



PROUD TO BE INDIAN
PRIVILEGED TO BE GLOBAL



Bhilwara Technical Textiles Limited

Annual Report 2011 - 2012

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: 02962 – 302400
Fax: 02961 – 231254

CORPORATE OFFICE

Bhilwara Towers
A-12, Sector-1
Noida – 201 301 (U.P.)
Phone: 0120-4390300, 4390000
Fax: 0120-4277841, 4277842
Website : www.bttil.co.in

AUDITORS

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

CONTENTS

Notice	1
Management Discussion & Analysis	3
Directors' Report	5
Report on Corporate Governance	7
Auditors' Certificate on Corporate Governance	15
Auditors' Report	16
Balance Sheet	18
Statement of Profit & Loss	19
Notes to the Financial Statements	20
Cash Flow Statement	27

NOTICE

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

NOTICE is hereby given that the Fifth Annual General Meeting of the Members of the Company will be held on Monday, the 17th day of September, 2012 at 11:30 A.M. at the Registered Office of the Company at LNJ Nagar, Mordi, Banswara – 327 001, Rajasthan to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at the 31st March, 2012 and the Statement of Profit & Loss for the period ended on that date and the Report of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Riju Jhunjhunwala, who retires by rotation and being eligible, offers himself for re-appointment.
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 pursuant to the provisions of Sections 198, 269, 309, 316(2) and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII and subject to such approvals as may be necessary, approval of the members be and is hereby accorded to the re-appointment of Shri Shekhar Agarwal as Chairman & Managing Director of the Company not liable to retire by rotation, with effect from the 6th April, 2012 for a period upto the 31st March, 2015.

RESOLVED FURTHER THAT Shri Shekhar Agarwal shall not draw any remuneration for this period of appointment in his capacity as Managing Director of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to take all such steps and actions as may be considered necessary by the Board for the purpose of implementing this Resolution.”

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

Place : Noida (U. P.)
Date : 7th August, 2012

SONALI MANCHANDA
COMPANY SECRETARY &
CHIEF FINANCIAL OFFICER

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 the relevant detail in respect of item nos. 2 and 4 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 Friday, the 14th September, 2012 to Monday, the 17th September, 2012 (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 email at **bttil.investor@lnjbhilwara.com** and/or send letter to us quoting their Folio No. and email ID to enable us to serve any document, notice, communication, annual reports etc. through email. Members holding shares in demat form may get their email ID updated with their respective Depository Participants. We request the members to continue to support the Green Initiative introduced by MCA and make it a success.
8. The Annual Report of the Company will also be available on the website of the Company, **www.bttil.co.in**. Documents in physical form shall be sent to members upon request.
9. Members holding shares in physical form are requested to dematerialize their holdings in their own interest.
10. In case of the transfer of Shares, transferee is requested to furnish a copy of the PAN card to the Registrar & Transfer Agent (RTA) for registration of transfer of shares in physical form.

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

Item No. 4

Shri Shekhar Agarwal aged 59 years holds a degree in B.Tech (Mech) from IIT Kanpur and M.Sc from Chicago. He is an industrialist with diversified business experience spanning over more than 28 years. He is also acting as Managing Director of the Maral Overseas Limited.

Shri Shekhar Agarwal, Chairman & Managing Director whose term was due to expire on the 5th April, 2012 has been re-appointed as Chairman & Managing Director by the Board of Directors at their meeting held on the 24th January, 2012 with effect from the 6th April, 2012 for a period upto the 31st March 2015 subject to the approval of Shareholders. It was also decided that no remuneration will be paid to him in his capacity as Managing Director.

Accordingly, your Directors recommend the resolution set out in item no. 4 of the Notice for your approval.

None of the Directors of the Company except Shri Shekhar Agarwal himself is in anyway interested or concerned in the matter.

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

Place : Noida (U. P.)
Date : 7th August, 2012

**SONALI MANCHANDA
COMPANY SECRETARY &
CHIEF FINANCIAL OFFICER**

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

(In pursuance of Clause 49 of the Listing Agreement)

Name of Director	Shri Shekhar Agarwal	Shri Riju Jhunjunwala
Category	Promoter-Executive	Promoter-Non Executive
Interse Relationship	Son in Law of Shri L.N Jhunjunwala	Son of Shri Ravi Jhunjunwala
Date of Birth	9 th October, 1952	13 th January, 1979
Date of Appointment	14 th December, 2007	14 th December, 2007
Qualification	B.Tech (M.E), M.Sc (Chicago)	Graduate in Business Management Studies
Expertise in specific functional areas	Industrialist with rich experience of Textile Industry	He is an industrialist with diversified business experience
List of other Public Companies in which Directorships held	1. BSL Limited. 2. Essay Marketing Company Limited 3. HEG Limited 4. Maral Overseas Limited 5. RSWM Limited	1. Bhilwara Energy Limited 2. Bhilwara Green Energy Limited 3. Bhilwara Infotechnology Limited 4. Chango Yangthang Hydro Power Limited 5. Cheslind Textiles Limited 6. HEG Limited 7. NJC Hydro Power Limited
Chairman/Member of the Committee of the Board of Directors of the Company	NIL	Audit Committee – Member Shareholders' / Investors Grievance Committee – Member
No. of Equity Shares held in Company	26,16,425	NIL
Chairman/Member of the Committees of Directors of other Companies :		
a) Audit Committee	1. BSL Limited – Member 2. HEG Limited – Member	Cheslind Textiles Limited – Member
b) Shareholders'/Investors' Grievance Committee	Maral Overseas Limited - Member RSWM Limited - Member	NIL

