



PROUD TO BE INDIAN  
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BTTL/  
03<sup>rd</sup> July, 2019

BSE Limited  
Corporate Relationship Department,  
1st Floor, New Trading Ring,  
Rotunda Building, P.J. Towers,  
Dalal Street,  
MUMBAI - 400 001

**Scrip code: 533108**

**Sub : Submission of Annual Report and Notice of the Company for the Financial Year 2018-19 pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir/ Madam,

Pursuant to Regulation 34(1) read with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended time to time, please find enclosed herewith Annual Report of the Company for the Financial Year 2018-19 along with the Notice of 12<sup>th</sup> Annual General Meeting of the Company scheduled to be held on Monday, 29<sup>th</sup> July 2019 at the registered office of the Company to transact the Ordinary and Special Businesses as set out in the Notice thereof. The same will be made available on the Company's website.

Kindly take the same on record.

Thanking You,

Yours faithfully,  
For **Bhilwara Technical Textiles Limited**

*Arjun Sharma*  
Arjun Sharma  
Company Secretary & CFO  
ACS 47848



Encl.: As above

### **Bhilwara Technical Textiles Limited**

**Corporate Office :**  
Bhilwara Towers, A-12, Sector-1  
Noida - 201 301 (NCR-Delhi), India  
Tel. : +91-120-4390300 (EPABX)  
Fax : +91-120-4277841  
Website: www.btll.co.in

**Registered Office :**  
LNJ Nagar, Mordi, Banswara - 327 001 (Raj.) India  
Tel. : +91-2961-231251-52, 231385, +91-2962-302400  
Fax : +91-2961-231254  
Website: www.lnjbhilwara.com  
GSTIN: 08AADCB5709M1ZF

**Corporate Identification No.:** L18101RJ2007PLC025502



PROUD TO BE INDIAN  
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**Bhilwara Technical Textiles Limited**

Annual Report 2018 - 2019

**BOARD OF DIRECTORS**

Shri Shekhar Agarwal	Chairman, Managing Director & CEO
Shri Riju Jhunjhunwala	Director
Shri Priya Shankar Dasgupta	Director
Smt. Sunita Mathur	Director
Shri Shantanu Agarwal	Director

**KEY MANAGERIAL PERSONNEL**

Shri Shekhar Agarwal	Chairman, Managing Director & CEO
Shri Arjun Sharma	Company Secretary & Chief Financial Officer

**REGISTERED OFFICE**

LNJ Nagar, Mordi  
Banswara – 327 001 (Rajasthan)  
Phone: 02961-231251-52, 02962-302400  
Fax: 02961 – 231254  
CIN: L18101RJ2007PLC025502

**CORPORATE OFFICE**

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

**AUDITOR**

M/s. Doogar & Associates

**SECRETARIAL AUDITOR**

M/s. Manisha Gupta & Associates

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# MANAGEMENT DISCUSSION & ANALYSIS

## **INDUSTRIAL GROWTH**

### **INTERNATIONAL SCENARIO**

The global growth forecast for 2019 and 2020 had already been revised downward in the last World Economic Outlook (WEO), partly because of the negative effects of tariff increases enacted in the United States and China earlier this year. Global growth, which peaked at close to 4% in 2017, softened to 3.6% in 2018, is projected to decline further to 3.3% in 2019. Although a 3.3% global expansion is still reasonable, the outlook for many countries is very challenging, with considerable uncertainties in the short term, especially as advanced economy growth rates converge toward their modest long-term potential.

The risks to the global outlook remain skewed to the downside amid high policy uncertainty. The global economy also remains susceptible to a sudden shift in market sentiment and associated tightening in financial conditions. On the upside, if recent tariff increases are rolled back and trade tensions resolved, rising business confidence could lift growth. Further, fiscal policy should strike the right balance between growth and debt sustainability objectives as appropriate in individual countries. In countries with high debt, gradual fiscal adjustment is needed, particularly if financing risks are large. Depending on country circumstances, efforts should continue to raise revenue, reduce debt-related vulnerabilities, and make steady progress on economic and financial rebalancing.

