual General Meetings**

Year	Date	Time	Location	Special resolution(s) passed
2007-08	27 <sup>th</sup> September, 2008	4:00 p.m.	LNJ Nagar, Mordi, Banswara, Rajasthan – 327001.	–
2008-09	20 <sup>th</sup> April, 2009	1:00 p.m.	LNJ Nagar, Mordi, Banswara, Rajasthan – 327001.	–
2009-10	19 <sup>th</sup> July, 2010	2:00 p.m.	LNJ Nagar, Mordi, Banswara, Rajasthan – 327001.	–

### POSTAL BALLOT

During the year under review, no resolution was passed through Postal Ballot.

### Compliance with Clause 49

#### Mandatory Requirements

The Company is fully compliant with the applicable mandatory requirements of the revised Clause 49.

#### Adoption of Non-Mandatory Requirements

Although it is not mandatory, the Board of BTTL has constituted a Remuneration Committee. Details of the Remuneration Committee have been provided under the Section 'Remuneration Committee'. Also, the Company's Financial Statements are free from any qualifications by the Auditors.

## ADDITIONAL SHAREHOLDER INFORMATION

### Annual General Meeting

Date : 30<sup>th</sup> September, 2011  
 Day : Friday  
 Time : 10:00 a.m.  
 Venue : LNJ Nagar, Mordi, Banswara, Rajasthan– 327 001.

### Financial Results

Financial year: 1<sup>st</sup> April to 31<sup>st</sup> March

For the year ended 31<sup>st</sup> March, 2011, results were announced on:

- 27<sup>th</sup> July, 2010 : First quarter
- 25<sup>th</sup> October, 2010 : Second quarter and Half year
- 25<sup>th</sup> January, 2011 : Third quarter and 9 months
- 26<sup>th</sup> April, 2011 : Fourth quarter and Annual.

For the financial year ending 31<sup>st</sup> March, 2012, 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 23<sup>rd</sup> September, 2011 (Friday) to 30<sup>th</sup> September, 2011 (Friday) (Both days inclusive).

### Dividend Dates

No dividend has been recommended on the Equity Shares.

### Listing and Stock Codes

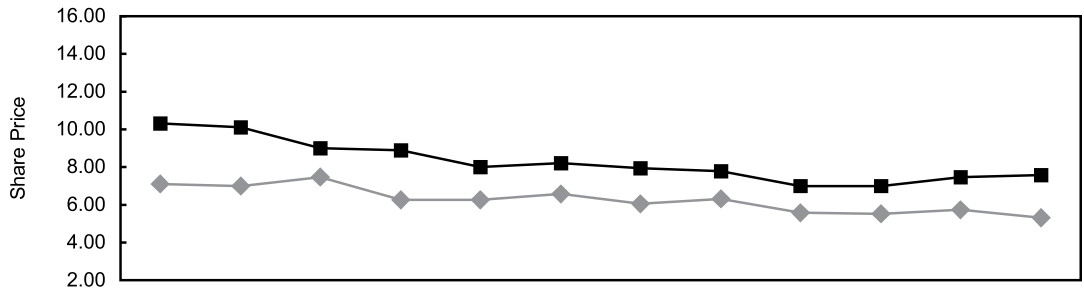
The Company's Equity shares are listed on Bombay Stock Exchange Limited (BSE). Listing fee as prescribed has been paid to the BSE up to 31<sup>st</sup> March, 2012. The scrip code of the Company at BSE is given in Table 1:

Table 1: Scrip Code of the Company

Stock Exchange	Scrip ID	Scrip code
BSE	BTTL	533108

## Stock Data

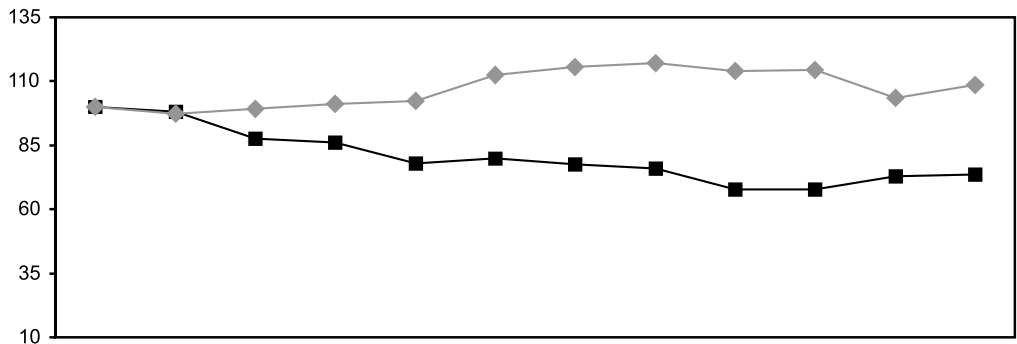
## A. Stock Market Data: Monthly High Low (in ₹) at BSE:



