

Bharat Textiles & Proofing Industries Ltd

ADMN. OFFICE : New No.39, (Old No.50), 205, ABC Trade Centre, IInd Floor,
(Inside : Devi Theatre Compound) Anna Salai, Chennai - 600 002.
Telefax : 044 - 42131866, Ph : 42131886, 28525128 E-mail : ajeet@bharatcanvas.com
CIN : L17111TN1990PLC020072

Date: 03.10.2016

To,
The Manager (Corporate Compliances)
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001

Sub: Annual Report as per Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual report for the financial year 2015-16 as adopted in the Annual general meeting of the Company held on 21st September, 2016.

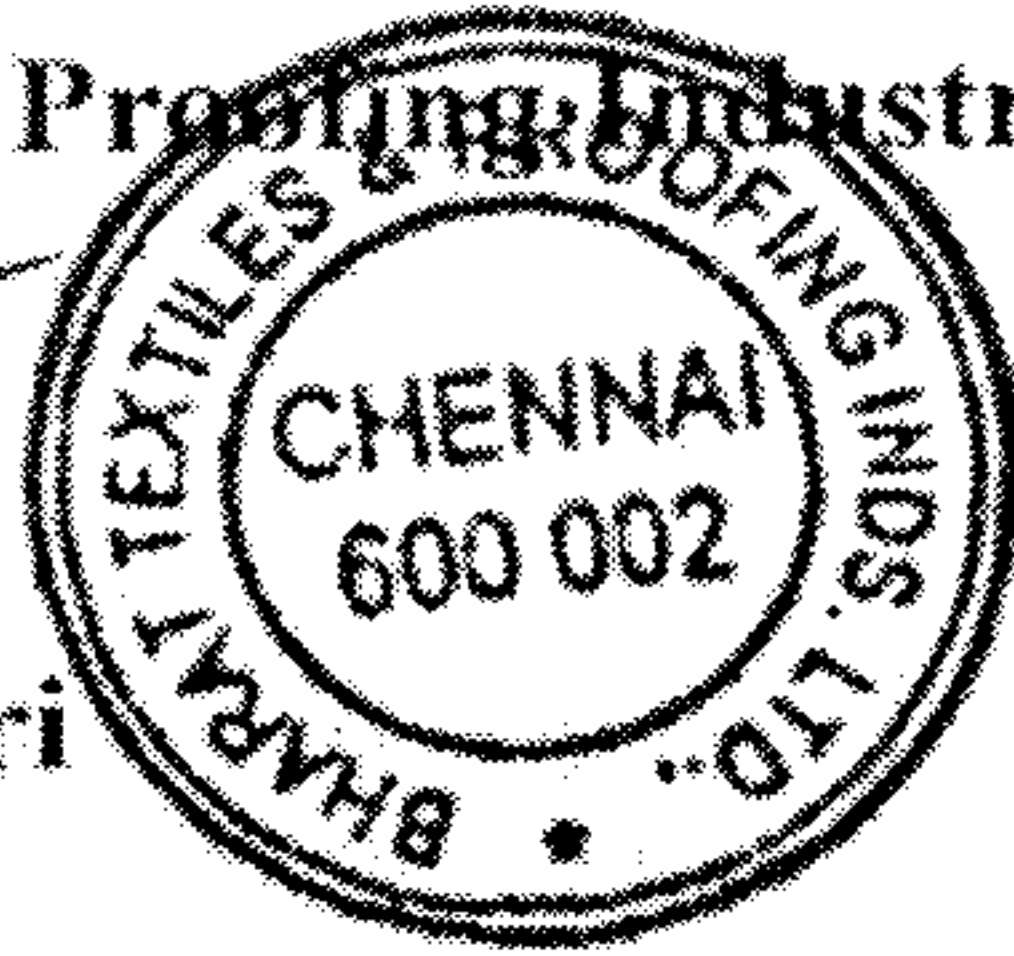
This is for your information and record.

Thanking you,

Yours faithfully,

For Bharat Textiles & Proofing Industries Limited

Ajeet Kumar Bhandari
(Managing Director)
DIN: 01023609



Encl.: a/a

FACTORY : 994, SIRUPULAIPET, SATHYAVEDU ROAD, GUMMIDIPOONDI, TK.

Manufactures of All Types of Canvas & Quality Tarpaulins
S.F. DUCKS ★ ARMY DUCKS ★ NUMBERED DUCKS ★ BELTING DUCKS ★ TENTAGES
TARPAULINS ★ TENTS ★ TRUCK COVER ★ BOAT COVERS ★ BAGS ★ SLEEPING BAGS



**Bharat Textiles & Proofing
Industries Limited**

ANNUAL REPORT
2015-2016

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- BOARD OF DIRECTORS** : MR.AJEET KUMAR BHANDARI - Managing Director
MR.ANIL BHANDARI - Whole Time Director & CFO
MR. RAJESH GURDAS WADHWA - Independent Director
MR. S.VINOD KUMAR - Independent Director
MR.MAHENDRAKUMAR BHANDARI - Independent Director
MS. SHIKHA BHANDARI - Non-Executive Director
- REGISTERED OFFICE AND PLANT LOCATION** : 994, SATYAVEDU ROAD, SIRUPUZHARPET, GUMMIDIPOONDI, TAMIL NADU-601201
- ADMINISTRATION OFFICE** : NEW NO.39, (OLD NO. 50) 205,ABC TRADE CENTRE, 2ND FLOOR (INSIDE DEVI THEATRE COMPOUND), ANNA SALAI, CHENNAI – 600 002
- AUDITORS** : M/S. SAKARIA & ASSOCIATES
#156, MINT STREET, “KANCHAN PLAZA”
1ST FLOOR, SOWCARPET, CHENNAI – 600 079
- REGISTRAR AND SHARE TRANSFER AGENTS** : M/S. CAMEO CORPORATE SERVICES LIMITED
“SUBRAMANIAM BUILDING” (V FLOOR)
NO. 1, CLUB HOUSE ROAD, CHENNAI – 600 002
- BANKERS** : ICICI BANK LIMITED
84, NSC BOSE ROAD, CHENNAI – 600 079
INDIAN BANK
66, RAJAJI SALAI, HARBOUR BRANCH, CHENNAI-600 001
AXIS BANK LIMITED
Corporate Banking Branch, Chennai – 600002

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Bharat Textiles & Proofing Industries Limited

NOTICE OF THE 26TH ANNUAL GENERAL MEETING OF THE COMPANY

Notice is hereby given that the 26th Annual General Meeting of the Company will be held on Wednesday, the 21st September, 2016 at 10:00 A.M. at the Registered Office of the Company situated at No.994, Satyavedu Road, Suravalkandigai, Sirupuzhalpet (P), Gummidipoondi, Tamil Nadu-601201 for transacting the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company for the Financial Year ended on 31st March, 2016 and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Shikha Bhandari (**DIN: 01023609**), who retires by rotation and being eligible, offers herself for re-appointment.
3. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 139,142 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, as amended from time to time, M/s. Sakaria & Associates, (**Firm Registration No. 202048**), Chartered Accountants, Chennai be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on a remuneration to be fixed by the Board of Directors of the Company, in addition to reimbursement of out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the Company.”

By order of the Board
For **Bharat Textiles & Proofing Industries Limited**

Place : Chennai
Date : 12.08.2016

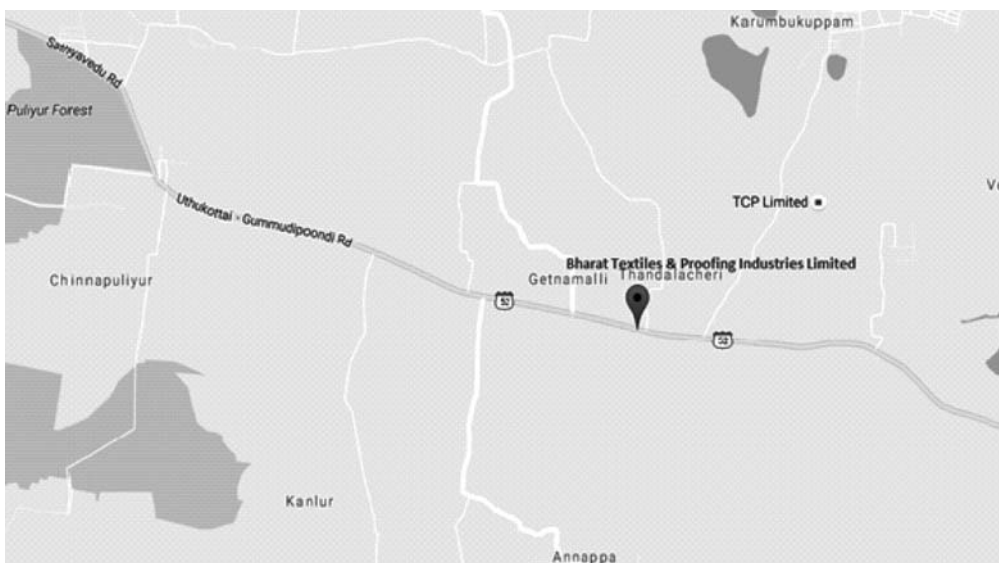
Sd/-
(Ajeet Kumar Bhandari)
Managing Director

NOTES:

1. Information under Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to the Director proposed to be reappointed is provided in Annexure to this Notice.
2. **A MEMBER OF THE COMPANY WHO IS ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR A MEMBER.**
3. **INSTRUMENT OF PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE COMPANY'S REGISTERED OFFICE NOT LATER THAN 48 (FORTY EIGHT) HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXIES SUBMITTED ON BEHALF OF THE COMPANIES, SOCIETIES, ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION/AUTHORITY, AS APPLICABLE.**
4. The Register of members and the share transfer books of the Company will remain closed from **16th September, 2016 to 21st September, 2016** (both days inclusive).
5. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company, a certified copy of the Board resolution authorising their representative to attend and vote on behalf of the meeting.
6. Members are requested to notify immediately the change, if any, of the address registered with the Company.
7. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical transfer and for ease in portfolio management. Members can contact the company or Registrar and Share Transfer Agents, M/s. Cameo Corporate Services Limited for assistance in this regard.