MANAGEMENT DISCUSSION & ANALYSIS

INDUSTRIAL GROWTH

Industrial growth in the country has in general remained aligned with the growth rate of gross domestic product (GDP). The long-term average annual growth of industries comprising mining, manufacturing and electricity, during the post-reform period between 1991-92 and 2011-12, averaged 6.7 per cent as against GDP growth of 6.9 per cent. The share of manufacturing, which is the most dominant sector within industry, also remained in the 14-16 per cent range during this period. With agriculture and services continuing to perform well, the slowdown can be attributed almost entirely to weakening industrial growth. The services sector continues to be a star performer as its share in GDP has climbed to 59% in 2011-12 with a growth rate of 9.4%. Similarly, agriculture and allied sectors accounted for growth rate of 13.9% in 2011-12 with foodgrains production likely to cross 250.42 million tonnes owing to increase in the production of rice in some States. Inflation on WPI remains high but showed signs of slow down by the year-end and this is likely to spur investment activities leading to positive impact on growth. It has been observed that in the current financial year the gap between WPI and CPI inflation has significantly narrowed due to drastic fall in food inflation.

India will inevitably need to play an active role at global level, not just in the efforts towards resolving the current crisis but also in influencing the goals for the global economy on overarching macroeconomic issues such as trade, capital flows, financial regulation, climate change and governance of global financial institution.

TEXTILE SECTOR

Textile is one of the oldest industry and has a formidable presence in the national economy. The Indian Textile Industry is one of the largest in the world with a massive raw material and manufacturing base. Textile Industry has a unique presence as a self-reliant industry.

The Indian Textiles Industry has an overwhelming presence in the economic life of the country. Apart from providing one of the basic necessities of life, the textiles industry also plays a pivotal role through its contribution to industrial output, employment generation and the export earnings of the country.

The Indian Textile industry, one of the major sectors of the Indian economy, has shown its deep rooted strength and sustainability by surviving and growing during the global economic recession. In view of recessionary trends in the textile sector, Government has been supporting the textile sector exports through various policy initiatives to enable the sector to increase market share in the global textile markets. Government has introduced several export promotion measures in the Union Budget 2011-12 as well as through schemes of the Foreign Trade Policy 2009-14, including incentives under the Focus Market Scheme and Focus Product Scheme; enhancing the coverage of the Market Linked Focus Product Scheme for textile products; and extension of the Market Linked Focus Product Scheme to increase India's market share in various countries.

India ranked second highest producer of Cotton after China. Textile sector in India is unique in comparison to other countries as there is a close linkage of the textile industry to agriculture. The growth and all around development of this industry has a direct bearing on the improvement of the economy of the nation.

TECHNICAL TEXTILES

Technical textiles are materials meeting high technical and quality requirement (mechanical, thermal, electrical, durability) giving them ability to offer technical functions. Technical textile are used primarily for their technical performance and functional properties rather than their aesthetic and decorative purposes. Technical textiles include textiles for automotive applications, medical textiles (e.g., implants), geotextiles (reinforcement of embankments), agrotexiles (textiles for crop protection), and protective clothing (e.g., heat and radiation protection for fire fighter clothing, molten metal protection for welders, stab protection and bulletproof vests, and spacesuits). Cars and the transport industry, furniture, medical applications, entertainment, clothing and construction are important users of technical and industrial textiles. The production of different items of technical textile industry has been slowly but steadily increasing in the country which is further contributing in the growth of the industry as a whole.

BUSINESS

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

BTTL is holding investment in BMD Private Limited (BMD) is a leading manufacturer of high performance specialized furnishing fabrics for automotives, contract furnishing, flame retardant fabric & air texturised yarn.

BMD have a sound track record of sterling performance in the diverse business parameters and have achieved name and fame for their cutting edge products in the domestic as well as global markets. BMD believe in long lasting business relations based on mutual trust.

STRENGTHS AND OPPORTUNITIES

1. Abundant raw material availability allowing the industry to control costs and reduce overall lead times across the value chain.
2. Low Cost skilled labour providing a distinct competitive advantage.
3. Presence across the value-chain providing a competitive advantage when compared to industries in countries like Bangladesh and Sri-Lanka who have developed as garmenters.
4. Vibrant Domestic market, enabling manufacturers to spread out risks.
5. New Product development which needs additional focus in Indian Companies in order to move up the value chain and capture a great global market share.
6. ASEAN Countries to develop as a textile and garment manufacturing hub, so opportunities for global and regional export should improve.

WEAKNESSES AND THREATS

1. Fragmented Industry leads to lower ability to expand and emerge as 'world-class' players.
2. Intermittent government regulations acts as impediment to industry operations thus affecting global competitiveness.
3. Use of outdated manufacturing technology from the low end supplier which has resulted in low value addition in the industry.
4. Competition in domestic market by offering better quality and lower prices.

HUMAN RESOURCES

BTTL recognizes human resources as a key component for facilitating organization growth as they are drivers for operational efficiencies, competitive advantage, profitability and growth of the Company. 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 as at the year end had two employees.

CORPORATE SOCIAL RESPONSIBILITY

BTTL is committed to good corporate citizenship and believes that as an organization it has a responsibility to society, community and environment. Corporate Social Responsibility has always been an integral part of your Company's Values and Vision. Your Company is strongly committed towards sustainable development of People, Communities and Society at large and follows the 'triple bottom line' approach of balancing the economic prosperity, social capital and environmental quality - aimed at enhancing Shareholder Value. Company believes that we need to work beyond financial objective and recognize our responsibility towards society by providing quality products to the society. BTTL is performing its social responsibility towards employees, shareholders and government in various ways viz. by providing true and fair position of Company's financial position to the shareholders and by providing all necessary information to the government and complying all the applicable laws, rules and regulations.