The Indian economy witnessed robust industrial growth during FY 2018-19 and the momentum is expected to continue next year as well. The real challenge on the supply side is to reverse the slowdown in the growth of the agriculture sector and sustain the growth momentum in the industry. However, India's GDP growth is expected to accelerate moderately to 7.5% in FY19-20, driven by continued investment strengthening-particularly private improved export performance and resilient consumption.

### **TEXTILE INDUSTRY**

The Textile industry in India is highly diversified with a wide range of segments ranging from products of traditional handloom, handicrafts, wool and silk products

to the organized textile industry. It is the second largest industry in terms of providing employment opportunities to more than 35 million people in the country.

While maintaining its position in the market as the largest producer of jute in the world, India is also the second largest producer and exporter of cotton in the world at USD 6.3 billion, marginally close to China. The size of India's textile and apparel market recorded USD 108.5 billion in 2015 and is expected to reach USD 226 billion by 2023, growing at a CAGR of 8.7% between 2009 and 2023.

In order to follow the goal of making India's development inclusive, the central government is focusing on a number of policies in providing best manufacturing and infrastructure to local artisans, technology and innovation, enhancing skills and strengths of the local industry. Amended Technology Upgradation Funds Scheme (ATUFS) is one of the various policy initiatives & programmes which has been implemented for development of textiles and handicrafts, particularly for technology, infrastructure creation and skill development. ATUFS provides one time capital subsidy on investment in labour intensive segments and garment manufacturing and design studios. For apparel/garment and technical textiles subsectors, a subsidy of upto 15% is provided on capital investment, subject to a ceiling of INR 30 Crore over five years, whereas, for other subsectors, the subsidy is upto 10 % with a ceiling of INR 20 Crore.

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand.

### **TECHNICAL TEXTILE**

Technical textiles are functional fabrics, which find applications across multiple end-use industries such as automobile, construction, and others. These materials exhibit enhanced performance as compared to conventional textiles. Technical textiles are an important part of the textile industry and its potential is still largely untapped in India. However, with the increase in disposable income, the consumption of technical textiles is also expected to increase.

By 2020-21 the technical textile sector is projected to reach a market size of ₹ 2 lakh crores. To boost the technical textile sector, Ministry of Textiles has taken the initiative of persuading all the user Ministries at the highest level to incorporate the technical textiles in their specifications, manuals, guidelines etc. With growing awareness and consumption of technical textiles, greater innovation in the field and demand from end-use industries, the country is a promising destination with an increasing demographic dividend and consumption scenario. The global technical textile market was valued at USD 234,715 Mn. in 2017 and is projected to reach to USD 334,938 Mn. by 2025, growing at a CAGR of 4.5% from the year 2018 to 2025.

## BUSINESS

Textile exports from India are consistent in various types of yarns where India has a very strong position as a reliable supplier worldwide. The opportunity for exports is not just for the manufacturers but as a trader too there is ample opportunity as there are many lesser known good quality producing mills which do not have needed exposure in exports market.

Taking clue from this opportunity, we at BTTL decided to explore exports market with trading of yarn and have started exporting following yarns: 100% Cotton Raw White yarns, 100% Cotton Dyed yarns and 100% Cotton Melange yarns. Countries where we are focusing for these exports are Europe, Mauritius, Tunisia, Bangladesh etc. Since most of these products are commodity in nature, the trading margin on these products is in the range of 2-5%.

During the year, Company achieved standalone revenue of ₹ 150.63 Lakh against ₹ 67.67 Lakh recorded in the previous year ended 31st March, 2018. Further the Profit before tax of the Company was ₹ 42.80 Lakh for the year ended 31st March, 2019 as against ₹ 44.13 Lakh attained during the previous year ended 31st March, 2018. The Net profit of the Company during the year was at ₹ 35.19 Lakh against ₹ 31.18 Lakh in the previous year ended 31st March, 2018.

Your Company is proposing to accelerate the volume through exports of various yarns and is hopeful of achieving sizeable turnover and profitability.

Bhilwara Technical Textiles Limited already holds substantial stake in equity share capital of BMD Pvt. Ltd. which is a leading manufacturer of high performance specialized furnishing fabrics for automotives, contract furnishing, flame retardant fabric & air texturized yarn.

BMD Pvt. Ltd. has also forayed in the Wind Power and Solar Power Generation which also gives the Company indirect exposure in the renewable energy sector.

BMD has a continuous track record of good performance and maintains leadership for its products in OE Segment.