	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11
—■— High	10.29	10.09	9.00	8.87	8.00	8.20	7.97	7.80	7.00	6.99	7.49	7.59
—◆— Low	7.11	7.00	7.50	6.25	6.25	6.57	6.05	6.31	5.56	5.55	5.75	5.30

Source : Bombay Stock Exchange Ltd.

## B. Performance in comparison with BSE Sensex (Both series indexed to 100 as on April, 2010)



	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11
—■— BTTL (High)	100.00	98.06	87.46	86.20	77.75	79.69	77.45	75.80	68.03	67.93	72.79	73.76
—◆— Sensex (High)	100.00	97.17	99.29	101.05	102.37	112.30	115.55	116.96	113.88	114.50	103.56	108.46

Source : Bombay Stock Exchange Ltd.

## Shareholding Pattern

Table 2: Shareholding Pattern by Ownership as on 31<sup>st</sup> March, 2011

Categories	No. of shares	Percentage
Promoters, Directors, relatives and associates	3,07,95,209	52.76
Foreign institutional investors/mutual funds	18,578	0.03
Public financial institutions/State Financial Corporation	4,330	0.01
Mutual funds (Indian )	52,961	0.09
Nationalised and other banks	30,83,923	5.28
NRIs/ OCBs (Other than Promoters)	19,14,841	3.28
Public	2,25,03,463	38.55
<b>Total</b>	<b>5,83,73,305</b>	<b>100.00</b>

**Table 3: Shareholding Pattern by Size-Class as on 31<sup>st</sup> March, 2011**

Categories	No. of Shareholders	No. of shares held	Percentage
upto 5000	13,018	63,46,635	10.87
5001-10000	184	13,12,123	2.25
10001-20000	84	11,92,245	2.04
20001-30000	45	11,42,753	1.96
30001-40000	14	5,07,244	0.87
40001-50000	17	7,87,259	1.35
50001-100000	21	14,46,891	2.48
100001 and above	45	4,56,38,155	78.18
<b>Total</b>	<b>13,428</b>	<b>5,83,73,305</b>	<b>100.00</b>

**Dematerialisation of Shares**

As on 31<sup>st</sup> March, 2011, 5,34,40,285 Equity Shares representing 91.55 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 BTTL's equity shares on NSDL and CDSL is INE274K01012.

**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 30 days from the date of receipt, if the documents are in order in all respects. 24,175 Equity shares were transferred during the year 2010-11.

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

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

**Investor Correspondence**

Investor correspondence should be addressed to:

**Registrar & Share Transfer Agent:**

BEETAL Financial & Computer Services (P) Ltd.  
Beetal House, 3<sup>rd</sup> Floor,  
99, Madangir, Behind Local Shopping Centre,  
New Delhi – 110 062.  
Phone Nos. : 011-29961281  
Fax No. : 011-29961284  
E-mail : beetal@rediffmail.com

**Company Secretary**

Bhilwara Technical Textiles Limited  
Bhilwara Towers  
A-12, Sector 1, Noida  
Uttar Pradesh-201301  
Phone Nos. : 0120-2541810, 4390000  
Fax Nos. : 0120-2531648, 4390300  
E-mail : bttl.investor@lnjbhilwara.com

**Registered Office**

LNJ Nagar  
Mordi, Banswara  
Rajasthan – 327 001, INDIA

**SHEKHAR AGARWAL**  
Chairman & Managing Director  
DIN : 00066113

Place : Noida  
Dated : 26<sup>th</sup> April, 2011



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

We, Shekhar Agarwal, Managing Director & Chief Executive Officer and Vikas Prakash, Company Secretary & Chief Financial Officer of Bhilwara Technical Textiles Limited, hereby certify to the Board that:

- a. We have reviewed financial statements and the Cash Flow Statement for 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 Technical Textiles 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 Technical Textiles Limited and we have evaluated the effectiveness of 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 that 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 over financial reporting.
- 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.