Bharat Textiles & Proofing Industries Limited

8. Shareholders/proxy holders are requested to produce at the entrance, the attached admission slip duly completed and signed, for admission to the meeting hall.
9. Members desirous of getting any information about the accounts and operation of the Company are requested to address their query to the company at the registered office of the company well in advance so that the same may reach at least ten days before the date of the meeting so as to enable the management to keep the required information readily available at the meeting.
10. All documents referred to in the Notice are open for inspection at the Registered Office of the Company on all working days between 11.00 a.m. to 1.00 p.m. up to the date of the Annual General Meeting.
11. The Register of Directors and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the Members at the Annual General Meeting.
12. Members who are holding shares in identical order of names in more than one folio are requested to write to the Company or the RTA for consolidating their holdings into one folio.
13. In case of joint holders, if more than one holder intends to attend the Meeting, they must obtain additional slips on request from the Registered Office of the Company.
14. Members are requested to send all communications relating to transfer of physical shares/ demat, etc. directly to the Registrars and Share Transfer Agents, M/s. Cameo Corporate Services Limited, 'Subramanian Building' (V Floor), No.1, Club House Road, Chennai – 600 002.
15. Members are requested to update their respective email address with the depository participant to ensure that the annual report and other documents reach you on your preferred email account.
16. SEBI has made it mandatory for every participant in the securities/capital market to furnish the details of Income Tax Permanent Account Number (PAN). Accordingly, all the shareholders holding shares in physical form are requested to submit the details of their PAN along with a photocopy of both sides of the PAN Card, duly attested, to the Registrar and Share Transfer Agents M/s. Cameo Corporate Services Limited, 'Subramanian Building' (V Floor), No.1, Club House Road, Chennai – 600 002.
17. Members may also note that the Notice of the 26th Annual General Meeting and the Annual Report for Financial Year 2015-16 will also be available on the Company's website [www. bharattarpaulin.com](http://www.bharattarpaulin.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Corporate Office in Chennai for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: ajeet@bharatcanvas.com.
18. At the ensuing Annual General Meeting of the Company, Ms. Shikha Bhandari, Director retires by rotation and being eligible, offer herself for re-appointment.
19. The Route map of the Annual General Meeting is attached below and available in the Company's website as well.





Bharat Textiles & Proofing Industries Limited

STATEMENT PURSUANT TO REGULATION 36 (3) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, FOLLOWING INFORMATION ARE FURNISHED ABOUT THE DIRECTOR PROPOSED TO BE RE-APPOINTED VIDE ITEM NO.2 IN THE NOTICE DATED 12TH AUGUST, 2016:

Name of the Director	Ms. Shikha Bhandari
Date of Birth	08.07.1992
Date of appointment	31.03.2015
Qualification(s)	B.Sc Electronic Media
Expertise in Specific Functional Area	Nil
List of outside Directorships held	Nil
Chairman / Member of the Committees of Board of Directors of other Companies in which he is a Director	Nil
Relationship between Directors Inter-se	Daughter of Mr. Ajeet Bhandari
No. of Shares held	Nil

20. Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time and Regulation 44 of the Securities and Exchange Board Of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 26th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL).

Members may note that those who have already voted on the resolutions through remote e-voting facility may attend the meeting but shall not be allowed to vote at the meeting.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 18.09.2016 at 9.00 a.m. and ends on 20.09.2016 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 15.09.2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.



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- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

22. Mr. Soy Joseph, Company Secretary (Membership No. 13852) and Partner, M/s. JM & Associates, Company Secretaries has been appointed as the Scrutinizer to scrutinize the e- voting process in a fair and transparent manner.
23. The Scrutinizer immediately after the conclusion of voting at the Annual general Meeting will first count the votes cast at the meeting and thereafter will unblock the votes in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours from conclusion of the meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against the resolution, invalid votes, if any and whether the Resolution(s) has/have been carried or not, to the Chairman or a person authorised by him in writing who shall countersign the same.
24. The Results declared along with the Scrutinizer's report shall be placed on the Company's website www.bharattarpaulin.com immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited ("BSE") where the shares of the Company are listed.

By order of the Board
For **BHARAT TEXTILES & PROOFING INDUSTRIES LIMITED**

Place : Chennai
Date : 12.08.2016

Sd/-
(Ajeet Kumar Bhandari)
Managing Director



Bharat Textiles & Proofing Industries Limited

DIRECTORS' REPORT

To,

The Members,

Your Directors have pleasure in presenting their 26th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2016.

1. FINANCIAL RESULTS IN STANDALONE BASIS:

During the year under review your company has achieved the following financial results:

PARTICULARS	(IN LAKHS)	
	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
Total Income	818.34	795.23
Total Expenditure	812.02	791.38
Profit/(Loss) before tax (PBT)	6.31	3.85
Tax Expenses	5.12	7.91
Net Profit/(Loss)	1.20	11.77
Earning per share	0.02	0.20

2. PERFORMANCE OF THE COMPANY:

The revenue from operations for the Financial year 2015-16 is Rs. 80,554,280/- registering an improvement against the prior year.

BTPIL is proudly one of the leading exporters of canvas fabric. Over the years the Company has earned a respectable reputation for our Quality consistency and services. The Company normally export its products to Australia, Dubai, U.K., U.S.A., Srilanka, West Indies, South Africa, Algeria, New Zealand, U.A.E. Etc.

RANGE OF PRODUCTS INCLUDES:

- Truck Covers
- Grey cotton canvas/duck
- Polyester-Cotton, 100% Polyester Canvas
- Chemically processed canvas
- Waterproof, Rot proofed canvas
- Fire Retardant Canvas
- Army ducks and Number ducks
- Relief Tents
- Bags, Tents, Sleeping Bag Materials Etc.,

Company's new factory is under construction in Tada, Andhra and same will start functioning from the beginning of 2016.

3. CHANGE IN NATURE OF BUSINESS, IF ANY

Our Company has not deviated its line of business activity nor has expanded the area of activities; therefore, there is no change in the nature of business for the year under review.

4. DIVIDEND

In view of the results achieved and to conserve the resources of the company for the future expansion, modernization & working capital purpose, your directors do not recommend any dividend for this year.

5. RESERVES

The Company has no reserves for the financial year 2015-16 and the balance of the Reserves lying in the Company's account is running into negative balance of Rs. (472.97) lakhs.



Bharat Textiles & Proofing Industries Limited

6. SHARE CAPITAL

There was no further issue of shares during the year 2015-16. The Capital structure of the Company is as follows:

Share Capital	31.03.2016	31.03.2015
(a) Authorised share Capital 1,60,00,000 Equity Shares of Rs 10/- each	160,000,000	160,000,000
(b) Issued, Subscribed and fully paid up share capital 58,57,140 fully paid Equity Shares of Rs 10/- each	58,571,400	58,571,400
	58,571,400	58,571,400

7. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Company has no subsidiaries, associate and joint ventures, therefore, disclosing the names of the respective entities does not arise.

8. MATERIAL CHANGES & COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY, OCCURRING AFTER BALANCE SHEET DATE

There are no material changes or commitments likely to affect the financial position of the Company which is having an impact on the functioning and working of the Company. The operations of the Company have been effectively being managed and the Management shall review the performance from time to time in order to monitor the business activities of the Company.

9. PARTICULARS OF LOANS, INVESTMENTS AND GUARANTEES UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There were no loans, guarantees and investments under Section 186 of the Companies Act, 2013 during the year 2015-16.

10. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES TO REFERRED TO IN SUB SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013

All transactions entered by the Company during the Financial year 2015-16 with related parties were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the act.

Approval of Audit committee was taken for entering into transaction with related parties and the transactions were reviewed on a quarterly basis.

Form AOC-2 disclosing the particulars of contracts/arrangements entered into by the Company with related parties including the arm's length transaction has been enclosed as annexure 3.

11. DEPOSITS

The Company has not accepted any deposits under Chapter-V of the Companies Act, 2013.

12. INTERNAL AUDITORS

The Company has carried out the internal audit for every quarter during the year 2015-16 by A.K. Lunawath & Associates, Chartered Accountants and the reports issued by the respective Auditor have also been considered and taken on record.

13. STATUTORY AUDITORS

The Auditors of your Company, M/s. Sakaria & Associates, Chartered Accountants, Chennai hold office until the conclusion of the Twenty Sixth Annual General Meeting and, being eligible, offer themselves for re-appointment as the Auditors of your Company for the financial year 2016-17. The Company has received the consent from the Auditors for their appointment for the respective year.

The Auditors' report on the financial statements for the year 2015-16 does not contain any qualification or adverse remark.

14. COST AUDITORS.

Cost Audit is not applicable to the Company. The Central government has not specified maintenance of cost records for the Company under sub – section (1) of section 148 of the Companies act 2013. Therefore, there is no requirement for appointment of Cost Auditors.

Bharat Textiles & Proofing Industries Limited

15. SECRETARIAL AUDIT REPORT

Pursuant to provisions of Section 204 of the Companies act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/S. JM & Associates represented by Mr. Soy Joseph and Mr. Sony George Mathew as the Secretarial Auditors of the Company for the financial year 2015-16.

The report of Secretarial Audit for 2015-16 is attached herewith as annexure 4.

16. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies act, 2013, the Board of Director's to the best of their knowledge and ability, confirm that:

- i. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii. had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- iii. had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. had prepared the annual accounts on a going concern basis; and
- v. had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

17. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Company has in all 6 Directors with considerable professional experience in divergent areas connected with corporate functioning. The Board is headed by Mr. Ajeet Kumar, Managing Director and Mr. Anil Bhandari, Whole-time Director of the Company who are entrusted with the substantial powers of the management of the Company subject to the superintendence, control and directions of the Board and has Ms. Shikha Bhandari as Women Director on the Board. The Board has three Non-executive Independent Directors namely Mr. Rajesh Gurdas Wadhwa, Mr. Mahendrakumar Bhandari and Mr. S. Vinod Kumar.

Name of Director	Category of Director	No. of Director-ships in other Companies	No. of Equity Shares held
Mr. Ajeet Kumar	P/MD	NIL	4,74,770
Mr. Anil Bhandari	P/ED	NIL	76,400
Mr. Rajesh Gurdas Wadhwa	I/NED	I	NIL
Mr. Mahendra Kumar Bhandari	I/NED	NIL	NIL
Mr. S. Vinod Kumar	I/NED	NIL	NIL
Ms. Shikha Bhandhari	NED	NIL	NIL

P	Promoter	MD	Managing Director
ED	Executive Director	NED	Non-Executive Director
I	Independent	-	-

At the Annual General Meeting of the Company held on 27th September, 2014, the members had approved the appointments of Mr. S. Vinod Kumar, Mr. Rajesh Gurdas Wadhwa and Mr. Mahendra Kumar Bhandari as Independent Directors for a term of five years w.e.f. 27th September, 2014. All the Independent Directors have given declarations that they met the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of Listing Regulations. In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the rules made thereunder and they are independent of the management.