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. Such statements, however involve known or unknown risks, significant changes in the political and economic environment in India or key markets abroad, exchange rate fluctuations and other costs that could cause actual outcomes and results to be materially different from those expressed or implied. The Company takes no responsibility in respect of forward looking statement herein which may undergo changes in future on the basis of subsequent developments, information or events.

DIRECTORS' REPORT

To the Members,

Your Directors present the Fifth Annual Report together with the audited Balance Sheet and the Statement of Profit and Loss of Bhilwara Technical Textiles Limited ("BTTL") for the year ended the 31st March 2012.

COMPANY'S PERFORMANCE

Your Company's performance during the year 2011-2012 is summarized below:

FINANCIAL RESULTS

(₹ in lacs)

	This Year	Previous Year
Total Income	157.18	112.00
Profit before Interest, Depreciation & Tax	138.61	99.31
Profit Before Tax	138.48	99.31
Profit After Tax	137.23	98.60
Add: Opening Balance	224.41	125.81
Profit available for appropriation	361.64	224.41
Profit Carried to Balance Sheet	361.64	224.41

OPERATIONAL INFORMATION

Your Directors feel pleasure to inform you that the Company earned profit after tax of ₹ 137.23 lacs for the year ended the 31st March, 2012 as against ₹ 98.60 lacs during the previous year ended the 31st March, 2011.

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:

- in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed and no material departures have been made from the same;

- 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 the 31st March, 2012 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

The disclosure of the particulars as required under Section 217 (1) (e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 with respect to Technology Absorption, Conservation of Energy, Foreign Exchange Earnings and Outgo are not applicable to the Company for the period under review.

DIRECTORS

Shri Riju Jhunjunwala, Director retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

INTERNAL CONTROL SYSTEMS

The Company has maintained 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, 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

A comprehensive report on corporate governance as stipulated under Clause 49 of the Listing Agreement is attached to this Report.

BTTL has obtained a certificate from the M/s Ashim & Associates, Chartered Accountants regarding compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and the same is annexed at the end of Corporate Governance Report.

ACKNOWLEDGEMENTS

Your Directors wish to thank all stakeholders and all concerned authorities including Central & State Government for their continued support and valuable contribution. The Directors also express their appreciation to investors for the understanding and support that they continue to repose in the Company.

For and on behalf of the Board

Place : Noida

Date : 3rd May, 2012

SHEKHAR AGARWAL

Chairman &

Managing Director

DIN : 00066113

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE PHILOSOPHY

Sound Corporate Governance is a reflection of Company's culture, conscience and mindset of an organization. The Company's philosophy is aimed at strengthening the confidence of the shareholder in the Company and building long term relationship of trust with them by giving 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's essential character revolves around values based on corporate fairness, transparency, professionalism and accountability which are vital not only for healthy and vibrant corporate sector but also inclusive growth of the economy. The Company is committed toward the principles on attaining the highest standard of Corporate Governance and consistently follows high standards in all activities and processes.

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 31st March, 2012, 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.

Directors' Attendance Record and Directorships Held

Sl. No.	Name of Director	Position	Category	No. of meetings held in 2011-12 during tenure	No. of meetings attended	No. of outside Directorships 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	7	1	0
3.	Shri P. S. Dasgupta	Director	Independent - Non-Executive	4	4	8	7	1
4.	Shri Pawan Kumar Deora	Director	Independent - Non-Executive	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 Committee Chairmanships

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

Number of Board Meetings

During 2011-2012, the Board of BTTL met 4 (Four) times on — 26th April, 2011, 26th July, 2011, 25th October, 2011 and 24th January, 2012. The maximum time gap between any two consecutive meetings was less than four months.

The previous Annual General Meeting of the Company was held on the 30th September, 2011 and was attended by Shri Pawan Kumar Deora, Chairman of the Audit Committee.

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.

Shareholding of Non-Executive Directors

Equity Shares and Convertible Instruments held by Non-Executive Directors as on 31st March, 2012

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 – Non-Executive	NIL	N.A.
Shri Pawan Kumar Deora	Independent – Non-Executive	NIL	N.A.

Board-Level Committees

I. Audit Committee

As on 31st March, 2012, 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 2011-12, the Audit Committee met four times on — 26th April, 2011, 26th July, 2011, 25th October, 2011 and 24th January, 2012.

a) Details of the Audit Committee

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings Attended	Sitting fee (₹)
Shri Pawan Kumar Deora (Chairman)	Independent – Non-Executive	4	4	8,000/-
Shri Riju Jhunjunwala	Promoter – Non-Executive	4	4	8,000/-
Shri P. S. Dasgupta	Independent – Non-Executive	4	4	8,000/-

Ms. Sonali Manchanda, 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 Company has complied with the requirements of Clause 49 II A as regards composition of Audit Committee.

The Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on the 30th September 2011.

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:
 - o 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.

- o Changes, if any, in accounting policies and practices and reasons for the same.
- o Major accounting entries involving estimates based on the exercise of judgement by Management.
- o Significant adjustments made in the financial statements arising out of audit findings.
- o Compliance with listing and other legal requirements relating to financial statements.
- o Disclosure of any related party transactions.
- o 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 as listed under Clause 49 II D of the Listing Agreement.

The Audit Committee has been granted powers as prescribed under Clause 49 II C of the Listing Agreement.

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.