**SHEKHAR AGARWAL**  
 MANAGING DIRECTOR &  
 CHIEF EXECUTIVE OFFICER  
 DIN : 00066113

**VIKAS PRAKASH**  
 COMPANY SECRETARY &  
 CHIEF FINANCIAL OFFICER

Place : Noida

Dated : 26<sup>th</sup> April, 2011

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

To the Members of  
 Bhilwara Technical Textiles Limited

We have examined the compliance of conditions of Corporate Governance by Bhilwara Technical Textiles Limited for the financial year ended on 31<sup>st</sup> March 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountant of India and 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 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.

For Ashim & Associates  
 Chartered Accountants  
 F.R.N.: 006064N

**Ashim Agarwal**  
 Partner  
 Membership No. 084968

Place : Noida (U.P)

Date : 26<sup>th</sup> April 2011

# AUDITORS' REPORT

## To the Members of

### Bhilwara Technical Textiles Limited

We have audited the attached Balance Sheet of Bhilwara Technical Textiles Limited as at 31st March, 2011 and also the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto.

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditors' Report) Order, 2003, issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we give in the Annexure 'A' a statement on the matters specified in paragraph 4 and 5 of the said order.

Further to our comments in the Annexure referred to above, we report that:

- a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account as required by law, have been kept by the Company so far as appears from our examination of those books;
- c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement, dealt with by this report, comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- e) On the basis of written representations received from the directors, as on 31<sup>st</sup> March, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the accounting policies and notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - i) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
  - ii) In the case of the Profit and Loss Account, of the profit for the year ended on that date; and
  - iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Ashim & Associates  
Chartered Accountants  
Firm Registration No.006064N

**Ashim Agarwal**  
Partner  
Membership No.084968

Noida (U.P.)  
April 26, 2011

## ANNEXURE 'A' TO AUDITORS' REPORT

**(Referred to in the Auditors' Report of even date to the members of Bhilwara Technical Textiles Limited for the year ended 31<sup>st</sup> March, 2011)**

1. The Company does not have any fixed assets. Accordingly clause 4 (i) of the Companies (Auditor's Report) Order, 2003 is not applicable.
2. The Company's current nature of operations does not require it to hold inventories. Accordingly clause 4 (ii) of the Companies (Auditor's Report) Order, 2003 is not applicable.
3. (a) The Company has not granted any loans to companies, firms or other parties covered in the register maintained under section 301 of the Act. Accordingly clauses 4 (iii) (b) to (d) of the Companies (Auditor's Report) Order, 2003 are not applicable.
- (b) The Company has not taken any loans from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly clauses 4 (iii) (f) and (g) of the Companies (Auditor's Report) Order, 2003 are not applicable.

4. The company has not made any purchases of inventory and fixed assets as well as sale of goods and services. Accordingly, clause 4 (iv) of the Companies (Auditor's Report) Order, 2003 is not applicable.
5. Based upon the audit procedures applied by us and according to the information and explanations given to us, we are of the opinion that there were no contracts or arrangements referred to in section 301 of the Companies Act, 1956 that were required to be entered in the register to be maintained under that section.
6. The Company has not accepted any deposits from the public.
7. The Company does not have an internal audit system.
8. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 in respect of activities carried out by the Company.
9. (a) According to the records of the Company, undisputed statutory dues have been regularly deposited during the year with the appropriate authorities. According to the records of the Company and as explained to us the Company did not have any dues on account of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Sales-tax, Wealth-tax, Service-tax, Custom Duty, Excise Duty and Cess. According to the information and explanations given to us and as per the books and records examined by us, there are no arrears of undisputed statutory dues outstanding as on the date of balance sheet for a period exceeding six months from the date they became payable. Further, since the Central Government has till date not prescribed the amount of cess payable under section 441A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the Company in depositing the same.  
(b) According to the information and explanations given to us and as per the books and records examined by us, there were no dues of sales tax, income tax, customs duty, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute.
10. The Company did not have any accumulated losses at the end of the financial year. The Company has not incurred cash loss in the current financial year as well as the immediately preceding financial year.
11. According to the information and explanations given to us and as per the books and records examined by us, the Company has not borrowed funds from any financial institution or bank.
12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. Provisions of the order applicable to chit funds, nidhi, mutual benefit fund / societies are not applicable to the Company.
14. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
15. According to the information and explanations given to us and as per the books and records examined by us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
16. In our opinion, and according to the information and explanations given to us, the Company did not raise any term loans during the year.
17. According to the information and explanations given to us and as per the books and records examined by us, as on the date of balance sheet, the Company has not raised any funds on short term basis.
18. According to the information and explanations given to us the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act 1956.
19. The Company has not issued any debentures.
20. The Company has not raised any money by way of public issue, during the year.
21. Based on our examination of the books and records of the Company and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For Ashim & Associates  
Chartered Accountants  
Firm Registration No. 006064N