Ms. Shikha Bhandari retires by rotation at the forthcoming Annual General Meeting and being eligible, offers herself for re-appointment. Brief particulars and expertise about her has been given in the annexure to the Notice of the Annual general Meeting in accordance with the requirements of listing regulations.

Bharat Textiles & Proofing Industries Limited

Ms. Shikha Bhandari who was appointed as an Additional Director on the Board was appointed as a Director in the Annual General Meeting held on 26th September, 2015. No other Director or Key Managerial Personnel was appointed or retired or resigned during the year under review.

18. POLICY ON APPOINTMENT OF DIRECTORS AND CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES AND INDEPENDENCE OF A DIRECTOR

The Nomination and Remuneration committee is responsible for developing competency requirements for the Board and in this regard conducts a gap analysis to determine the Board composition on a periodic basis including each time a Director appointment or reappointment is required. The committee has framed a policy to determine the qualifications, positive attributes and independence of a Director. The key features of the policy are:

- Qualifications - The Board nomination process encourages diversity of thought, experience, knowledge, age and gender. It also ensures that the Board has an appropriate blend of functional and industry expertise.
- Positive attributes – Apart from the duties of Directors as prescribed in the Companies act, 2013, the Directors are expected to demonstrate high standards of ethical behavior, communication skills and independent judgement.
- Independence – A Director will be considered independent if he/she meet the criteria laid down in Section 149(6) of the Companies act, 2013.

19. AUDIT COMMITTEE

A qualified and independent Audit Committee has been set up by the Board in compliance with the requirements of Section 177 of the Companies act, 2013. The Audit Committee at present comprises of three members, all being Non-Executive Independent Directors viz. Mr. S.Vinod Kumar (Chairman), Mr. Rajesh Gurdas Wadhwa and Mr. Mahendrakumar Bhandari. During the financial year review, the Committee met four times i.e. on 30th May 2015, 04th August 2015, 13th November 2015 and 12th February, 2016.

The Board has accepted all the recommendations of the Audit Committee during the year 2015-16.

20. ANNUAL EVALUATION OF BOARD, COMMITTEES AND INDIVIDUAL DIRECTORS

The Board of directors had carried out an annual evaluation of its own performance, board committees and individual directors as required under the Companies Act, 2013.

The performance of the Board and individual directors was evaluated by the Board seeking inputs from all the directors. The performance of the committees was evaluated by the Board seeking inputs from the committee members. The Nomination and remuneration committee reviewed the performance of the individual directors.

A separate meeting of the Independent directors was also held to review the performance of Non-Independent Directors and performance of the Board as a whole.

The Board and the NRC reviewed the performance of the individual directors on the basis of criteria such as contribution at meetings, their preparedness on the issues to be discussed etc. Additionally the Chairman was also evaluated on key aspects of his role.

21. BOARD MEETINGS

Four meetings of the Board of Directors were held during the year under review 2015-16 as mentioned below.

Date of the meeting	No. of Directors attended the meeting
30-05-2015	5
04-08-2015	5
13-11-2015	4
12-02-2016	5

During the year under review, the Board has accepted all recommendations of the Audit Committee.

22. VIGIL MECHANISM

The Company has adopted a Whistle blower policy establishing vigil mechanism, to provide a formal mechanism to the directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee. It has affirmed that no personnel of the Company has been denied access to the Audit Committee.



Bharat Textiles & Proofing Industries Limited

23. EXTRACT OF ANNUAL RETURN

As provided under Section 92(3) of the Act, the details forming part of the extract of the Annual Return in Form MGT- 9 is enclosed as Annexure I.

24. ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

A) Energy Conservation:

Conservation of energy continues to receive increased emphasis and steps are being taken to reduce the consumption of energy at all levels. The details of consumption are as follows:

Diesel (In Ltrs.)	Opening Stock	Purchase in Ltrs.	Closing Stock	Consumption in the Year
	01.04.2015	01.04.2015 to 31.03.2016	31.03.2016	01.04.2015 to 31.03.2016
Quantity in litres	450	3,194	100	3,544
Amount in Rupees	22,500	155,171	4,538	173,133
Fire wood	Opening Stock	Purchase	Closing Stock	Consumption in the Year
	01.04.2015	01.04.2015 to 31.03.2016	31.03.2016	01.04.2015 to 31.03.2016
Quantity in kilograms	185,000	922,590	42,450	1,065,140
Amount in Rupees	582,750	2,878,355	121,195	3,339,910
Power Consumption from 01.04.2015 to 31.03.2016				
Value in Rupees	2,712,242	Units		383272

B) Foreign Exchange Earnings and Outgo:

PARTUCULARS	2016 (in INR)	2015 (in INR)
Earnings	Nil	955,409
Outgo	11,045,092	16,878,048

C) Technology Absorption, Adaptation and Innovation, Research and Development:

Research and Development activities are carried out on an ongoing basis for improving quality of the products.

D) Insurance

All the insurable interests of your Company including inventories, buildings, plant and machinery are adequately insured.

25. REVIEW OF RISK MANAGEMENT POLICY ADOPTED BY THE COMPANY

The Company in order to comply the provisions of the Companies Act, 2013 and to provide an effective mechanism for implementing risk management system had adopted the policy on risk management for evaluating and monitoring various risks that could threaten the existence of the Company. The Company had not faced any major risks and no major deviations from the actuals as attained by the Company. The Audit committee has reviewed the policy periodically. The Board takes overall responsibility for the overall process of risk management in the organisation.

The Board shall take note of any future threats and shall report to the Company for formulating an effective mechanism and strategy.

26. MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS, TRIBUNALS

There are no significant material orders passed by the Regulators or Courts or Tribunals which would have impact on the going concern status of the Company and its future operation.

27. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

The Company has an adequate system of internal controls in place. It has documented policies and procedures covering all financial and operating functions. These controls have been designed to provide a reasonable assurance with regard

Bharat Textiles & Proofing Industries Limited

to maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations, protecting assets from unauthorised use or losses, compliances with regulations. The Company has continued its efforts to align all its processes and controls with global best practices.

28. DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at work place and has adopted a sexual harassment policy in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules thereunder for prevention and redressal of complaints of sexual harassment at workplace.

All employees are treated with dignity with a view to maintain a work environment free of sexual harassment whether physical, verbal or psychological.

No complaints were received during the year.

29. CORPORATE GOVERNANCE

The Compliance with the provisions of Corporate governance is not applicable to the Company since the Company does not fall under the category as specified under SEBI (LODR) Regulations, 2015.

30. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The management discussion and analysis of the financial conditions including the result of the operations of the company for the year under review as required under Regulation 34(e) of the SEBI (LODR) Regulations, 2015 is separately attached with this report.

31. LISTING

The shares of the Company are listed at the Bombay Stock Exchange (BSE). The annual listing fee has been paid to the stock exchange before the due date.

32. REMUNERATION POLICY:

The Nomination and Remuneration Committee (NRC) has formulated a policy relating to the remuneration of the directors, key managerial personnel and other employees. The philosophy for remuneration is based on the commitment of fostering a culture of leadership with trust. The remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies act, 2013. While formulating this policy, the committee has considered the factors laid down in Section 178(4) of the Companies Act, 2013, which are as under:

- That the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The key principles governing the remuneration policy are as follows:

- Market Competitiveness
- Role played by the individual
- Reflective of size of the company, complexity of the sector/industry/Company's operations and the Company's capacity to pay
- Consistent with recognised best practices and
- Aligned to any regulatory requirements.

In accordance with the policy, the Managing/Executive/KMPs/ employees are paid basic/fixed salary.

The non-executive Directors, including Independent directors are paid sitting fees for attending the meetings of the Board and committees of the Board.

The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.

33. PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Companies act, 2013 read with rule 5(1) of the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014 has been attached as annexure 2.



Bharat Textiles & Proofing Industries Limited

34. COMMENTS ON QUALIFICATIONS MADE IN SECRETARIAL AUDIT REPORT

The Following qualifications were made in the secretarial audit report;

1. Non appointment of Company secretary.
2. The Company has not filed forms with the Registrar of Companies for increasing the authorized capital to Rs. 160,000,000/- from Rs. 120,000,000/- which was approved earlier by the shareholders by passing a special resolution vide EGM dated 31.08.2013 and
3. 100 per cent of promoters shares are not dematerialized and PAN details of many promoters are not available with the Company.

With respect to the above qualifications the Board would like to reply that;

1. Company is in the process of appointing a Company Secretary.
2. The Company has initiated necessary steps to file the requisite form to comply with the provisions of the act.
3. The Company has initiated steps to comply with the same and letters are send to promoters requesting for dematerialisation and providing PAN details.

35. DETAILS OF EMPLOYEES DRAWING SALARY ABOVE PRESCRIBED LIMITS

There are no employees who are paid remuneration in excess of the limits specified under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration) Rules, 2014 as amended from time to time.

36. ACKNOWLEDGEMENTS:

The Director's wish to convey their appreciation to all of the Company's employees for their enormous personal efforts as well as their collective contribution to the Company's performance. The Director's would also like to thank the employees, shareholders, customers, dealers, suppliers, bankers, Government and all other business associates for the continuous support given by them to the Company and their confidence in its management.