II. Remuneration Committee

a) Terms of reference

The Remuneration Committee is empowered to determine the remuneration package of the Executive Directors.

b) Composition of the Committee

As on 31st March, 2012, the Composition of Remuneration Committee is as follows:

Sl. No.	Name of the Member	Category
1.	Shri P.S. Dasgupta(Chairman)	Independent – Non-Executive
2.	Shri Riju Jhunjunwala	Promoter – Non-Executive
3.	Shri Pawan Kumar Deora	Independent – Non-Executive

However, in the financial year 2011-12, no meeting of Remuneration Committee was held.

c) Remuneration Policy

The compensation terms of Executive Directors are recommended by the Remuneration Committee constituted by the Board of Directors of the Company and thereafter approved by the Shareholders in the General Meeting. The Remuneration Committee recommends the remuneration based on the criteria such as responsibilities given, past track record of performance, industry standards and various other factors.

The Non-Executive Directors are paid sitting fee for attending the Board Meetings as well as other committee meetings

Shri Shekhar Agarwal was re-appointed as Managing Director, w.e.f 6th April, 2012 upto 31st March, 2015, of the Company in accordance with Section 269 read-with Schedule XIII of the Companies Act, 1956, without any remuneration subject to the approval of Shareholders in Annual General Meeting.

d) Remuneration of Directors

Remuneration Paid or Payable to Directors for 2011-12

(₹)

Name of Director	Category	Sitting fees	Salaries, allowances and perquisites	Commission	Total
Shri Shekhar Agarwal	Promoter – Executive	-	-	-	-
Shri Riju Jhunjhunwala	Promoter – Non-Executive	24,000	-	-	-
Shri P.S. Dasgupta	Independent – Non-Executive	24,000	-	-	-
Shri Pawan Kumar Deora	Independent – Non-Executive	26,000	-	-	-

None of the Directors hold stock options.

III. Shareholders'/Investors' Grievances Committee

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

As on 31st March, 2012, the Company's Shareholders'/Investors' Grievances Committee comprised of three Directors - Shri P.S. Dasgupta (Chairman), Shri Riju Jhunjhunwala and Shri Pawan Kumar Deora.

During 2011-12, the Committee met four times on 26th April, 2011, 26th July, 2011, 25th October, 2011 and 24th January, 2012.

Details of Shareholders'/Investors' Grievances Committee

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings Attended	Sitting fees (₹)
Shri P.S. Dasgupta	Independent – Non-Executive	4	4	8,000/-
Shri Riju Jhunjhunwala	Promoter – Non-Executive	4	4	8,000/-
Shri Pawan Kumar Deora	Independent – Non-Executive	4	4	8,000/-

The Company Secretary, Ms. Sonali Manchanda is the Compliance Officer. The Committee received one complaint from the shareholder during the financial year under review which was duly resolved.

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.

General Body Meetings

Details of the Previous Annual General Meetings

Year	Date	Time	Location	Special resolution(s) passed
2008-09	20 th April, 2009	1:00 p.m.	LNJ Nagar, Mordi, Banswara, Rajasthan – 327001.	–
2009-10	19 th July, 2010	2:00 p.m.	LNJ Nagar, Mordi, Banswara, Rajasthan – 327001.	–
2010-11	30 th September, 2011	10:00 a.m.	LNJ Nagar, Mordi, Banswara, Rajasthan – 327001.	–

POSTAL BALLOT

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

DISCLOSURES

a) Related Party Disclosure

As required by the Accounting Standard AS-18, the details of related party transactions are given in Note 2.8.1 to the Annual Accounts.

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.

b) 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.

c) Risk Management

The Board has also laid down the procedures to inform the Board Members about the risk assessment and minimization procedures.

d) 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 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 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.

f) Compliance with Clause 49

Mandatory Requirements

The Company is fully compliant with the applicable mandatory requirements of the Clause 49. A certificate from Statutory Auditors to this effect is enclosed in the Annual Report.

Adoption of Non-Mandatory Requirements

Remuneration Committee

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'.

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

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.

CEO/ CFO Certification

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

Code of Conduct

BTTL 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.bttl.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. A declaration to this effect forms part of this Annual Report.

Means of Communication

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 at least one prominent national and one regional newspaper. The financial results are also displayed on the Company's website www.bttl.co.in.

The Company has designated an email-id bttl.investor@lnjbhilwara.com.

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 Riju Jhunjhunwala, is retiring by rotation and being eligible, offers himself for re-appointment in the Annual General Meeting. His brief resume is given below:

Shri Riju Jhunjhunwala (33)

Shri Riju Jhunjhunwala is a Promoter – Non-Executive Director of the Company. Shri Jhunjhunwala is an industrialist with diversified business experience.

Details of Other Directorship Held in Other Public Limited Companies

Directors, Name	Name of the Companies in which Directorship held*	Committee Chairmanship	Committee Membership
Shri Riju Jhunjhunwala	Bhilwara Energy Ltd. Bhilwara Green Energy Limited Bhilwara Infotechnology Ltd. Cheslind Textiles Ltd. Chango Yangthang Hydro Power Ltd. HEG Ltd. NJC Hydro Power Ltd	NIL	Cheslind Textiles Limited (Audit Committee)

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

ADDITIONAL SHAREHOLDER INFORMATION

Annual General Meeting

Date : 17th September, 2012
Day : Monday
Time : 11:30 A.M.
Venue : LNJ Nagar, Mordi, Banswara, Rajasthan– 327 001.

Financial Results

Financial year: 1st April to 31st March

For the year ended the 31st March, 2012, results were announced on:

- 26th July, 2011 : First quarter
- 25th October, 2011 : Second quarter and Half year
- 24th January, 2012 : Third quarter and 9 months
- 3rd May, 2012 : Fourth quarter and Annual.