**Ashim Agarwal**  
Partner  
Membership No.084968

Noida (U.P.)  
April 26, 2011

## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2011

	SCHEDULE	As at 31.03.2011 ₹	As at 31.03.2010 ₹
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' Funds</b>			
Capital	1	58,373,305	58,373,305
Reserves & Surplus	2	31,189,804	21,329,108
		<b>89,563,109</b>	79,702,413
<b>TOTAL</b>		<b>89,563,109</b>	79,702,413
<b>APPLICATION OF FUNDS</b>			
<b>Investments</b>	3	<b>66,000,000</b>	66,000,000
<b>Current Assets, Loans &amp; Advances</b>	4		
Cash & Bank Balances		22,850,836	13,151,169
Loans & Advances		830,068	595,355
		<b>23,680,904</b>	13,746,524
<b>Less : Current Liabilities &amp; Provisions</b>	5		
Liabilities		117,795	44,111
		<b>117,795</b>	44,111
<b>Net Current Assets</b>		<b>23,563,109</b>	13,702,413
<b>TOTAL</b>		<b>89,563,109</b>	79,702,413
<b>NOTES ON ACCOUNTS</b>	7		

As per our report of even date

For Ashim & Associates  
Chartered Accountants  
Firm Registration No.006064N

**Ashim Agarwal**  
Partner  
Membership No. 084968

Noida (U.P.)  
26th April, 2011

**Shekhar Agarwal**  
Chairman & Managing Director  
DIN: 00066113

**Riju Jhunjunwala**  
Director  
DIN: 00061060

**Vikas Prakash**  
Company Secretary  
& Chief Financial Officer

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2011**

	SCHEDULE	Year Ended 31.03.2011 ₹	Year Ended 31.03.2010 ₹
<b>Income</b>			
Dividend on Long Term Investments		9,900,000	8,250,000
Interest Income (Tax deducted at source ₹ 97,319/-; Previous year ₹ 61,713/-)		1,300,370	613,406
		<b>11,200,370</b>	<b>8,863,406</b>
<b>Expenditure</b>			
Operating & Other Expenses	6	1,269,674	1,391,261
		<b>1,269,674</b>	<b>1,391,261</b>
<b>Profit before Tax</b>		<b>9,930,697</b>	<b>7,472,146</b>
Taxation – Current		(70,000)	–
<b>Profit after tax</b>		<b>9,860,697</b>	<b>7,472,146</b>
Balance brought forward from previous year		<b>12,580,690</b>	<b>5,108,544</b>
<b>Balance Carried to Balance Sheet</b>		<b>22,441,386</b>	<b>12,580,690</b>
<b>Earnings Per Share</b>			
<i>(equity shares, par value ₹1 each)</i>			
Basic		<b>0.17</b>	0.14
Diluted		<b>0.17</b>	0.14
<b>NOTES ON ACCOUNTS</b>	<b>7</b>		

As per our report of even date

For Ashim & Associates  
Chartered Accountants  
Firm Registration No.006064N

**Ashim Agarwal**  
Partner  
Membership No. 084968

Noida (U.P.)  
26th April, 2011

**Shekhar Agarwal**  
Chairman & Managing Director  
DIN: 00066113

**Riju Jhunjhunwala**  
Director  
DIN: 00061060

**Vikas Prakash**  
Company Secretary  
& Chief Financial Officer

## SCHEDULES TO STATEMENT OF ACCOUNTS

	As at 31.03.2011 ₹	As at 31.03.2010 ₹
<b>1 Share Capital</b>		
<b>Authorised</b>		
70,000,000 (Previous Year 70,000,000) Equity Shares of ₹ 1 each	70,000,000	70,000,000
	70,000,000	70,000,000
<b>Issued, Subscribed &amp; Paid-up</b>		
58,373,305 (Previous Year 5,83,73,305) Equity Shares of ₹ 1/- each fully paid up	58,373,305	58,373,305
	58,373,305	58,373,305

**Note :** Equity Share Capital includes 5,78,73,305 equity shares issued for consideration other than cash, pursuant to the Scheme of demerger of RSWM Limited