FOR AND ON BEHALF OF THE BOARD

Place : Chennai
Date : 12.08.2016

Sd / -
Ajeet Kumar
Managing Director

Sd/-
Anil Bhandari
Whole Time Director

**Bharat Textiles & Proofing Industries Limited**

Form No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31st MARCH, 2016

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

I. REGISTRATION AND OTHER DETAILS:

i. CIN	LI7111ITNI990PLC020072
ii. Registration Date	21.12.1990
iii. Name of the Company	BHARAT TEXTILES & PROOFING INDUSTRIES LIMITED
iv. Category / Sub-Category of the Company	Company Limited by shares/Indian Non-Government Company
v. Address of the Registered office and contact details	994, Sathyavedu Road,T,Suravalikandigai, Sirupuzhalpet (P), Gummidipoondi-601201
vi. Whether listed company	Yes
vii. Name, Address and Contact details of Registrar and Transfer Agent, if any	Cameo Corporate Services Limited "Subramanian Building" No 1, Club House Road Chennai 600 002 – India 91-44 - 2846 0390

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-**

Sr.No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
I	Canvas and Tarpaulin	13925	99.19%

PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	ApplicableSection
	NIL				



Bharat Textiles & Proofing Industries Limited

III. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
l) Indian									
a) Individual/ HUF	1569380	1334450	2903830	49.58	1569380	1334450	2903830	49.58	Nil
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp									
e) Banks / FI									
f) Any Other									
Sub-total(A)(1):-	1569380	1334450	2903830	49.58	1569380	1334450	2903830	49.58	Nil
l) Foreign									
g) NRIs-Individuals									
h) Other-Individuals									
i) Bodies Corp.									
j) Banks / FI									
k) Any Other....									
Sub-total (A)(2):-									
A. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs	0	50700	50700	0.87	0	50700	50700	0.87	Nil
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1)									
2. Non Institutions									
a) Bodies Corp.									
(i) Indian									
(ii) Overseas	2800	76000	78800	1.35	2800	76000	78800	1.35	
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	154700	2030810	2185510	37.31	163800	2021510	2185310	37.37	-0.0034
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	92700	209000	301700	5.15	92700	209000	301700	15.15	
c) Others									
(i) Clearing members	300	0	300	0.0051	300	0	300	0.0051	
(ii) HUFs	9300	0	9300	0.1587	9500	0	9500	0.1621	
Sub-total (B)(2)	259800	2642810	2902610	49.56	269100	2633510	2902610	49.56	
Total Public Shareholding (B)=(B)(1)+ (B)(2)	259800	2693510	2953310	50.42	269100	22684210	2953310	50.42	
C Shares held by Custodian for GDRs & ADRs									
Grand Total(A+B+C)	1829180	4027960	5857140	100	1838480	4018660	5857140	100	

**Bharat Textiles & Proofing Industries Limited****ii. Shareholding of Promoters**

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Dhanpat Chand Bhandari	27000	.46	0	27000	.46	0	
2.	Ugam Chand bhandari	107000	1.83	0	107000	1.83	0	
3.	Ugam Chand	50000	.85	0	50000	.85	0	
4.	Ugam Chand Bhandar	20000	.34	0	20000	.34	0	
5.	Ugam Chand Bhandari	40000	.68	0	40000	.68	0	
6.	Ugam Chand	40000	.68	0	40000	.68	0	
7.	Ugam Chand	30000	.51	0	30000	.51	0	
8.	Ugam Chand Bhandari	40000	.68	0	40000	.68	0	
9.	Latha Jain	28000	.48	0	28000	.48	0	
10.0.	Devi Bala	20000	.34	0	20000	.34	0	
11	Padma Jain	20000	.34	0	20000	.34	0	
12	Padma Jain	15000	.26	0	15000	.26	0	
13	Dilip Kumar Jain	20000	.34	0	20000	.34	0	
14	Dilip Kumar Jain	24000	.41	0	24000	.41	0	
15	Mahaveer Chand Jain	30000	.51	0	30000	.51	0	
16	Mahaveer Chand Jain	20000	.34	0	20000	.34	0	
17	Navin Kumar Jan	20000	.34	0	20000	.34	0	
18	Naveen Jain H	10000	.17	0	10000	.17	0	
19	Gowtham Chand Jain	30000	.51	0	30000	.51	0	
20	Gowtham Chand jain	11000	.19	0	11000	.19	0	
21	Latha Jain	20000	.34	0	20000	.34	0	
22	Naveen Kumar Jain JH	10000	.17	0	10000	.17	0	
23	Dilip Kumar Jain H	10000	.17	0	10000	.17	0	
24	Mahaveer Chand Jain H	6000	.10	0	6000	.10	0	
25	Mahaveer Chand Jain	4000	.068	0	4000	.068	0	
26	Ugam Chand Bhandari	36500	.62	0	36500	.62	0	
27	Ugam Chand Bhandari	50000	.85	0	50000	.85	0	
28	Dhapat Chand Bhandari	200	.0034	0	200	.0034	0	
29	Latha	47500	.81	0	47500	.81	0	
30	Sangeeta	47600	.81	0	47600	.81	0	
31	Bhandari V C	115440	1.97	0	115440	1.97	0	
32	Gowtham Chand H	4010	.07	0	4010	.07	0	
33	Gowtham Chand Jain H	3500	0.06	0	3500	0.06	0	
34	Padma Jain	31600	.54	0	31600	.54	0	
35	Dhanpat Chand Bhandari	400	.006	0	400	.006	0	



Bharat Textiles & Proofing Industries Limited

ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
36	Bhandari U C HUF	125000	2.13	0	125000	2.13	0	
37	Sangeetha Solnaki	1000	.0170	0	1000	.0170	0	
38	Latha Bhandari	1000	.0170	0	1000	.0170	0	
39	Nihal Chand Bhadari	2000	.0341	0	2000	.0341	0	
40	Vinod Bafna	18700	.32	0	18700	.32	0	
41	H Mahaveer Chand jain	198000	3.38	0	198000	3.38	0	
42	Ajeet Kumar Bhandai	474770	8.11	0	474770	8.11	0	
43	Krishna Kumar Bhadari	291600	4.98	0	291600	4.98	0	
44	Anil Kumar Bhandari	76400	1.30	0	76400	1.30	0	
45	Jitendra Kumar Bhadari	212700	3.63	0	212700	3.63	0	
46	Veena Kumari Bhandari	513910	8.77	-	513910	8.77	0	
	TOTAL	2903830	49.58		2903830	49.58	100	

iii. Change in Promoters' Shareholding (please specify, if there is no change)

Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2903830	49.58	2903830	49.58
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the End of the year	2903830	49.58	2903830	49.58

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

Sl. No.	Particulars	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	SANGITA TATIA At the beginning of the year (01.04.2015)	No change	67500	1.1524	67500	1.1524
	At the end of the year (31.03.2016)		67500	1.1524		
2	SATISH KUMAR DHAMIJA At the beginning of the year (01.04.2015)	No change	54900	0.9373	54900	0.9373
	At the end of the year (31.03.2016)		54900	0.9373		
3	KIRON CH At the beginning of the year (01.04.2015)	No change	53000	0.9048	53000	0.9048
	At the end of the year (31.03.2016)		53000	0.9048		



Bharat Textiles & Proofing Industries Limited

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

Sl. No.	Particulars	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4	IMAGE SECURITIES LTD At the beginning of the year (01.04.2015)	No change	50700	0.8656	50700	0.8656
	At the end of the year (31.03.2016)		50700	0.8656	50700	0.8656
5	RAVI GOENKAJTI :YAMINI GOENKA At the beginning of the year (01.04.2015)	No change	45000	0.7682	45000	0.7682
	At the end of the year (31.03.2016)		45000	0.7682	45000	0.7682
6	SURESH SURANA At the beginning of the year (01.04.2015)	No change	38300	0.6539	38300	0.6539
	At the end of the year (31.03.2016)		38300	0.6539	38300	0.6539
7	SUMATI INVESTMENT AND FINANCIAL SERVICES At the beginning of the year (01.04.2015)	No change	35800	0.6112	35800	0.6112
	At the end of the year (31.03.2016)		35800	0.6112	35800	0.6112
8	GANESH K S At the beginning of the year (01.04.2015)	No change	25100	0.4285	25100	0.4285
	At the end of the year (31.03.2016)		25100	0.4285	25100	0.4285
9	SUNIL SOLANKI At the beginning of the year (01.04.2015)	No change	23200	0.3960	23200	0.3960
	At the end of the year (31.03.2016)		23200	0.3960	23200	0.3960
10	KETAN SHAH At the beginning of the year (01.04.2015)	No change	15000	0.2560	15000	0.2560
	At the end of the year (31.03.2016)		15000	0.2560	15000	0.2560

V. Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Particulars	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Ajeet Kumar Bhandari At the beginning of the year (01.04.2015)	No Change	474770	8.1058	474770	8.1058
	At the end of the year (31.03.2016)		474770	8.1058	474770	8.1058
2	Anil Bhandari At the beginning of the year (01.04.2015)	No Change	76400	1.3043	76400	1.3043
	At the end of the year (31.03.2016)		76400	1.3043	76400	1.3043

**Bharat Textiles & Proofing Industries Limited****VI. INDEBTEDNESS**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not	23,407,003	41,191,149	-	64,598,152
Total (i+ii+iii)	23,407,003	41,191,149	-	64,598,152
Change in Indebtedness during the financial year - Addition - Reduction	16,042,660	11,854,017	-	27,896,677
Net Change			-	-
Indebtedness at the end of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	39,449,663	53,045,166	-	92,494,829
Total (i+ii+iii)	39,449,663	53,045,166	-	92,494,829

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Ajeet Bhandari	Anil Bhandari (WTD & CFO)	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	484,800	180,000	664,800
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-
5.	Others, please specify	-	-	-
6.	Total (A)	484,800	180,000	664,800
	Ceiling as per the Act	64,825	64,825	

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Vinod Kumar	Rajesh Gurdas	Mahendra Kumar	
	Independent Directors				
	· Fee for attending board committee meetings	24000	24000	6000	54000
	· Commission				
	· Others, please specify				
	Total (1)	24000	24000	6000	54000
	Other Non-Executive Directors				
	· Fee for attending board committee meetings				
	· Commission · Others, please specify				
	Total (2)				
	Total (B)=(1+2)	24000	24000	6000	54000
	Total Managerial Remuneration				
	Overall Ceiling as per the Act	30,00,000			

**Bharat Textiles & Proofing Industries Limited****C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel	
		CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	1,80,000	1,80,000
2.	Stock Option		
3.	Sweat Equity		
4.	Commission - as % of profit - others, specify...		
5.	Others, please specify		
6.	Total	1,80,000	1,80,000

VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ Court]	Appeal made. If any (give details)
A. Company					
Penalty			NIL		
Punishment					
Compounding					
B. Directors					
Penalty			NIL		
Punishment					
Compounding					
C. Other Officers In Default					
Penalty			NIL		
Punishment					
Compounding					

FOR AND ON BEHALF OF THE BOARDPlace : Chennai
Date : 12.08.2016**Sd/-**
Ajeet Kumar
Managing Director**Sd/-**
Anil Bhandari
Whole Time Director

**Bharat Textiles & Proofing Industries Limited****Annexure to Directors' Report**

The information pursuant to Section 197 of the Companies act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Particulars	Ratio to Median Remuneration
Mr. Ajeet Kumar bhandari	3.69
Mr. Anil Bhandari	1.37

2. The percentage increase in remuneration of each Director, CFO in the Financial year:

Particulars	% Increase in remuneration
Mr. Ajeet Kumar bhandari	102
Mr. Anil Bhandari	-

3. Percentage increase in the median remuneration of employees in the financial year: **32.21%**
4. The number of permanent employees on the rolls of the Company: **66**
5. Average percentage increase for employees other than managerial personnel for 2015-16 works to around 33.6%. Increase in the managerial remuneration was 58.29%. There was no increase made in the previous year 2014-15. Percentage increases for various categories are granted based on market trends and remuneration policy. Due to favourable market conditions and increased returns, the Company was effectively able to distribute the gains to all categories of its employees during the year.
6. The key parameters for any variable component of remuneration availed by the directors:
There is no variable component in the remuneration of the Directors.
7. Affirmation that the remuneration is as per the remuneration policy of the Company:
The Company affirms that the remuneration is as per the remuneration policy of the Company.