For the financial year ending the 31st March, 2013, 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 Friday, the 14th September, 2012 to Monday, the 17th September, 2012 (Both days inclusive).

Dividend Dates

No dividend has been recommended on the Equity Shares.

Listing and Stock Codes

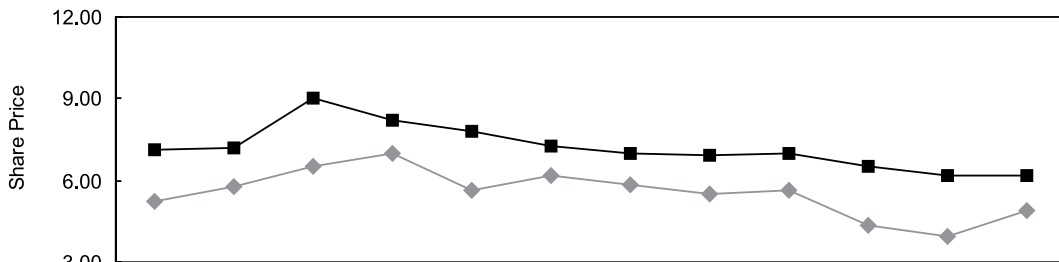
The Company's Equity shares are listed on Bombay Stock Exchange Limited (BSE). Listing fee as prescribed has been paid to the BSE up to the 31st March, 2013. The scrip code of the Company at BSE is given below:

Scrip Code of the Company

Stock Exchange	Scrip ID	Scrip code
BSE	BTTL	533108

Stock Data

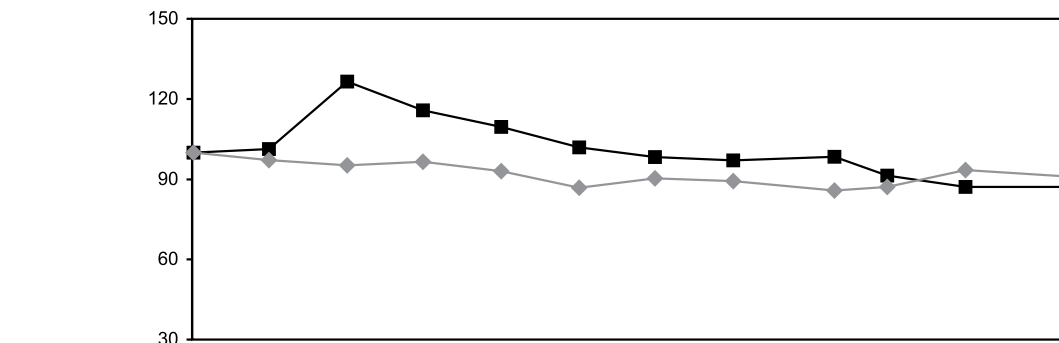
A. Stock Market Data: Monthly High Low (in ₹) at BSE:



	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12
—■— High	7.11	7.20	9.00	8.23	7.79	7.25	6.99	6.90	7.00	6.50	6.20	6.20
—◆— Low	5.20	5.75	6.54	7.00	5.65	6.15	5.82	5.50	5.63	4.37	3.96	4.88

Source : Bombay Stock Exchange Ltd.

B. Performance in comparison with BSE Sensex (Both series indexed to 100 as on April, 2011)



	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12
—■— BTTL (High)	100.00	101.27	126.58	115.75	109.56	101.97	98.31	97.05	98.45	91.42	87.20	87.20
—◆— Sensex (High)	100.00	97.19	95.27	96.57	93.08	86.88	90.39	89.36	85.83	87.12	93.50	91.06

Source : Bombay Stock Exchange Ltd.

Shareholding Pattern

Shareholding Pattern by Ownership as on 31st March, 2012

Categories	No. of shares	Percentage
Promoters, Directors, Relatives and Associates	3,22,73,713	55.29
Foreign Institutional Investors/Mutual Funds	18,578	0.03
Public Financial Institutions/State Financial Corporation	4,330	0.01
Mutual Funds (Indian)	52,888	0.09
Nationalised and other Banks	25,84,536	4.43
NRIs/ Foreign Companies	15,08,235	2.58
Public	2,19,71,025	37.57
Total	5,83,73,305	100.00

Shareholding Pattern by Size-Class as on 31st March 2012

Categories	No. of Shareholders	No. of shares held	Percentage
upto 5000	12,611	62,24,374	10.66
5001 - 10000	184	13,42,857	2.30
10001 - 20000	85	12,00,217	2.06
20001 - 30000	41	10,18,451	1.75
30001 - 40000	20	7,14,059	1.22
40001 - 50000	14	6,53,534	1.12
50001 - 100000	23	16,34,148	2.80
100001 and above	34	4,55,85,665	78.09
Total	13,012	5,83,73,305	100.00

Dematerialisation of Shares

As on 31st March, 2012, 5,59,30,516 Equity Shares representing 95.82 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. 11,657 Equity shares were transferred during the year 2011-12.

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, 3rd 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. : 0120-4390300, 4390000
Fax Nos. : 0120-4277841, 4277842
E-mail : bttl.investor@lnjbhilwara.com

Registered Office

LNJ Nagar
Mordi, Banswara
Rajasthan – 327 001, INDIA

Place : Noida
Dated : 3rd May, 2012

SHEKHAR AGARWAL
Chairman & Managing Director
DIN : 00066113

Information pursuant to Clause 5A of the Listing Agreement

The Company has sent reminders to the shareholders informing about unclaimed Share Certificates lying with the Company in respect of around 731 folios comprising of around 187,039 shares. In response thereto the Company has so far received claims in respect of 2,892 shares from 19 shareholders. As required by clause 5A of the Listing Agreement, the final notice to shareholders will be sent shortly and considering the response thereto the shares pertaining to unclaimed share certificates shall be credited to a demat suspense account to be administered by the Company with one of the Depository Participant.