	As at 31.03.2010 ₹	Additions ₹	Deductions ₹	As at 31.03.2011 ₹
<b>2 Reserves and Surplus</b>				
Share Premium Account	8,748,418	–	–	8,748,418
Profit & Loss Account	12,580,690	9,860,697	–	22,441,386
	21,329,108	9,860,697	–	31,189,804

	As at 31.03.2011 ₹	As at 31.03.2010 ₹
<b>3 Investments</b>		
Long Term, Non Trade, At Cost		
<b>Unquoted</b>		
6,600,000 (Previous year 66,00,000) Equity Shares of ₹ 10 each fully paid of BMD Private Limited	66,000,000	66,000,000
	66,000,000	66,000,000
<b>4 Current Assets, Loans &amp; Advances</b>		
<b>A. Current Assets</b>		
<b>Cash &amp; Bank Balances</b>		
Cash Balance on hand (As certified by the Management)	23,720	17,882
Bank Balance		
With Scheduled Banks		
Current Account	50,057	433,287
Deposit Account	22,777,059	12,700,000
	22,850,836	13,133,287
<b>B. Loans and Advances</b>		
(Unsecured, considered good)		
Advances recoverable in cash or in kind or for value to be received	20,000	–
Tax Deducted At Source	89,032	61,713
Interest Accrued	721,036	533,642
	830,068	595,355
	23,680,904	13,746,524

	As at 31.03.2011 ₹	As at 31.03.2010 ₹
<b>5 Current Liabilities &amp; Provisions</b>		
<b>Current Liabilities</b>		
Other Liabilities	117,795	44,111
	<b>117,795</b>	<b>44,111</b>
	Year Ended 31.03.2011 ₹	Year Ended 31.03.2010 ₹
<b>6 Operating &amp; Other Expenses</b>		
Salaries & Benefits		
Salaries	464,089	229,782
Employee Welfare & Other Expenses	2,985	1,152
	<b>467,074</b>	230,934
Fees & Subscription	115,624	287,346
Legal & Professional	202,641	187,251
Advertisement	119,589	349,395
Travelling & Conveyance	80,376	33,746
Postage	64,316	158,979
Directors Sitting Fees	72,000	54,000
Miscellaneous Expenses	101,296	35,811
Auditors' remuneration		
For Audit Fees	19,854	19,854
For Limited Review	24,819	24,819
For Certification	-	6,618
	<b>44,673</b>	51,291
Bank Charges	2,085	2,508
	<b>1,269,674</b>	<b>1,391,261</b>

## 7 Accounting Policies & Notes on Accounts

### A. Accounting Policies

#### 1. Basis of Preparation

The financial statements have been prepared to comply in all material respects with the Notified accounting standards by Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

#### 2. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

#### 3. Revenue Recognition

Income is accounted for on accrual basis in accordance with Accounting Standard (AS) 9 - "Revenue Recognition".

a) Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

b) Dividend

Dividend income on investments is accounted for when the right to receive the payment is established.

#### 4. Investments

Long term investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management

#### 5. Tax on Income

i) Current corporate tax is provided on the results for the year after considering applicable tax rates and laws.

ii) Deferred tax is provided on timing differences between tax and accounting treatments that originate in one period and are expected to be reversed or settled in subsequent periods. Deferred tax assets and liabilities are measured using the enacted / substantively enacted tax rates and laws for continuing operations.

Deferred tax assets, in the event of unabsorbed depreciation and carry forward losses under tax laws, that exceed the deferred tax liability, are recognised only where there is virtual certainty of realisation.

Deferred tax assets on other accounts are recognised only to the extent there is reasonable certainty of realisation.

The carrying amount of deferred tax assets is reviewed at each balance sheet date to reassess realisation.

iii) MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Minimum Alternative Tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

#### 6. Provisions and contingent liabilities

Provisions are recognized for present obligations, of uncertain timing or amount, arising as a result of a past event where a reliable estimate can be made and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Where it is not probable that an outflow of resources embodying economic benefits will be required or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability unless the probability of outflow of resources embodying economic benefits is remote.

Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events, are also disclosed as contingent liabilities unless the probability of outflow of resources embodying economic benefits is remote.

#### B Notes On Accounts

1. Based on the information available with the Company, no supplier / service provider has informed / confirmed of having filed any memorandum with the notified authority under The Micro, Small and Medium Enterprise Development Act, 2006 ("the Act"), claiming their status as a Micro or Small Enterprise. This information has been relied upon by the auditors. Consequently, as of now, it is neither possible for the Company to ascertain whether payment to such enterprises has been made within 45 days from date of acceptance of supply of goods or services rendered by a supplier nor to give the relevant disclosures as required under the Act.