FOR AND ON BEHALF OF THE BOARD

Place : Chennai
Date : 12.08.2016

Sd / -
Ajeet Kumar
Managing Director

Sd/-
Anil Bhandari
Whole Time Director

**Bharat Textiles & Proofing Industries Limited****FORM NO. AOC -2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis: **Nil**
2. Details of contracts or arrangements or transactions at Arm's length basis.

Sl. No.	Particulars	Details	
a)	Name (s) of the related party Nature of relationship	Rudraaksh Textiles LLP Partners of the related party, Mr. Jitendar Bhandari (Brother) and Mr. Anil Bhandari (Brother) are related to Mr. Ajeet Kumar Bhandari, Managing Director.	Krishna Tarpaulin Industries Pvt Ltd Director of the related party, Mr. Krishna Kumar is the Son of Mr. Ajeet Kumar Bhandari, Managing Director.
b)	Nature of contracts/ arrangements/transaction	Sale and Purchase of Goods	Purchase of Goods
c)	Duration of the contracts/ arrangements/transaction	One year	One year
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Sales – Rs. 2,27,19,107/- Purchases – Rs. 5,53,322/-	Rs. 72,906/-
e)	Date of approval by the Board	30.05.2015	30.05.2015
f)	Amount paid as advances, if any	NIL	NIL

FOR AND ON BEHALF OF THE BOARD

Place : Chennai
Date : 12.08.2016

Sd / -
Ajeet Kumar
Managing Director

Sd/-
Anil Bhandari
Whole Time Director



Bharat Textiles & Proofing Industries Limited

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31st March, 2016

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

To

The Members,
Bharat Textiles & Proofing Industries Limited
994, Sathyavedu Road, T. Suravalikandigai,
Sirupuzhalpet (P),
Gummidipoondi – 601201.

Company No. : L17111TN1990PLC020072
Authorized Capital : Rs. 16,00,00,000/-

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Bharat Textiles & Proofing Industries Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. Bharat Textiles & Proofing Industries Limited** for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
- (v) The Company has identified the following laws as specifically applicable to the Company;
 - a) Various labour laws as applicable to the Company; and
 - b) Other applicable laws like Customs Act, 1962 etc.,

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as were applicable during the year under review.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

The Company has not appointed Company Secretary as required under Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Company has not filed the necessary forms with Registrar of Companies, Chennai for the increase Authorised share capital which was approved by the shareholders at their meeting held on 31.08.2013.

Out of the 2903830 Equity shares of Rs. 10/- each held by the Promoter and promoter group, only 1569380 Equity shares of Rs. 10/- each have been held in dematerialized form and PAN details of many promoters are not available with the Company in contravention Regulation 31(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/13/2015 dated 30th November, 2015.



Bharat Textiles & Proofing Industries Limited

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Woman Director and Independent Directors. There was no change in the composition of Board during the year under review.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For JM & Associates,
Company Secretaries

Soy Joseph
Partner
(ACS-13852, CP-5612)

Place: Chennai
Date: 12.08.2016

Bharat Textiles & Proofing Industries Limited

MANAGEMENT DISCUSSION AND ANALYSIS

a) **INDUSTRY STRUCTURE AND DEVELOPMENTS:**

Your company is engaged in the business of manufacturing Industrial fabrics-Cotton canvas fabrics, chemically treated canvas and common proof tarpaulins. It can be used as a covering above or in front to give shelter from the sun. It can also be used as industrial belting or as a conveyor. India, being one of the countries where manpower and resources are sufficient, can cater to a large segment of the international market in industrial fabrics. The industrial fabrics like canvas and tarpaulins are consumed in bulk quantities in all user sectors like truck covers, for military use, warehousing, tents, fancy bags etc.

TARPAULIN AND TEXTILES SECTOR:

Amidst the challenging operating environment and uncertainty over demand growth and volatility in raw material prices, it is unlikely that the sector's outlook will turn positive. Margin pressure would persist for both the cotton and synthetic textile industries, driven by rising power and wage costs and higher interest rates. The cotton industry is presently facing challenges like slow demand and a loss in margins, but a recovery is expected on account of falling cotton prices, though this could be negated by further volatility in input costs or forex movements. Weak demand for cotton and cotton products last year was mainly as a result of surplus inventories prompting mills to postpone buying further in the backdrop of uncertainty in overseas demand for textiles. Due to the current situation, instead of adding capacity here, garment manufacturers are looking at the option of setting up capacity or outsourcing job work to Bangladesh to benefit from the lower cost of production.

ECONOMIC REVIEW:

The period under review was one of the most challenging years as volatility in the prices of raw material and finished goods was highest in the history of textiles. The volatility of the raw material globally was more speculative in nature than resulting from the balance of demand and supply. Such volatility in both, raw materials and finished goods totally destroyed the system of trade. The emerging and developing economies, which include India and China are expected to experience lower growth rates, when compared to the previous year. The lower growth rates are expected to result in lower demand across the product lines including textiles, where supply may exceed demand, putting pressure on the prices. As a result of these uncertainties in the market, prices may be volatile.

Your company is manufacturing Industrial fabric such as cotton canvas which is mainly used for making Truck Tarpaulins. The demand for tarpaulins has come down drastically due to lower growth rate of economy resulting in lower sales of trucks in the local market. Poor monsoon during the period under review has drastically reduced the sales of canvas tarpaulins.

b) **PERFORMANCE REVIEW:**

The Company had achieved a turnover of INR 80,554,280/- and made a profit of INR 119,680/- as compared to turnover of INR 77,867,310/- and profit of INR 1,177,298/- in the previous year.

c) **OUTLOOK:**

The textile industry in India has showcased a significant growth especially in the technical textile sector over the past few years. The technical textiles industry in India has grown to INR 63,000 Crores in 2011-12 from INR 43,000 crores in 2007-08, which is eleven percent growth per annum. What is more is that it is forecasted to grow to Rs. 158,000 crores by the year 2016-17 with a projected growth percentage of twenty percent growth per annum to be achieved.

d) **OPPORTUNITIES AND THREATS:**

Ambition of the Government of India, to make India a hub for technical textiles will create an opportunity for the industrial fabric division of your Company to function better as compared to earlier years. Performance of the fabric will see a reasonable growth which will benefit the industry in moving up the value chain. Your Company has recently signed bilateral arrangements with special fiber manufacturers. Efforts will be put by your Company to exploit the business opportunities in technical textiles where your Company has the competitive advantage.

Severe power shortage in most of the states will remain a biggest threat for the utilization of the plant and equipments. Due to shortage of power, the utilization may drop severely and hence volatility in yarn prices may continue. Even though the industry expects the cotton prices to be stable, the whole scenario may change, in case China decides to increase their cotton reserves. Hence, it is expected that cotton prices too may have volatility.

Due to severe recessionary trends which are continuing in the developed countries, unit realization of products may continue to be under pressure.



Bharat Textiles & Proofing Industries Limited

Your company is discussing with strategic consultants to enter into technical and marketing collaboration with international companies, to manufacture end products made from canvas such as tent and bags which will be a natural forward integration and will fetch good margins. The demand for cotton canvas tarpaulins is shrinking day by day which is mainly due to the introduction of various low cost plastic tarpaulins that are introduced in the market. As the company's main business is reducing day by day due to the various reasons mentioned above, your company is thinking about diversification into the signage industry connected products such as flax banner fabrics which has good volume and margins. For this purpose your company has approached banks for term loans. Soon after getting sanction, your company is planning to come out with a rights issue to fund the flax banner fabric.

e) INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS:

Your Company has the benefit of internal control systems which has developed over the years and which has ensured that all transactions are satisfactorily recorded and reported and all assets are protected against loss from unauthorized use or otherwise. The process of internal control and systems, statutory compliance, risk analysis and its management and information technology are woven together to provide a meaningful support to the management process. The system adopted, especially relating to internal control systems are adequate and commensurate with the nature of its business and size of its operations, though continuous efforts are being made to strengthening the same.

f) HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS:

Your Company continues to maintain a constructive relationship with its employees through a positive environment so as to improve productivity and efficiency. Your Company has always highlighted the importance of quality and its employees are encouraged to get involved in the continuous process of improving quality. Your Company puts in a lot of effort to provide employees the best working environment with ample opportunities to grow and explore. Also the company makes sure that it maintains a work environment that is free from physical, verbal and sexual harassment. The management is incessantly working on the development of human resources which is very important for accomplishing the goals and realizing the vision of the Company in an ever-changing and challenging business environment. Industrial relations at the plant location remained cordial all throughout the year.

g) CAUTIONARY STATEMENT:

Certain sentences in this report may be forward-looking based on the general overview of the textile industry but which the management believes is true to the best of its knowledge. Actual results may differ from those implied above.

h) CONCLUSION:

Your Company's primary focus will be to grow volumes across markets. BTPIL will address each market depending on local conditions and consumer trends. While we recognise that the global environment is extremely challenging there are new opportunities emerging to meet consumer needs. Bharat Textiles will focus on profitable growth through a mix of brand led growth, innovation, efficient cost management and successfully scaling up new businesses.

FOR AND ON BEHALF OF THE BOARD

Place : Chennai
Date : 12.08.2016

Sd / -
Ajeet Kumar
Managing Director

Sd/-
Anil Bhandari
Whole Time Director



Bharat Textiles & Proofing Industries Limited

INDEPENDENT AUDITOR'S REPORT

To the Members of **M/s Bharat Textiles and Proofing Industries Limited.**

Report on the Financial Statements

We have audited the accompanying financial statements of Bharat Textiles and Proofing Industries Limited, which comprise the Balance Sheet as at March 31, 2016, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate Internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters Specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, 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 purpose of our audit;

**Bharat Textiles & Proofing Industries Limited**

- 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 comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules 2014.
- e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164(2) of the Act.
- f) With respect to the adequacy of Internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts
 - iii. The company was not required to transfer any sum to the Investor Education and Protection Fund during the year under report.