## STRENGTHS AND OPPORTUNITIES

1. Complete value chain from the procurement of raw materials to the production of finished goods.
2. Huge untapped potential for the development of technical textiles.
3. Make in India campaign covering 25 sectors including the textile and garment industry has been launched. Large and diversified segments in this industry that provide wide variety of products.
4. ASEAN countries to develop as a textile and garment manufacturing hub, so opportunities for global and regional export should improve.
5. New Product development which needs additional focus in Indian Companies in order to move up the value chain and capture a great global market share.
6. Vibrant domestic market, enabling manufacturers to spread out risk.

## WEAKNESS AND THREATS

1. Use of outdated manufacturing technology from the low end supplier which has resulted in low value addition in the industry.
2. India is its geographical distance from major global markets of US, Europe and Japan in contrast to its rivals like Mexico, China etc which are comparatively nearer. Big geographical distance results in high shipping expenses and lengthy lead-time.
3. Fragmented Industry leads to lower ability to expand and emerge as 'world –class' players.
4. Intense competition in domestic market.
5. Volatile exchange rate situation.

## Significant changes i.e. change of 25% or more in the key financial ratios

In accordance with the amendments notified by SEBI in Regulation 34 the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 on 9th May, 2018, the details of significant changes i.e. change of 25% or more in the key financial ratios as compared to the immediately previous financial year along with detailed explanations are reported hereunder :-

Particulars	Period Ended 31.03.2019	Period Ended 31.03.2018	% change	Remarks
<b>Stability Ratios</b>				
Debt Equity Ratio (Total Debt)	-	-	-	-
Debt Service Coverage Ratio (DSCR)	-	-	-	-
Interest Coverage Ratio	-	-	-	-
<b>Liquidity Ratios</b>				
Current Ratio (Incl. CPTL)	6.49	1075.02	-99.40	Due to start of trading activity during the Financial Year 2018-19.
Current Ratio (Excl. CPTL)	6.49	1075.02	-99.40	Due to start of trading activity during the Financial Year 2018-19.
Debtors Turnover Ratio (no. of days)	364.68	0	0	Due to start of trading activity during the Financial Year 2018-19
Inventory Turnover Ratio (no. of days)	392.51	0	0	Due to start of trading activity during the Financial Year 2018-19
<b>Profitability Ratios</b>				
Operating Profit Margin	54.65	0	0	Due to start of trading activity during the Financial Year 2018-19
Net Profit Margin	44.73	0	0	Due to start of trading activity during the Financial Year 2018-19

### CHANGE IN RETURN ON NET WORTH IN COMPARISON TO THE PREVIOUS YEAR

During the financial year ended 31st March, 2019, the return in net worth of the Company was 1.99% as compared to the previous financial year ended 31st March, 2018 which was at 1.80%. The change was due to increase in other income during the financial year 2018-19.

### DISCLOSURE OF ACCOUNTING TREATMENT

The Company has followed the same Accounting treatment as prescribed in the relevant Accounting Standards while preparing the Financial Statements.

### HUMAN RESOURCES

The Company works on the theory of developing the key competencies that enable individuals in organizations to perform current and future jobs through integrated use of training, organization and career development efforts to improve individual, group, and organizational effectiveness. Your Company believes that continuous development of its human resource fosters engagement and drives competitive advantage. The Company

continues to focus on people development by developing a continuously learning human resource base to unleash their potential. The Company at present has one employee.

### CAUTIONARY STATEMENT

Certain statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'Forward-Looking Statements' within the meaning of applicable laws and regulations. Forward-looking statements are identified in this report by using words like 'anticipates', 'believes', 'expects', 'intends' and similar expressions in such statements. Such statements, however involve known or unknown risks, significant changes in the Political and Economic Environment in India or Key Markets Abroad, Exchange Rate Fluctuations and other costs that could cause actual outcomes and results to be materially different from those expressed or implied. The Company takes no responsibility in respect of forward looking statement herein which may undergo changes in future on the basis of subsequent developments, information or events.

## DIRECTORS' REPORT

Your Directors present the Twelfth Annual Report of your Company together with the audited Standalone and Consolidated Financial Statements for the financial year ended 31<sup>st</sup> March 2019.