2. There were no deferred tax liabilities / assets to be recognised as at end of the year.

3. The Company's main objects envisage carrying on business in various textile products. Current operations, according to the management, constitute a single segment and accordingly the disclosure requirements as per AS-17 issued under the Companies (Accounting Standards) Rules, 2006 are not applicable.



#### 4. Related party transactions

Following information regarding related parties has been determined on the basis of criteria specified in AS-18 "Related Party Disclosures":

##### a) Name of related parties and nature of relationship

- i) Key management personnel
  - Shri Shekhar Agarwal, Chairman & Managing Director
- ii) Relatives of key management personnel
  - Smt. Shashi Agarwal
  - Shri Shantanu Agarwal
  - Ms. Shuchi Agarwal
  - Shekhar Agarwal (HUF)
- iii) Associate Companies
  - BMD Private Limited
- iv) Enterprises over which persons described in (i) above are able to exercise significant influence
  - Essay Marketing Company Ltd
  - Jyoti Knits Private Limited
  - Agarwal Finestate Private Limited

##### b) Transactions with related parties

The following transactions were carried out with the related parties in the ordinary course of business

	2010-11 ₹	2009-10 ₹
<b>i) For the parties referred to in item (i) above</b>		
Allotment of equity share capital pursuant to scheme of arrangement / demerger		
– Shri Shekhar Agarwal, Chairman & Managing Director	–	138,750
<b>ii) For the parties referred to in item (ii) above</b>		
Allotment of equity share capital pursuant to scheme of arrangement / demerger		
– Smt. Shashi Agarwal	–	562,440
– Shri Shantanu Agarwal	–	975,620
– Ms. Shuchi Agarwal	–	25,000
– Shekhar Agarwal (HUF)	–	264,080
<b>iii) For the parties referred to in item (iii) above</b>		
Dividend Income received from		
– BMD Private Limited	<b>9,900,000</b>	8,250,000
<b>iv) For the parties referred to in item (iv) above</b>		
Allotment of equity share capital pursuant to scheme of arrangement / demerger		
– Essay Marketing Company Ltd	–	786,755
– Jyoti Knits Private Limited	–	407,000
– Agarwal Finestate Private Limited	–	20,803

#### 5. Earnings per share

Basic earning per share is computed by dividing the net profit or loss for the year available to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of equity shares in issue, adjusted for the effect of all dilutive potential equity shares that were outstanding during the year. Dilutive potential equity shares are weighted for the period they were outstanding and are deemed converted as of beginning of the year, unless they have been issued at a later date.

The following table sets forth the computation for basic and diluted earnings per share:

		2010-11		2009-10	
		Basic	Diluted	Basic	Diluted
<b>Numerator</b>					
Net income for the year	Rupees	9,860,697	9,860,697	7,472,146	7,472,146
<b>Denominator</b>					
Weighted average number of equity shares		58,373,305	58,373,305	54,250,823	54,250,823
Dilutive potential equity shares		–	–	–	–
Total average equivalent shares		58,373,305	58,373,305	54,250,823	54,250,823
<b>Net earnings per share</b>	Rupees	<b>0.17</b>	<b>0.17</b>	0.14	0.14
Nominal value per share	Rupee	1	1	1	1

The Company does not have any potential equity options.

6. There is no applicable information pursuant to Paragraphs 3 & 4 of Part II of Schedule VI to the Companies Act, 1956.
7. Previous year figures have been regrouped and recast wherever considered necessary.

The Schedules referred to in the Balance Sheet and Profit & Loss Account form an integral part of the accounts.