For Sakaria & Associates
Chartered Accountants
FRN: 6219 S

Place : Chennai
Date : 30th May, 2016

Ashok Kumar S
Proprietor
Membership No. :202048

Bharat Textiles & Proofing Industries Limited

The Annexure A referred to in paragraph I under the heading 'Report on Other Legal & Regulatory Requirement' of Our Report of even date to the financial statements of M/s Bharat Textiles and Proofing Industries Limited for the year ended 31st March, 2016.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
(c) The Title Deeds of Immovable Properties are held in the name of the company.
2. As explained to us, inventories have been physically verified during the year by the management at reasonable intervals and No material discrepancy was noticed on physical verification of inventories by the management as compared to records.
3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered by clause (76) of section 2 of the Companies Act, 2013. Consequently, the provisions of clauses 3 (iii) (a) to (c) of the order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.
5. The Company has not accepted any deposits hence the directives issued by Reserve bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under are not applicable to the company.
6. The Central government has not specified maintenance of cost records for the Company under sub – section (1) of section 148 of the Companies act 2013.
7. (a) The company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax and any other Statutory dues with the appropriate authorities except on certain occasions irregularities were noticed. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2016 for a period of more than six months from the date they became payable except Employee Provident Fund Amount of Rs 1,15,813/-.
(b) The Company has no dues of income tax, Sales Tax, service tax, customs duty, excise duty or value added tax which has not been deposited on account of any disputes.
8. The Company has not defaulted in repayments of dues to a financial institution, bank or debenture holders.
9. Based on the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loans. Accordingly the provisions of clause 3 (ix) of the order are not applicable to the company.
10. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the company or on the company by its officers or employees has been noticed or reported during the year.
11. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.
12. In our opinion, the company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the order are not applicable to the company.
13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly the provisions of Clause 3 (xiv) of the order are not applicable to the company and hence not commented upon.



Bharat Textiles & Proofing Industries Limited

15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any Non Cash Transactions with directors or persons connected with him. Accordingly the provisions of clause 3 (xv) of the order are not applicable to the company.

For Sakaria & Associates
Chartered Accountants
FRN: 6219 S

Place : Chennai
Date : 30th May, 2016

Ashok Kumar S
Proprietor
Membership No. :202048

“Annexure B” to the Independent Auditor’s Report of even date on the Financial Statements of Bharat Textiles & Proofing Industries Limited

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

We have audited the internal financial controls over financial reporting of Bharat Textiles & Proofing Industries Limited as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

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

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

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

For Sakaria & Associates
Chartered Accountants
FRN: 6219 S

Place : Chennai
Date : 30th May, 2016

Ashok Kumar S
Proprietor
Membership No. :202048

**Bharat Textiles & Proofing Industries Limited****BALANCE SHEET AS AT 31.03.2016**

	Notes	As at 31.03.2016 Rs	As at 31.03.2015 Rs
I. Equity and Liabilities			
I.Shareholders' Fund			
(a) Share Capital	3	58,571,400	58,571,400
(b) Reserves and Surplus	4	-47,296,579	-47,416,258
		<u>11,274,821</u>	<u>11,155,142</u>
2.Non Current Liabilities			
(a) Long -term Borrowings	5	79,861,973	52,641,225
(b) Long -term provisions	6	4,418,875	4,250,234
		<u>84,280,848</u>	<u>56,891,459</u>
3.Current Liabilities			
(a) Short Term Borrowings	7	12,632,856	11,956,927
(b) Trade Payables	8	20,256,072	8,573,401
(c) Other Current Liabilities	9	9,991,051	3,074,668
(d) Short -term provisions	10	115,000	8,0000
		<u>42,994,979</u>	<u>23,684,996</u>
Total Equity and Liabilities		<u>138,550,647</u>	<u>91,731,597</u>
II. Assets			
I.Non-Current assets			
(a) Fixed Assets	11		
-Tangible Assets		18,090,729	18,211,171
- Capital Work in Progress		64,083,477	18,412,747
(b) Deferred Tax Asset (net)	12	7,288,197	7,686,573
(c) Long-term Loans & Advances	13	1,061,793	643,047
		<u>90,524,196</u>	<u>44,953,538</u>
Current Assets			
(a) Inventories	14	17,707,830	11,619,801
(b) Trade receivables	15	23,834,076	19,932,568
(c) Cash and Cash Equivalents	16	132,561	347,006
(d) Short term loans & advances	17	6,351,984	14,878,684
		<u>48,026,451</u>	<u>46,778,058</u>
Total Assets		<u>138,550,647</u>	<u>91,731,597</u>

Significant Accounting Policies
Notes on Financial Statements

I to 35

As per our report of even date

For Sakaria & Associates
Chartered Accountants
Firm Regn. No: 6219S

For and on behalf of the board of Directors of
Bharat Textiles & Proofing Industries Ltd

Sd/-
Ashok Kumar S.
M No: 202048

S d / -
Ajeet Kumar Bhandari
Managing Director

S d / -
Anil Bhandari
Whole Time Director

Place : Chennai
Date : 30-05-2016

**Bharat Textiles & Proofing Industries Limited****STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2016**

	Notes	As at 31.03.2016 Rs	As at 31.03.2015 Rs
I. Income			
(a) Revenue from operation	18	80,554,280	77,867,310
(b) Other Income	19	1,279,744	1,656,551
Total Revenue (I)		81,834,024	79,523,861
II. Expenses			
(a) Cost of Raw material Consumed	20	56,046,597	46,263,161
(b) Purchase of traded goods	21	0	21,998
(c) (increase)/Decrease in Inventories of finished goods, Work in progress and traded goods	22	-7,795,627	6,448,617
(d) Employee benefit expenses	23	12,612,847	8,959,649
(e) Other expenses	24	12,409,358	10,386,087
(f) Finance cost	25	6,728,309	5,880,199
(g) Depreciation	26	1,200,843	1,178,744
Total Expenses (II)		81,202,327	79,138,455
Profit before exceptional items and taxes		631,697	385,406
Exceptional items		0	0
Profit before taxes		631,697	385,406
<u>Less: Tax expenses:</u>			
Current Tax		-113,641	-80,000
Deferred Tax		-398,376	871,892
Profit for the period from continuing operations		119,680	1,177,298
Earning per equity shares of face value of Rs 10/- each			
Basic and Diluted in (Rs)		0.02	0.20

Significant Accounting Policies
Notes on Financial Statements

I to 35

As per our report of even date

For Sakaria & Associates
Chartered Accountants
Firm Regn. No: 6219S

For and on behalf of the board of Directors of
Bharat Textiles & Proofing Industries Ltd

Sd/-
Ashok Kumar S.
M No: 202048

Sd/-
Ajeet Kumar Bhandari
Managing Director

Sd/-
Anil Bhandari
Whole Time Director

Place : Chennai
Date : 30-05-2016

**Bharat Textiles & Proofing Industries Limited****CASH FLOW STATEMENT**

Cash Flow statement for the year ended 31.03.2016

Amount in Rs.

	2015-2016		2014-2015	
A. Cash flow from Operating Activities				
Net Profit before Tax		631,697		385,406
Adjustment for:				
Depreciation	1,200,843		1,178,744	
Interest Paid	6,728,309		5,880,199	
Interest Receipts	-15,537	7,913,615	-61,780	6,997,163
Operating Profit before Working capital Changes		8,545,312		7,382,569
Adjustments for : Increase/Decrease				
Long term provisions	168,641		576,502	
Trade Payable	11,682,671		6,597,383	
Other Current Liabilities	6,916,383		746,361	
Long term loans & advances	-418,746		-205,908	
Inventories	-6,088,029		6,607,019	
Trade receivables	-3,901,508		-3,978,706	
Short term loans & advances	8,526,700	16,886,112	-4,644,960	5,697,691
Cash Generated from Operation		25,431,424		13,080,260
Taxes Paid		-78,641		-106,000
Net Cash Flow from Operations (A)		<u>25,352,783</u>		<u>12,974,260</u>
B Cash Flow From Investing Activities				
Purchase of Fixed Assets		-1,080,401		-316,594
Capital Work in Progress		-45,670,730		-18,412,747
Interest Receipts		15,537		61,780
Net Cash Used in Investing Activities (B)		<u>-46,735,594</u>		<u>-18,667,561</u>
C Cash Flow From Financing Activities				
Increase/Decrease in borrowings		27,896,676		11,050,486
Interest paid		-6,728,309		-5,880,199
Net Cash flow from Financing Activities (C)		<u>21,168,367</u>		<u>5,170,287</u>
Net Increase in Cash and Cash Equalents (A+B+C)		-214,444		-523,014
Add: Cash and Cash Equalents as at 1 st April		347,006		870,020
Cash and Cash Equalents as at 31st March closing		132,562		347,006

As per our report of even date

For Sakaria & Associates
Chartered Accountants
Firm Regn. No: 6219S

For and on behalf of the board of Directors of
Bharat Textiles & Proofing Industries Ltd

Sd/-
Ashok Kumar S.
M No: 202048

Sd/-
Ajeet Kumar Bhandari
Managing Director

Sd/-
Anil Bhandari
Whole Time Director

Place : Chennai
Date : 30-05-2016

Bharat Textiles & Proofing Industries Limited

Notes to Financial Statements for the year ended 31st March 2016.

SIGNIFICANT ACCOUNTING POLICIES

1. Corporate information

M/s Bharat Textiles and Proofing Industries Ltd is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in manufacturing and trading of processed canvas, Tarpaulin, HDPE and chemically processing canvas on Job work basis. The Company caters to both domestic and international market.

2 Basis of preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India and the provision of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and at historical cost. Accounting policies not specifically referred to otherwise are consistent with and are in consonance with generally accepted accounting principles.

2A. Use of estimates:

The preparation of financial statements requires estimates and assumption to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialised

B. Tangible fixed assets

Own fixed assets are stated at Cost less accumulated depreciation and impairment loss, if any. The Cost comprises original cost of acquisition inclusive of Inward freight, attributable borrowing cost, duties and expenditure incurred in acquisition, construction/installation.

C. Tangible assets and depreciation

Depreciation on tangible assets is provided on Straight line method at the rates and in the manner specified in Schedule II of the Companies Act 2013. On addition / deductions made during the year the depreciation has been calculated on a pro-rata basis.

D. Foreign currency transaction

Trade transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. The difference in the rate between the transaction date and realization/ payment date is transferred to foreign exchange fluctuation a/c. The year end balance of Trade payable/receivable is converted into Indian Rupees at the closing rates. The resultant difference is accounted as profit/loss on foreign exchange fluctuation a/c.

E. Borrowing cost

The Borrowing costs attributable to acquisition of fixed assets are capitalized. The other borrowing costs are recognized as an expense in the year in which they are incurred.

F. Inventories

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other cost including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw materials, stores and spares, power and fuel material and other products are determined on FIFO method. The work in progress is determined at estimated cost and the finished goods are valued at lower of cost or estimated realizable value.