### COMPANY'S PERFORMANCE

Your Company's performance during the fiscal year 2018 -2019 is summarized below:

### FINANCIAL RESULTS

(₹ In Lakhs)

Particulars	Standalone		Consolidated	
	2018-19	2017-18	2018-19	2017-18
Total Income	150.63	67.67	150.63	67.67
Profit before Interest & Depreciation	43.00	44.17	43.00	44.20
Less: Interest/Finance Cost	0.01	0.00	0.01	0.03
<b>Profit before Depreciation &amp; Amortisation</b>	<b>42.99</b>	<b>44.17</b>	<b>42.99</b>	<b>44.17</b>
Less: Depreciation & Amortisation	0.19	0.04	0.19	0.04
<b>Share in Associates</b>	-	-	<b>1096.43</b>	<b>944.35</b>
<b>Profit/(Loss) before Tax</b>	<b>42.80</b>	<b>44.13</b>	<b>1139.23</b>	<b>988.48</b>
<b>Less:</b>				
a) Current Tax	8.22	11.17	8.22	11.17
b) Deferred Tax	1.14	0.81	1.14	0.81
c) Tax Adjustment for earlier years	(1.75)	0.97	(1.75)	0.97
<b>Profit/(Loss) after Tax</b>	<b>35.19</b>	<b>31.18</b>	<b>1131.62</b>	<b>975.53</b>
<b>Other Comprehensive Income</b>				
Share in OCI of Associate	-	-	(3.31)	(37.77)
<b>Total Comprehensive Income</b>	<b>35.19</b>	<b>31.18</b>	<b>1128.31</b>	<b>937.76</b>

### DIVIDEND AND OTHER APPROPRIATIONS

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

### OPERATIONAL INFORMATION

Your Company has decided to explore exports market with trading of yarns and have started exporting various yarns viz. 100% Cotton raw white yarns; 100% Cotton Dyed yarns and 100% Cotton Melange yarns.

Your Directors further inform the members that your Company achieved standalone revenue of ₹ 150.63 Lakh for the year ended 31<sup>st</sup> March, 2019 against ₹ 67.67 Lakh recorded in the previous year ended 31<sup>st</sup> March, 2018. Further, during the year under review, your Company recorded standalone net profit of ₹ 35.19 Lakh against ₹ 31.18 lakh in the previous year.

Your Company is proposing to accelerate the volume through exports of various yarn and is hopeful of achieving sizeable turnover and profitability.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

Your Directors inform that Shri Shekhar Agarwal, Managing Director & CEO retires by rotation and being eligible offers himself for reappointment.

Your Directors further inform the members that first

term of Shri Priya Shankar Dasgupta as Independent Director is due for completion on 29<sup>th</sup> September, 2019. Your Directors upon commendation of Nomination and Remuneration Committee proposed to re-appoint Shri Priya Shankar Dasgupta for the second term of 5 years w.e.f 30<sup>th</sup> September, 2019. The proposal for confirmation of re-appointment of Shri Priya Shankar Dasgupta as Independent Director for 2nd term of 5 years shall be put up before the ensuing Annual General Meeting.

Your Directors further inform the members that first term of Smt. Sunita Mathur as Independent Director is due for completion on 26<sup>th</sup> March, 2019. Your Directors upon commendation of Nomination and Remuneration Committee proposed to re-appoint Smt. Sunita Mathur for the second term of 5 years w.e.f 27<sup>th</sup> March, 2019. The proposal for confirmation of re-appointment of Smt. Sunita as Independent Director for 2nd term of 5 years shall be put up before the ensuing Annual General Meeting.

Your Directors further inform the members that pursuant to the provisions of Section 149(7) of the Companies Act, 2013 the declaration has been received from Independent Directors at the beginning of the financial

year stating that they meet the criteria of independence as specified under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges.

Consequently during the year, Shri Rahul Handa and Shri Nand Lal Thakur who were appointed as the Company Secretary, Compliance Officer and Chief Financial Officer of the Company on 28<sup>th</sup> January, 2016 and 08<sup>th</sup> August, 2018 respectively resigned from the post of Company Secretary, Compliance Officer and Chief Financial Officer of the Company on 13<sup>th</sup> June, 2018 and 12<sup>th</sup> December, 2018 respectively.