Signed for identification

For Ashim & Associates  
Chartered Accountants  
Firm Registration No.006064N

**Shekhar Agarwal**  
Chairman & Managing Director  
DIN: 00066113

**Ashim Agarwal**  
Partner  
Membership No. 084968

**Riju Jhunhunwala**  
Director  
DIN: 00061060

Noida (U.P.)  
26th April, 2011

**Vikas Prakash**  
Company Secretary  
& Chief Financial Officer

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE****I. REGISTRATION DETAILS**

Registration No.       State Code

Balance Sheet Date

Date                      Month                      Year

**II. CAPITAL RAISED DURING THE YEAR (Amount in ₹ Thousands)**

Public Issue          Rights Issue

Bonus Issue          Private Placement

**III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in ₹ Thousands)**

Total Liabilities          Total Assets

**SOURCES OF FUNDS**

Paid-up Capital          Reserves and Surplus

Secured Loans          Unsecured Loans

**APPLICATION OF FUNDS**

Net Fixed Assets          Investments

Net Current Assets          Misc. Expenditure

Accumulated Losses

**IV. PERFORMANCE OF COMPANY (Amount in ₹ Thousands)**

Turnover          Total Expenditure

Profit/(Loss) before Tax         Profit/(Loss) after tax

Earning Per Share in ₹         Dividend Rate %

**V. GENERIC NAMES OF PRINCIPAL PRODUCT/SERVICE OF COMPANY (as per monetary terms)**

Item Code No. (ITC Code)

Product Description

**Shekhar Agarwal**  
Chairman & Managing Director  
DIN: 00066113

**Riju Jhunjhunwala**  
Director  
DIN: 00061060

**Vikas Prakash**  
Company Secretary  
& Chief Financial Officer

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2011

	Year Ended 31.03.2011 ₹	Year Ended 31.03.2010 ₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit / (Loss ) before tax	9,930,697	7,472,146
Adjustments for:		
Dividend income	(9,900,000)	(8,250,000)
Interest Income	(1,300,370)	(613,406)
<b>Operating profit before working capital changes</b>	<b>(1,269,674)</b>	<b>(1,391,261)</b>
Adjustments for:		
Loans & Advances	(47,319)	(61,713)
Trade Payables	73,684	7,257
Provisions	– 73,684	– 7,257
<b>Cash from operating activities</b>	<b>(1,243,309)</b>	<b>(1,445,717)</b>
Taxes Paid	(70,000)	–
<b>Net cash from operating activities</b>	<b>(1,313,309)</b>	<b>(1,445,717)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Dividend received	9,900,000	14,050,000
Interest received	1,112,976	79,764
<b>Net Cash used in investing activities</b>	<b>11,012,976</b>	<b>14,129,764</b>
<b>Net increase in Cash and Cash equivalents</b>	<b>9,699,668</b>	<b>12,684,048</b>
Opening Cash and Cash equivalents	13,151,169	467,121
Closing Cash and Cash equivalents	22,850,836	13,151,169

### Notes

1. Cash and cash equivalents consist of cash on hand and demand deposits with bank.
2. Previous year's figures have been rearranged wherever necessary.

As per our report of even date

For Ashim & Associates  
Chartered Accountants  
Firm Registration No.006064N

**Ashim Agarwal**  
Partner  
Membership No. 084968

Noida (U.P.)  
26th April, 2011

**Shekhar Agarwal**  
Chairman & Managing Director  
DIN: 00066113

**Riju Jhunjunwala**  
Director  
DIN: 00061060

**Vikas Prakash**  
Company Secretary  
& Chief Financial Officer

# PROXY FORM

## BHILWARA TECHNICAL TEXTILES LIMITED

Regd. Office: LNJ Nagar, Mordi, Banswara - 327 001, Rajasthan.

DP Id\* .....

Folio No. ....

Client Id\* .....

No. of Share(s) held .....

I/We ..... of .....

..... being a member/members of Bhilwara Technical Textiles

Limited 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 4<sup>th</sup> Annual General Meeting of the Company to be held on Friday, the 30<sup>th</sup> day of September, 2011 at

10:00 A.M. and at any adjournment thereof.

As WITNESS my/our hand/hands this ..... day of ..... 2011.

Signed by the said .....

Please affix  
15 Paise  
Revenue  
Stamp here

**Note :** The Proxy must be deposited at the Registered Office of the Company at LNJ Nagar, Mordi, Banswara - 327 001, Rajasthan not less than forty eight hours before the time of holding the meeting.

\* Applicable for investors holding Shares in electronic form

## BHILWARA TECHNICAL TEXTILES LIMITED

Regd. Office: LNJ Nagar, Mordi, Banswara - 327 001, Rajasthan.

### ATTENDANCE SLIP

Please complete this attendance slip and hand it over at the entrance of the meeting hall.

DP Id\* .....

Folio No. ....

Client Id\* .....

No. of Share(s) held .....