G. Revenue Recognition

Revenue is recognized only when it can be reliably measured and it's reasonable to expect ultimate collection. Revenue from operation includes Sale of goods and services. Sale of goods is recognized when significant risk and rewards of ownership of goods have been passed to the buyer. Sale of services is recognized on completion of services and transfer of significant risk and rewards to customer. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

H. Retirement benefits

The Company offers its employee's defined contribution plans in the form of Provident fund and family pension



Bharat Textiles & Proofing Industries Limited

fund. The provident fund, family pension fund covers substantially for all regular employees. Contribution to provident Fund and Pension Fund are charged to profit and loss account in the year of accrual.

Leave Salary is determined and provided in the accounts at the end of each year. However the Company does not have a system of carrying forward the benefits of leave credit of each employee.

The provision for Gratuity liability to employee is recognized at the present value of the amount payable determined using actuarial valuation technique.

I. Deferred Taxation

In accordance with Accounting Standard (AS 22) "Accounting for Taxes on Income" issued by Institute of Chartered Accountants of India, Deferred Tax resulting from timing differences between book and tax profit is accounted for at the current rate of tax to the extent that the timing difference are expected to crystallize. Deferred Tax Assets are recognized only when there is virtual certainty of sufficient future profits available to realize such assets.

J. Provisions, Contingent liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statement.

**Bharat Textiles & Proofing Industries Limited****Notes to financial Statements for the year ended 31st March 2016**

Particulars	Amount in INR	
	31.03.2016	31.03.2015
3. Share Capital		
(a) Authorised		
160,00,000 Equity Shares of Rs 10/- each	160,000,000	160,000,000
(b) Issued, Subscribed and fully paid upshares		
58,57,140 fully paid Equity Shares of Rs 10/- each	58,571,400	58,571,400
	58,571,400	58,571,400

3.1. Details of shareholders holding more than 5% shares in the company

Equity Shares of INR 10/- each	31.03.2016		31.03.2015	
	No of Shares	Holding %	No of Shares	Holding %
Ugamchand Bhandari	528,940	9.03	528,940	9.03
Veena Bhandari	513,910	8.77	513,910	8.77
Ajeet Kumar	474,770	8.11	474,770	8.11

Particulars	31.03.2016		31.03.2015	
4. Reserves and Surplus				
(a) General reserve-as per last financial statement		3,300,000		3,300,000
(b) Surplus:				
Surplus/(deficit) in the statement of profit & loss		-50,596,579		-50,716,258
Balance as per last financial statement		-50,716,258		-48,535,304
Accumulated Depreciation w/off		0		-3,358,252
Net Surplus in the statement of profit and loss		119,680		1,177,298
		-47,296,579		-47,416,258

5. Long term borrowings**Term Loans**

(a) Secured Loans from Banks		
(i) HDFC Bank-Term Loan	840,000	192,467
(ii) Axis Bank -Term Loan I	17,525,816	4,629,327
(ii) Axis Bank -Term Loan II (TADA factory)	8,450,991	6,628,282
(b) Unsecured Loans from related parties	5,389,609	5,041,149
(c) Unsecured Loans from Corporates	47,655,557	36,150,000
	79,861,973	52,641,225

Term loan securities:

- a. (i) Term Loan from HDFC Bank is secured against the hypothecation of Vehicle and is repayable in 24 EMI (Py: 36 EMI).
- (ii) **Term Loan from Axis Bank I :**
 Primary Security : Secured against hypothecation of Machinery
 Colateral Security: Secured against land & Building situated at #46, Sirupuzhalpatti Village, Gummidipoondi Taluk. Also secured against Hypothecation of all movable fixed assets except those funded by other banks.
 Personal Guarantee :The above Term loan is also secured by personal guarantee of Ajeet Kumar Bhandari, Anil Kumar Bhandari, Krishna Kumar Bhandari & Jithendra Bhandari.
 Repayment: The term loan is repayable in 54 EMI
- (ii) **Term Loan from Axis Bank II (TADA Factory):**
 Primary Security : Secured against Land and Building situated at 71/9,71/10 & 71/11 Thanduru Revenue Village, Vardaihalpallem Revnue Mandal, Satyavedu Sub District Chittoor District, Andhrapradesh.
 Colateral Security: Secured against land & Building situated at #46, Sirupuzhalpatti Village, Gummidipoondi Taluk. Also secured against Hypothecation of all movable fixed assets except those funded by other banks.
 Personal Guarantee :The above Term loan is also secured by personal guarantee of Ajeet Kumar Bhandari, Anil Kumar Bhandari, Krishna Kumar Bhandari & Jithendra Bhandari.
 Repayment: The term loan is repayable in 55 EMI
- b. Unsecured loan from related parties are repayable on demand after a year.
- c. Unsecured Loan from Corporates are repayable on demand after a year

**Bharat Textiles & Proofing Industries Limited****Notes to financial Statements for the year ended 31st March 2016**

	Amount in INR	
	31.03.2016	31.03.2015
6. Long term Provisions		
<u>Provision for Employee Benefits</u>		
Provision for Gratuity	4,418,875	4,250,234
	<u>4,418,875</u>	<u>4,250,234</u>
7. Short Term Borrowings	31.03.2016	31.03.2015
Secured Cash Credit facility from Axis Bank	12,632,856	11,956,927
	<u>12,632,856</u>	<u>11,956,927</u>
<u>Cash Credit facility securities:</u>		
Primary Security : Secured against hypothecation of entire current assets of company both present & future.		
Collateral Security: Secured against land & Building situated at #46, Sirupuzhalpatti Village, Gummidipoondi Taluk. Also secured against Hypothecation of all movable fixed assets except those funded by other banks.		
Personal Guarantee : The above Term loan is also secured by personal guarantee of Ajeet Kumar Bhandari, Anil Kumar Bhandari, Krishna Kumar Bhandari & Jithendra Bhandari.		
Repayment: The Cash Credit facility is for 12 months and repayable on demand.		
8. Trade Payables	31.03.2016	31.03.2015
Trade Payable (refer note no.28, for due to micro,small and medium enterprises)	<u>20,256,072</u>	<u>8,573,401</u>
9. Other Current Liabilities	31.03.2016	31.03.2015
(a) Other Payables *	9,991,051	3,074,668
	<u>9,991,051</u>	<u>3,074,668</u>
*Other payable included Statutory dues amounting to Rs.1740165/- (PY 739560/-)		
10. Short Term Provision	31.03.2016	31.03.2015
<u>Provision for taxes</u>		
Minimum alternative tax	115,000	80,000
	<u>115,000</u>	<u>80,000</u>

11. Fixed Assets

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as at 31.03.2015	Addition/ Adjustments	Deduction/ Adjustments	As at 31.03.2016	Balance as at 01.04.2015	For the Year	Deduction/ Adjustments	Upto 31.03.2016	AS AT 31.03.2016	AS AT 31.03.2015
<u>Tangible Assets-Own Assets</u>										
Land & Site Development	1,107,811	0	0	1,107,811	0	0	0	0	1,107,811	1,107,811
Buildings	27,218,251	0	0	27,218,251	15,940,730	805,984	0	16,746,714	10,471,537	11,277,521
Plant & Machinery	56,166,171	0	0	56,166,171	51,129,216	201,631	0	51,330,847	4,835,324	5,036,955
Vehicles	779,630	1,035,576	0	1,815,206	258,682	82,734	0	341,416	1,473,790	520,948
Furniture & Fixtures	2,068,026	0	0	2,068,026	2,068,026	0	0	2,068,026	0	0
Office Equipment	1,632,162	44,825	0	1,676,987	1,364,226	110,494	0	1,474,720	202,267	267,936
	88,972,052	1,080,401	0	90,052,453	70,760,881	1,200,843	71,961,724	0	18,090,729	18,211,171
Previous Year Figures	88,655,458	316,594	0	88,972,052	66,223,885	1,178,744	0	7,076,0881	18,211,171	22,431,573

**Bharat Textiles & Proofing Industries Limited****Notes to financial Statements for the year ended 31st March 2016**

	Amount in INR	
	31.03.2016	31.03.2015
12. Deferred Tax Assets		
a. <u>Deferred Tax Liability</u>		
Impact of Difference between tax Depreciation charges for financial reporting	3,378,723	3,523,491
Gross Deferred tax liability	<u>3,378,723</u>	<u>3,523,491</u>
b. <u>Deferred Tax Assets</u>		
C/f Losses as per Income tax Act	5,222,618	5,891,200
Provision for Gratuity	1,365,432	1,313,322
MAT Credit	4,078,870	4,005,542
Gross Deferred tax asset	<u>10,666,920</u>	<u>11,210,064</u>
Net Deferred tax asset (net) (a-b)	<u>7,288,197</u>	<u>7,686,573</u>
13. Long term Loans & advance (Unsecured, Considered Good)	31.03.2016	31.03.2015
(a) Security Deposit	1,061,793	643,047
	<u>1,061,793</u>	<u>643,047</u>
14. Inventories (Valued at lower of Cost or net realisable value)	31.03.2016	31.03.2015
Raw material	1,781,210	2,890,916
Work in progress	1,033,595	1,651,460
Finished goods	13,905,792	5,492,300
Stores & Spares	675,000	979,875
Power & fuel	312,233	605,250
	<u>17,707,830</u>	<u>11,619,801</u>
15. Trade Receivable Unsecured, Considered Good)	31.03.2016	31.03.2015
(a) Outstanding for a period exceeding six months from the date they are due for payment	3,398,932	3,088,978
(b) Others	20,435,144	16,843,590
	<u>23834076</u>	<u>19,932,568</u>
16. Cash and cash equivalents	31.03.2016	31.03.2015
(a) Cash in Hand	87,447	190,272
(b) <u>Bank Balance</u>		
ICICI Bank Ltd	33,239	145,931
Axis Bank Ltd	2,130	776
Indian Bank Ltd	9,745	10,027
	45,114	156,734
Total (a+b)	<u>132,561</u>	<u>347,006</u>
17. Short term Loans & advance (Unsecured, Considered Good)	31.03.2016	31.03.2015
(a) Capital Advance	1,116,595	11,406,077
(b) Supplier advance	1,008,128	1,059,103
(c) Earnest Money Deposit	256,577	242,594
(d) Balance with statutory/Govt. authorities	3,886,082	1,789,790
(e) Loan to Employees	0	324,139
(f) Prepaid Expenses	84,602	56,981
	<u>6,351,984</u>	<u>14,878,684</u>