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

We, Shekhar Agarwal, Managing Director & Chief Executive Officer and Sonali Manchanda, 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 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.

SHEKHAR AGARWAL
 MANAGING DIRECTOR &
 CHIEF EXECUTIVE OFFICER
 DIN : 00066113

SONALI MANCHANDA
 COMPANY SECRETARY &
 CHIEF FINANCIAL OFFICER

Place : Noida (U.P.)
 Dated : 3rd May, 2012

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 the 31st March, 2012, 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 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 Accountants of India and was limited to review of 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 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 : 3rd May 2012

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, 2012, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date annexed thereto.

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

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

As required by the Companies (Auditors' Report) Order, 2003 ("the Order"), issued by the Central Government of India in terms of sub-section (4A) of Section 227 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 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, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- d) In our opinion, the Balance Sheet, Statement of Profit and Loss 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 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 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, 2012;
 - ii) In the case of the Statement of Profit and Loss, 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.)
May 03, 2012

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 31st March, 2012)

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The management has physically verified the fixed assets during the year. As informed to us, no material discrepancies were noticed on such verification.
 - (c) There were no fixed assets disposed off / discarded during the year.
2. The Company's current nature of operations does not require it to hold inventories. Accordingly clause 4 (ii) of the Order is not applicable to the Company and hence not commented upon.
3. (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions of clause

- 4(iii) (a) to (d) of the Order are not applicable to the Company and hence not commented upon.
- (b) According to information and explanations given to us, the Company has not taken any loans, secured or unsecured, from companies, Firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii) (e) to (g) of the Order are not applicable to the Company and hence not commented upon.
4. The Company has not made any purchases of inventory and fixed assets as well as sale of goods & services. Accordingly, clause 4 (iv) of the Order is not applicable to the Company and hence not commented upon.
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.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other material statutory dues 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 the records of the Company examined by us, there were no statutory dues of income-tax, sales-tax, wealth-tax, service tax, customs duty, 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 and immediately preceding financial year.
11. According to the information and explanations given to us and the records of the Company 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 and based on the documents and records produced before us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
14. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
16. 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. 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 the audit procedures performed and as per the information and explanations given by the management, 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.)
May 3, 2012

BALANCE SHEET AS AT 31ST MARCH, 2012

	Notes	As At 31.03.2012 ₹	As At 31.03.2011 ₹
Equity and Liabilities			
Shareholders' Funds			
Share Capital	2.1.1	58,373,305	58,373,305
Reserves and Surplus	2.1.2	44,912,574	31,189,804
		103,285,879	89,563,109
Current Liabilities			
Trade Payables	2.2.1	55,202	34,868
Other Current Liabilities	2.2.2	15,782	82,927
		70,984	117,795
Total		103,356,863	89,680,904
Assets			
Non Current Assets			
Fixed Assets			
Tangible Assets	2.3.1	20,581	–
Non-Current Investments	2.3.2	66,000,000	66,000,000
Long-Term Loans and Advances	2.3.3	81,798	109,032
Other Non-Current Assets	2.3.4	10,933,925	–
		77,036,304	66,109,032
Current Assets			
Cash and Bank Balances	2.4.1	25,558,308	22,850,836
Short Term Loans and Advances	2.3.3	6,620	–
Other Current Assets	2.3.4	755,631	721,036
		26,320,559	23,571,872
Total		103,356,863	89,680,904
Summary of significant accounting policies	1.1	–	–

The accompanying notes are an integral part of the financial statements

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.)
3rd May, 2012

For and on behalf of the Board of Directors of
Bhilwara Technical Textiles Limited

Shekhar Agarwal
Chairman & Managing Director
DIN: 00066113

Riju Jhunjunwala
Director
DIN: 00061060

Sonali Manchanda
Company Secretary
& Chief Financial Officer

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	Notes	For the Year Ended 31.03.2012 ₹	For the Year Ended 31.03.2011 ₹
Income			
Other Income	2.5.1	15,718,560	11,200,370
Total Revenue		15,718,560	11,200,370
Expenses			
Employee benefits Expense	2.6.1	607,094	467,074
Depreciation and Amortization Expense	2.6.2	12,039	–
Other Expenses	2.6.3	1,250,966	802,600
Total Expenses		1,870,099	1,269,674
Profit before Tax		13,848,461	9,930,697
Tax Expense:			
Current Tax		(190,000)	(70,000)
Adjustments for Earlier Years		64,309	–
Profit / (Loss) for the year		13,722,770	9,860,697
Earnings per Equity Share (<i>par value ₹1 each</i>)	2.7.1		
Basic		0.24	0.17
Diluted		0.24	0.17

Summary of significant accounting policies 1.1

The accompanying notes are an integral part of the financial statements

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.)
3rd May, 2012

For and on behalf of the Board of Directors of
Bhilwara Technical Textiles Limited

Shekhar Agarwal
Chairman & Managing Director
DIN: 00066113

Riju Jhunjhunwala
Director
DIN: 00061060

Sonali Manchanda
Company Secretary
& Chief Financial Officer

NOTES TO THE FINANCIAL STATEMENTS

1. Basis of Preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The financial statements have been prepared to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

1.1 Summary of Significant Accounting Policies

a. Change in Accounting Policy

Presentation and Disclosure of Financial Statements

During the year ended the 31st March 2012, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the Company, for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of these financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The Company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

b. 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.

c. 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 applicable interest rate.

b) Dividend

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

d. 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.

e. Tangible Fixed Assets

Tangible fixed assets are stated at historical cost less provision for impairment losses, if any and depreciation.

f. Depreciation on Tangible Fixed Assets

Depreciation on tangible fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule XIV to the Companies Act, 1956, whichever is higher. The Company has used the following rates / useful life to provide depreciation on its fixed assets.