Consequently during the year, Shri Arjun Sharma was appointed as Company Secretary, Compliance Officer and Chief Financial Officer of the Company on 7<sup>th</sup> February, 2019

None of the Directors of the Company are disqualified as per the provisions of Section 164 of the Companies Act, 2013. The Directors have made necessary disclosures, as required under various provisions of the Companies Act, 2013.

## **AUDIT REPORTS AND AUDITORS:**

### **Statutory Auditor**

M/s Doogar & Associates, Chartered Accountants (Firm Registration No. 000561N) was appointed as Statutory Auditors of the Company at the 10<sup>th</sup> Annual General Meeting of the members of the company held on 21<sup>st</sup> September, 2017 for a term of 5 years till conclusion of 15<sup>th</sup> Annual General Meeting subject to ratification by members at every subsequent Annual General Meeting.

Your Directors inform the members that in accordance with the amendment notified by MCA on 7<sup>th</sup> May, 2018, the requirement of ratification of the appointment of Statutory Auditors at every Annual General Meeting has been omitted and is no longer required.

However, the Statutory Auditors have confirmed their eligibility under section 141 of the Companies Act, 2013 and rules framed there under.

During the year 2019, the Auditors had not reported any matter under Section 143 (12) of the Act; therefore no detail is required to be disclosed under Section 134(3) (ca) of the Act

The observations of the Auditors, if any, are explained wherever necessary, in the appropriate notes to the accounts which are forms part of this Annual Report.

The Auditors' Report does not contain qualification, reservation or adverse remark, disclaimer or emphasis of matter.

### **Internal Auditor**

During the year, under Section 138 of the Companies Act, 2013 read with The Companies (Accounts) Rules, 2014, the Company has appointed M/s Ashim & Associates, Chartered Accountants as the Internal Auditors of the Company.

The role of internal auditors includes but is not limited to review of internal audit observations and monitoring of implementation of corrective actions required, reviewing of various policies and ensure its proper implementation, reviewing of SOPs and there amendments if any.

### **Secretarial Auditor**

Pursuant to Section 204 of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Manisha Gupta & Associates, Company Secretaries a practicing secretaries firm as the Secretarial Auditor of the Company for the year ending 31<sup>st</sup> March, 2019. The Report of Secretarial Audit is annexed as **Annexure - I**.

The Report of Secretarial Audit does not contain any qualification, reservation or adverse remark.

## **CORPORATE SOCIAL RESPONSIBILITY**

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

## **NUMBER OF MEETINGS OF THE BOARD**

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

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

## **ANNUAL RETURN**

The extract of annual return as required under section 92(3) of the Companies Act, 2013 read with rule 12 of the Companies (Management and Administration) Rules, 2014, is available on the website of the Company and attached as **Annexure – II**.

## **DIRECTORS' APPOINTMENT AND REMUNERATION POLICY**

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, the Board of Directors on the recommendation of Nomination and Remuneration Committee has framed a policy for the appointment of Directors and Senior Management which was reviewed and approved in line with the amendments notified by SEBI (Prohibition of Insider Trading) Amendment Regulations, 2018. The said policy forms part of the Board Report as **Annexure - III**.

## **ANNUAL EVALUATION BY THE BOARD**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the annual evaluation has been made by the Board of its own performance,

its committees and the individual Director. The manner of evaluation is mentioned in the Nomination and Remuneration policy which forms part of Board Report.

Further, every Independent Director of the Company is familiarized with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates etc., through various programmes.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

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

#### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

During the Financial Year, there was no material contracts or arrangements entered into by the Company with any of the related party. Yours Directors draw attention of the Members to note no 30.2 to the financial statement which contain particulars of transactions with related parties as per applicable provisions of Companies Act, 2013.

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

There was no significant and material order passed by the regulators or courts during the year.

#### **RISK MANAGEMENT**

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

#### **CORPORATE GOVERNANCE**

Your company has complied with all the requirements of Corporate Governance as required under Listing Regulations, wherever applicable.

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

#### **WHISTLE BLOWER POLICY**

With the objective of pursuing the business in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior and to encourage and protect the employees who wish to raise and report their genuine concerns about any unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct, the Company has adopted a Whistle Blower Policy. The Company has adopted a framework whereby the

identity of the complainant is not disclosed. The policy has been disclosed on the website of the Company, the link of which is given hereunder:

[http://www.bttl.co.in/wh\\_policy.pdf](http://www.bttl.co.in/wh_policy.pdf)

#### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report, as required by regulation 34 (2) of listing regulations, forms part of the Annual Report.