**Bharat Textiles & Proofing Industries Limited****Notes to financial Statements for the year ended 31st March 2016**

Particulars	Amount in INR	
	31.03.2016	31.03.2015
18. Revenue from Operations		
(a) Sale of Products:		
Finished Goods	77,579,840	74,150,383
Traded Goods	31,860	371,825
	<u>77,611,700</u>	<u>74,522,208</u>
(b) Sale of Services-Job work	2,942,579	3,345,102
Total (a+b)	<u>80,554,280</u>	<u>77,867,310</u>
18.1 Particulars of Sale of Products		
Finished Goods		
(a) Canvas/Tarpaulin	77,579,840	74,150,383
Traded Goods		
(b) HDPE/Trapualin	31,860	371,825
	<u>77,611,700</u>	<u>74,522,208</u>
19. Other Income	31.03.2016	31.03.2015
Interest Receipts	15,537	61,780
Export Duty Drawback	603,748	910,710
Foreign Exchange Fluctuation	153,362	89,014
Sundry Credit Balance W/back	93,737	204,391
Miscellaneous Income	0	37,705
Packing & Forwarding charges Collected	413,360	352,951
Total	<u>1,279,744</u>	<u>1,656,551</u>
20. Cost of Raw materials consumed	31.03.2016	31.03.2015
Inventory at the beginning of the year	2,890,916	2,658,052
Add: Purchases	54,936,891	46,496,025
	<u>57,827,807</u>	<u>49,154,077</u>
Less: Inventory at the end of the year	1,781,210	2,890,916
Cost of Raw Material Consumed	<u>56,046,597</u>	<u>46,263,161</u>
20.1 Details of Raw material consumed		
Yarn	26,732,645	16,853,155
Dyes and Chemicals	8,183,636	5,634,780
Canvas	21,130,317	23,775,226
	<u>56,046,597</u>	<u>46,263,161</u>
20.2 Raw Material -Closing		
Yarn	792,616	1,641,680
Dyes and Chemicals	988,594	1,249,236
	<u>1,781,210</u>	<u>2,890,916</u>
21. Changes in the Inventories	31.03.2016	31.03.2015
Inventories at the end of the year		
Finished Goods	13,905,792	5,492,300
Work in Progress	1,033,595	1,651,460
	<u>14,939,387</u>	<u>7,143,760</u>
Inventories at the beginning of the year		
Finished Goods	5,492,300	12,107,462
Work in Progress	1,651,460	1,484,915
	<u>7,143,760</u>	<u>13,592,377</u>
(Decrease) / increase in Inventory	<u>7,795,627</u>	<u>-6,448,617</u>

**Bharat Textiles & Proofing Industries Limited****Notes to financial Statements for the year ended 31st March 2016**

Particulars	Amount in INR	
	31.03.2016	31.03.2015
22. Purchase of Traded Goods		
HDPE	0	21,998
Total	<u>0</u>	<u>21,998</u>
23. Employee Benefit Expenses	31.03.2016	31.03.2015
Salaries, wages and Bonus	9,778,751	6,858,172
Contribution to Provident and other funds	954,464	727,057
Gratuity Expenses	848,641	676,502
Director Remuneration	664,800	420,000
Staff Welfare Expenses	366,191	277,918
Total	<u>12,612,847</u>	<u>8,959,649</u>
24. Other Expenses	31.03.2016	31.03.2015
Consumption of Stores & Spares	1,539,390	1,092,448
Power Fuel and Electricity	6,066,695	4,560,098
Freight & Forwarding Charges	1,331,928	1,124,652
Rent	123,420	127,020
Rate & Taxes	715,318	886,053
Insurance	56,981	69,189
<u>Repairs and Maintenance</u>		
Plant & Machinery	202,656	180,510
Buildings	0	5,080
Others	3,505	0
Advertisement Expenses	73,086	70,834
Sales Promotion Expenses	31,000	34,077
Commission	27,212	14,821
Discount	30,687	176,693
Telephone Expenses	117,128	122,612
Printing & Stationery	81,239	107,873
Postage Expenses	62,296	69,959
Travelling Expenses	94,256	78,517
Convayance Expenses	16,676	16,416
Vehicle Maintenance Expenses	220,074	206,437
Sitting fees	54,000	53,000
Legal and Professional fee	571,409	569,451
<u>Audit fee</u>		
-Statutory Audit	22,900	22,472
-Tax Audit	11,450	11,236
Donation	21,000	1,000
Security Charges	733,720	583,418
Sundry Balance W/off	102,325	34,018
Misc Expenses	99,007	168,203
Total	<u>12,409,358</u>	<u>10,386,087</u>

**Bharat Textiles & Proofing Industries Limited**

25. Finance Cost	31.03.2016	31.03.2015
Interest on Secured loan	1,480,605	1,572,176
Interest on unsecured Loans	5,117,670	4,227,760
Interest on others	16,322	13,183
Bank Charges	113,712	67,080
Total	6,728,309	5,880,199
26. Depreciation and amortization expenses	31.03.2016	31.03.2015
Depreciation	1,200,843	1,178,744
Total	1,200,843	1,178,744
27.	Estimated amount of Contract remaining to be executed on capital account (Factory at TADA Andhra Pradesh) and not provided for is Rs 70 lakhs. PY (366 Lakhs).	
28.	As per the information and explanation provided by the company none of the suppliers of the company are micro enterprises or small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006. Therefore the disclosures under section 22 of the said act are not necessary.	
29.	During the previous year, pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II and accordingly the unamortized carrying value is being depreciated over the remaining useful lives. The transitional depreciation on fixed assets as at 1 st April 2014, amounting to Rs 33,58,252/- was debited to Profit & Loss appropriation account. However there was no transitional depreciation during the year.	
30. C.I.F. Value Of Imports	31-03-2016	31-03-2015
Raw Materials -Chemicals	NIL	9,55,409/-
31. Earnings in Foreign Exchange		
Exports (FOB Value)	1,10,45,092/-	1,68,78,048/-
32. Earning Per Share	31.03.2016	31.03.2015
Profit after Tax as per P&L a/c	1,19,680/-	11,77,298/-
Number of Equity Shares	58,57,140	58,57,140
Basic and diluted Earning Per Share	0.02	0.20
(Face Value Rs 10/- Each)		
33.	The Company's main activity of business is manufacturing and marketing of cotton canvas. All other activity revolve around this main business, hence there are is no separate segments within the company as defined by 'AS 17 - SEGMENT REPORTING'.	

**Bharat Textiles & Proofing Industries Limited****34. Related party disclosures**

Related party disclosure as required by Accounting Standard 18 issued by the Institute of Chartered Accountants of India are given below.

NATURE OF TRANSACTION	KEY MANAGEMENT PERSONNEL	RELATIVE OF KEY MANAGEMENT PERSONNEL	TOTAL
Remuneration	6,64,800/-	—	6,64,800/- (4,20,000)
Interest Payments	6,67,051/-	NIL	6,67,051/- (42,27,760)
Sale of Goods & services	—	2,27,19,107/-	2,27,19,107/- (96,02,775)
Purchase of Goods	—	6,26,228	6,26,228/- (21,998)

Key Management Personnel & relative

Ajeet Kumar Bhandari
Anil Kumar Bhandari
Klix Brainotech
Krishna Kumar Bhandari
Ajeet Kumar Huf
Krishna Tarpaulin Industries Pvt Ltd
Rudraaksh Textiles India LLP

35. Previous year figures have been regrouped/ rearranged wherever necessary to make them Comparable with the current year figures.

As per our report of even date

**For Sakaria & Associates
Chartered Accountants
Firm Regn. No: 6219S**

**Sd/-
Ashok Kumar S.
M No: 202048**

Place : Chennai
Date : 30-05-2016

**For and on behalf of the board of Directors of
M/s Bharat Textiles & Proofing Industries Ltd**

**Sd/-
Ajeet Kumar Bhandari
Managing Director**

**Sd/-
Anil Bhandari
Whole Time Director**



Bharat Textiles & Proofing Industries Limited

BHARATTEXTILES & PROOFING INDUSTRIES LIMITED

CIN: L17111TN1990PLC020072

Registered Office: 994, Sathyavedu Road,T,Suravalikandigai, Sirupuzhalpet (P),
Gummidipoondi-601201

ATTENDANCE SLIP

(To be presented at the entrance)

I hereby record my presence at the TWENTY SIXTH ANNUAL GENERAL MEETING of the Company at 994, Sathyavedu Road,T, Suravalikandigai, Sirupuzhalpet (P), Gummidipoondi-601201 on Wednesday, 21st September, 2016 at 10.00 A.M.

Folio No.	
DP ID No	
Client ID No	
Name of the Member	
Signature	
Name of Proxy Holder	
Signature	

1. Only Member/Proxyholder can attend the meeting.
2. Member/Proxyholder should bring his/her copy of the annual report for reference at the meeting.

BHARATTEXTILES & PROOFING INDUSTRIES LIMITED

CIN: L17111TN1990PLC020072

Registered Office: 994, Sathyavedu Road,T,Suravalikandigai, Sirupuzhalpet (P), Gummidipoondi-601201

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and
Rule 1(3) of the Companies(Management and Administration) Rules, 2014]

Name of the member(s):	
Registered Address:	
e-mail Id:	
Folio No/Client ID:	
DP ID No	

I/We, being the member(s) of _____ shares of Bharat Textiles & Proofing Industries Limited, hereby appoint:

1. _____ residing at _____ having
e-mail id _____ or failing him/her;
2. _____ residing at _____ having
e-mail id _____ or failing him/her;
3. _____ residing at _____ having
e-mail id _____ or failing him/her;

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Sixth Annual General Meeting of the Company, to be held on Wednesday,

September 21, 2016 at 10.00 A.M. at 994, Sathyavedu Road, T. Suravalikandigai, Sirupuzhalpet (P), Gummidipoondi-601201 and at any adjournment thereof in respect of such resolutions as are indicated below:

RESOLUTIONS

1.	To receive, consider and adopt the Financial Statements of the Company for the Financial Year ended on 31st March, 2016 and the reports of the Board of Directors and Auditors thereon.
2.	To appoint a Director in place of Ms. Shikha Bhandari (DIN 07144753), who retires by rotation and being eligible, offers himself for re-appointment.
3.	Re-Appointment of Auditors

Signed this..... day of.....2016

Signature of shareholder

Affix
Revenue
Stamp

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

Blank

Book-Post

To.

If undelivered return to :

BHARAT TEXTILES & PROOFING INDUSTRIES LTD.
39, ANNA SALAI, 205, ABC TRADE CENTER,
(INSIDE DEVI THEATER COMPOUND)
CHENNAI - 600 002.