- i) Computer hardware systems are depreciated uniformly over a useful life of 3 years.
- ii) Assets costing upto ₹ 5,000 are fully depreciated in the year of purchase.

g. Impairment of Assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount being the higher of the asset's net selling price and its value in use. Value in use is based on the present value of the estimated future cash flows relating to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (i.e. cash generating units).

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

Previously recognised impairment losses are reversed where the recoverable amount increases because of a favourable change in the estimates used to determine the recoverable amount since the last impairment was recognised. A reversal of an asset's impairment loss is limited to its carrying amount that would have been determined (net of depreciation or amortization), had no impairment loss been recognised in prior years.

h. 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 recognized only where there is virtual certainty of realization.

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

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

- 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 Statement of Profit and Loss 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.

i. 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 possibility 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 possibility of outflow of resources embodying economic benefits is remote.

j. Earnings Per Share

Basic earnings per share is computed by dividing the net profit after tax for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights

issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

k. Cash and Cash Equivalents

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The Company considers all highly liquid investments with a maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

2. Notes to the Financial Statements

2.1.1 Share Capital

Particulars	₹	
	As At 31.03.2012	As At 31.03.2011
Authorised		
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
Issued, Subscribed & Fully paid-up		
5,83,73,305 (Previous Year 5,83,73,305) equity shares of ₹ 1/- each	58,373,305	58,373,305
	58,373,305	58,373,305

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	2011-12		2010-11	
	No of Shares	₹	No of Shares	₹
Equity Shares				
At the beginning of the period	58,373,305	58,373,305	58,373,305	58,373,305
Issued during the period	-	-	-	-
Bought back during the period	-	-	-	-
Outstanding at the end of the period	58,373,305	58,373,305	58,373,305	58,373,305

b) Terms/rights attached to Equity Shares

Company has only one class of equity shares having a par value of ₹ 1/-. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed, if any, by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of Shareholders holding more than 5% Shares in the Company

Particulars	As at 31.03.2012		As at 31.03.2011	
	No. of Shares Held	% holding	No. of Shares Held	% holding
Equity Shares of ₹ 1/- each fully paid				
Microbase Limited			9,127,425	15.64
Shashi Agarwal	7,759,855	13.29	5,597,415	9.59
Shantanu Agarwal	5,308,115	9.09	3,219,995	5.52
Shekhar Agarwal (Karta)	4,027,344	6.90	-	-

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

d) The Company has not allotted any fully paid-up shares by way of bonus shares nor has bought back any class of shares during the period of five years immediately preceding the Balance Sheet date. Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date are as follows:

2.3.2 Non-Current Investments

₹

Particulars	As At	
	31.03.2012	31.03.2011
<i>Non-Trade Investments (Valued at Cost unless Stated otherwise)</i>		
Investments in Equity Instruments		
<i>Unquoted</i>		
Investment in Associates		
BMD Private Limited		
66,00,000 (Previous year 66,00,000) Equity Shares of ₹ 10/- each fully paid	66,000,000	66,000,000
	66,000,000	66,000,000
Aggregate Amount of Quoted Investments	–	–
Market Value of Quoted Investments	–	–
Aggregate Amount of unquoted Investments	66,000,000	66,000,000
Aggregate Provision for Diminution in Value of Investments	–	–

2.3.3 Loans and Advances

₹

Particulars	Long-Term		Short-Term	
	As At	As At	As At	As At
	31.03.2012	31.03.2011	31.03.2012	31.03.2011
<i>Unsecured, Considered Good unless Stated otherwise</i>				
Security Deposits	20,000	20,000	–	–
Prepaid Expenses	–	–	6,620	–
Direct Taxes Refundable (net of Provisions)	61,798	89,032	–	–
	81,798	109,032	6,620	–

2.3.4 Other Assets

₹

Particulars	Non-Current		Current	
	As At	As At	As At	As At
	31.03.2012	31.03.2011	31.03.2012	31.03.2011
Interest Receivable	433,925	–	755,631	721,036
Non-Current Bank Balances (note 2.4.1)	10,500,000	–	–	–
	10,933,925	–	755,631	721,036

2.4.1 Cash and Bank Balances

₹

Particulars	Non-Current		Current	
	As At	As At	As At	As At
	31.03.2012	31.03.2011	31.03.2012	31.03.2011
Cash and Cash Equivalents				
Balances with Banks				
In Current Accounts			138,990	50,057
In Deposit Accounts, with Original Maturity of upto 3 months			8,700,000	–
Cash on Hand			19,318	23,720
			8,858,308	73,777
Other Bank Balances				
Deposits with Original Maturity for 12 months and more	10,500,000	–	16,700,000	22,777,059
	10,500,000	–	16,700,000	22,777,059
Amount Disclosed under the head "Other Non-Current Assets" (note 2.3.4)	(10,500,000)	–		
	–	–	25,558,308	22,850,836