#### **INTERNAL CONTROL SYSTEMS**

Your Directors feel that adequate control systems are the backbone of any company. Your Directors endeavour to place adequate control systems commensurating with the size of the Company to ensure that all the information provided to the management is reliable and also the obligations of the Company are properly adhered to. These systems provide a strong structure which in turns help in the compliance of various laws and statutes which automatically translate into Financial and Operational Development of the Company. Your Directors endeavour to inform the member that all the obligations of the Company are properly adhered to.

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

Your Directors endeavour to continuously improve and monitor the internal control systems.

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

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

#### **PARTICULARS OF EMPLOYEES**

The information of employees pursuant to Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as **Annexure – V**.

Further, pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the relevant statement is annexed as **Annexure - VI**.

#### **SIGNIFICANT MATERIAL CHANGES AFTER BALANCE SHEET DATE AFFECTING FINANCIAL POSITION**

There is no change or commitment which affects the financial position of the Company that may have occurred between the end of the financial year of the Company to which financial statements relates. i.e. 31.03.2019 and the date of report 29th May, 2019.

## **SUBSIDIARY/JOINT VENTURE/ ASSOCIATE COMPANY**

The Company does not have any Subsidiary or Joint Venture Company. However, BMD Private Limited is an Associate Company of the Company.

A statement containing the salient features of the financial statements of BMD Private Limited in the prescribed format AOC-1 is appended as **Annexure-VII**. Pursuant to the requirement of Section 129 of the Companies Act, 2013 the financial statement of Associate Company has been consolidated and presented in the consolidated financial statements presented in the Annual Report.

## **PUBLIC DEPOSIT**

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

## **DIRECTORS' RESPONSIBILITY STATEMENT**

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

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

## **MAINTENANCE OF COST RECORDS**

The Company is not required to maintain cost records under Sub- Section (1) of Section 148 of the Companies Act 2013.

## **COMPLIANCE WITH THE PROVISIONS OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company is committed to uphold and maintain the dignity of women employees and it has a policy which provides for protection against sexual harassment of women at work place and for prevention and redressal of such complaints. During the year, no such complaints were received. The company has complied with the provisions relating to the constitution of Internal Compliance Committee under the Sexual Harassment of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013.

## **INDIAN ACCOUNTING STANDARDS (IND AS):**

The Company has followed the guidelines of Accounting Standards/IND-AS laid down by the Institute of Chartered Accountant of India in preparation of Financial Statement.

## **GENERAL**

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

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

## **ACKNOWLEDGEMENTS**

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

**For and on behalf of the Board**

Sd/-

**Shekhar Agarwal**

Chairman,

Managing Director & CEO

DIN-00066113

Place: Noida

Date: 29<sup>th</sup> May, 2019

**ANNEXURE I TO DIRECTORS' REPORT**

Form - MR-3

**SECRETARIAL AUDIT REPORT**

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2019**

To  
The Members  
**Bhilwara Technical Textiles Limited**  
**LNJ Nagar, Mordi**  
**Banswara,**  
**Rajasthan-327001**  
**CIN:-L18101RJ2007PLC025502**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Bhilwara Technical Textiles Limited** (hereinafter called the 'company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2019 ('Audit Period') 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2019 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) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent

of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (c) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

- (d) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

- (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014-Not Applicable;

- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not Applicable;

- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;

- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009-Not Applicable;

- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not Applicable;

- (j) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

- (vi) I further report that, I have also referred the following laws specifically applicable on the Company having

regard to the nature of Industry in which company is operating:-

- (a) Textiles (Development & Regulation) Order, 2001
- (b) National Textile Policy, 2000
- (c) The Textiles Committee Act, 1963
- (d) The Textile Undertakings (Nationalisation) Act, 1995

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

- (i) Secretarial Standard on Meetings of the Board of Directors and Secretarial Standard on General Meetings as issued and revised thereof by The Institute of Company Secretaries of India ("ICSI").

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

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all directors to schedule the Board Meetings, agenda and generally detailed

notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured (where they were) and recorded as part of the minutes.