Name and address of the Shareholders :

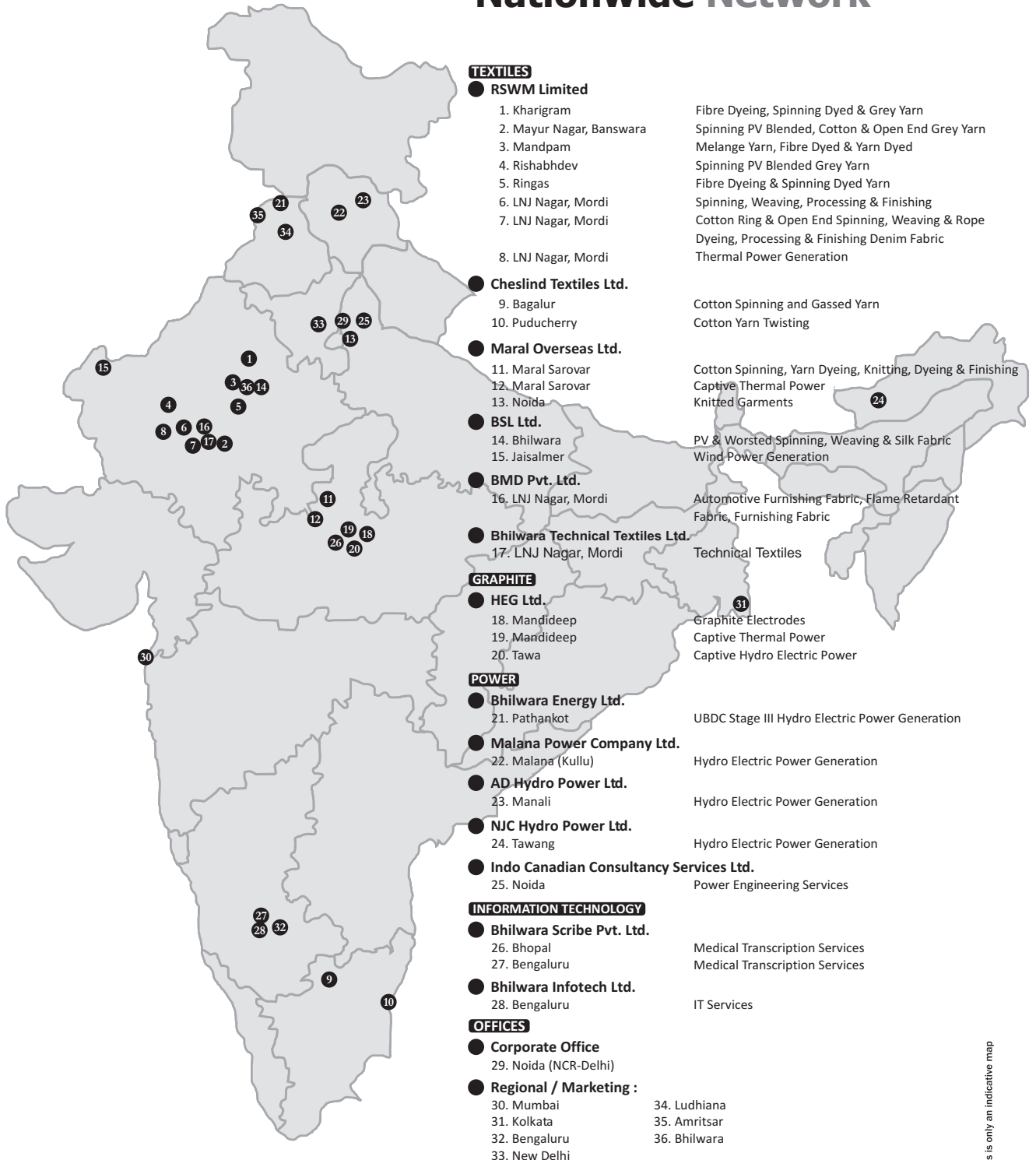
I hereby record my presence at the 4<sup>th</sup> Annual General Meeting of the Company held on Friday, the 30<sup>th</sup> day of September, 2011 at 10:00 A.M. at the Registered Office of the Company at LNJ Nagar, Mordi, Banswara - 327 001, Rajasthan.

\_\_\_\_\_  
Signature of the Shareholder/Proxy/Representative\*\*

\* Applicable for investors holding Shares in electronic form

\*\* Strike out whichever is not applicable

# Nationwide Network



# BOOK - POST



*If undelivered, please return to:*

**Bhilwara Technical Textiles Limited**

LNJ Nagar, Mordi, Banswara - 327 001, Rajasthan.