2.5.1 Other Income

₹

Particulars	Year Ended 31.03.2012	Year Ended 31.03.2011
Dividend on Long Term Investments	13,200,000	9,900,000
Interest Income		
Bank Deposits	2,508,661	1,300,370
Others	8,899	—
Other Non-Operating Income	1,000	—
	15,718,560	11,200,370

2.6.1 Employee Benefit Expense

₹

Particulars	Year Ended 31.03.2012	Year Ended 31.03.2011
Salaries, Wages, Bonus	602,211	464,089
Staff Welfare Expenses	4,883	2,985
	607,094	467,074

2.6.2 Depreciation and Amortisation Expense

₹

Particulars	Year Ended 31.03.2012	Year Ended 31.03.2011
Depreciation of Tangible Assets	12,039	—
	12,039	—

2.6.3 Other Expenses

₹

Particulars	Year Ended 31.03.2012	Year Ended 31.03.2011
Fees & Subscription	118,226	115,624
Legal & Professional	558,106	202,641
Publication Charges	171,801	119,589
Directors Sitting Fees	74,000	72,000
Miscellaneous Expenses	274,965	248,073
Auditors' Remuneration	53,868	44,673
	1,250,966	802,600
Auditors' Remuneration include following payments to the Statutory Auditors		
As Auditor		
Statutory Audit	20,225	19,854
Limited Review	24,819	24,819
Other Services (Certification Fees)	8,824	—

2.7.1 Earnings Per Share

Particulars	2011-12		2010-11		
	Basic	Diluted	Basic	Diluted	
Numerator					
Net Income for the year	₹	13,722,770	13,722,770	9,860,697	9,860,697
Denominator					
Weighted average number of Equity Shares		58,373,305	58,373,305	58,373,305	58,373,305
Dilutive Potential Equity Shares		–	–	–	–
Total average Equivalent Shares		–	58,373,305	–	58,373,305
Net Earnings Per Share	₹	0.24	0.24	0.17	0.17
Nominal Value Per Share	₹	1	1	1	1

The Company does not have any potential equity options.

2.8.1 Related Party Transactions

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

a) Related Parties with whom Transactions have taken place

- i) Associate Companies
 - BMD Private Limited

b) Transactions with Related Parties

Particulars	2011-12	2010-11
i) For the Parties Referred to in item (i) above		
Dividend Income Received from		
- BMD Private Limited	13,200,000	9,900,000

₹

2.8.2 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.

2.8.3 Till the year ended the 31st March 2011, the Company was using pre-revised Schedule VI to the Companies Act 1956, for preparation and presentation of its financial statements. During the year ended the 31st March 2012, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the Company. The Company has reclassified previous year figures to conform to this year's classification.

As per our report of even date
For Ashim & Associates
Chartered Accountants
Firm Registration No.006064N

For and on behalf of the Board of Directors of
Bhilwara Technical Textiles Limited

Shekhar Agarwal
Chairman & Managing Director
DIN: 00066113

Ashim Agarwal
Partner
Membership No. 084968

Riju Jhunjunwala
Director
DIN: 00061060

Noida (U.P.)
3rd May, 2012

Sonali Manchanda
Company Secretary
& Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	For the year ended 31.03.2012	For the year ended 31.03.2011
A. Cash Flow from Operating Activities		
Net Profit / (Loss) before Tax	13,848,461	9,930,697
Adjustments for:		
Depreciation on Tangible Assets	12,039	-
Dividend Income	(13,200,000)	(9,900,000)
Interest Income	(2,517,560)	(1,300,370)
Operating Profit before Working Capital Changes	(1,857,060)	(1,269,674)
Movements in Working Capital:		
Long-Term Loans and Advances	-	(20,000)
Short-Term Loans and Advances	(6,620)	-
Trade Payables	20,334	-
Other Current Liabilities	(67,145)	73,684
Cash Generated from / (Used in) Operations	(1,910,491)	(1,215,990)
Direct Taxes Paid (Net of Refunds)	(98,457)	(97,319)
Net Cash Flow from / (Used on) Operating Activities	(2,008,948)	(1,313,309)
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(32,620)	-
Investments in Bank Deposits (having Original Maturity of more than three months)	(27,200,000)	(22,777,059)
Redemption/Maturity of Bank Deposits (having Original Maturity of more than three months)	22,777,059	12,700,000
Dividend received	13,200,000	9,900,000
Interest received	2,049,040	1,112,976
Net Cash Flow from / (Used in) Investing Activities	10,793,479	935,917
Net Increase / (Decrease) in Cash and Cash Equivalents	8,784,531	(377,392)
Opening Cash and Cash Equivalents	73,777	451,169
Closing Cash and Cash Equivalents	8,858,308	73,777
Notes		
1 Components of Cash and Cash Equivalents		
Cash on Hand	19,318	23,720
Balances with Bank		
In Current Accounts	138,990	50,057
In Deposit Accounts	8,700,000	-
Total Cash and Cash Equivalents (Note 2.4.1)	8,858,308	73,777

Summary of significant accounting policies

1.1

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.)
3rd May, 2012

For and on behalf of the Board of Directors of
Bhilwara Technical Textiles Limited

Shekhar Agarwal
Chairman & Managing Director
DIN: 00066113

Riju Jhunjhunwala
Director
DIN: 00061060

Sonali Manchanda
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 5th Annual General Meeting of the Company to be held on Monday, the 17th day of September, 2012 at
11:30 A.M. and at any adjournment thereof.

As WITNESS my/our hand/hands this day of 2012.

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 5th Annual General Meeting of the Company held on Monday, the 17th day of September, 2012 at 11:30 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

BOOK - POST



If undelivered, please return to:

Bhilwara Technical Textiles Limited

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