**I 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.

**I further report that** during the audit period the company has no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**For Manisha Gupta & Associates**

*(Company Secretaries)*

Sd/-

**Manisha Gupta**

Company Secretary

M. No. FCS 6378

C.P. No. 6808

Place: New Delhi

Date: 29<sup>th</sup> May, 2019

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

**ANNEXURE A**

To,

The Members,

**Bhilwara Technical Textiles Limited**

**LNJ Nagar, Mordi**

**Banwara,**

**Rajasthan-327001**

**CIN:- L18101RJ2007PLC025502**

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

Further, my verification to the compliance of the laws specifically to the Company are limited to test check on random basis without going into the detailed technical scrutiny.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Manisha Gupta & Associates**

*(Company Secretaries)*

Sd/-

**Manisha Gupta**

Company Secretary

M. NO. FCS 6378

C.P. No. 6808

Place: New Delhi

Date: 29<sup>th</sup> May, 2019

## ANNEXURE - II TO DIRECTORS' REPORT

Form No. MGT-9

### EXTRACT OF ANNUAL RETURN

**as on the financial year ended on 31<sup>st</sup> March, 2019**

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

#### I. REGISTRATION AND OTHER DETAILS:

- |      |   |  |
|------|---|--|
| i)   | CIN   | L18101RJ2007PLC025502  |
| ii)  | Registration Date   | 14 <sup>th</sup> December, 2007  |
| iii) | Name of the Company   | Bhilwara Technical Textiles Limited  |
| iv)  | Category / Sub-Category of the Company                                    | Public Company/ Company limited by shares  |
| v)   | Address of the Registered office and contact details                      | LNJ Nagar, Mordi, Banswara, Rajasthan – 327 001<br>Tel.No. +91-2961-231251-52, 231385,<br>+91-2962-302400<br>Website: <a href="http://www.bttil.co.in">www.bttil.co.in</a><br>E-mail: <a href="mailto:bttil.investor@lnjbhilwara.com">bttil.investor@lnjbhilwara.com</a>   |
| vi)  | Whether listed company  | Yes  |
| vii) | Name, Address and Contact details of Registrar and Transfer Agent, if any | BEETAL Financial & Computer Services (P) Ltd.<br>Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, New Delhi – 110 062<br>Tel. No. 011-29961281-83, Fax No. 011-29961284<br>E-mail : <a href="mailto:beetalrta@gmail.com">beetalrta@gmail.com</a> ,<br><a href="mailto:beetal@beetalfinancial.com">beetal@beetalfinancial.com</a> |

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

All the business activities contributing 10 % or more of the total turnover of the company are given hereunder.

S No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Other Yarn & fabrics	99611319	100.00

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S No	Name & Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
1	BMD Private Limited Village- Mordi, Tehsil- Ghatol, Banswara, Rajasthan- 327 001	U18101RJ1996PTC012501	Associate	49.87	2(6)

#### IV. SHARE HOLDING PATTERN (equity share capital breakup as percentage of total equity)

##### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2018				No. of Shares held at the end of the year 31.03.2019				% change during the Year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>(A) Promoters</b>									
<b>1 Indian</b>									
(a) Individual / HUF	2,22,53,924	-	2,22,53,924	38.12	2,22,53,924	-	2,22,53,924	38.12	0.00
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt (s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corporate	1,49,22,267	-	1,49,22,267	25.57	1,49,22,267	-	1,49,22,267	25.57	0.00
(e) Banks / FI									
(f) Any Other									
<b>Subtotal (A) (1)</b>	<b>3,71,76,191</b>	<b>-</b>	<b>3,71,76,191</b>	<b>63.69</b>	<b>3,71,76,191</b>	<b>-</b>	<b>3,71,76,191</b>	<b>63.69</b>	<b>0.00</b>
<b>2 Foreign</b>									
(a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
(b) Other - Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-	-
<b>Subtotal (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoters (A) = (A) (1) + (A) (2)</b>	<b>3,71,76,191</b>	<b>-</b>	<b>3,71,76,191</b>	<b>63.69</b>	<b>3,71,76,191</b>	<b>-</b>	<b>3,71,76,191</b>	<b>63.69</b>	<b>0.00</b>
<b>(B) Public shareholding</b>									
<b>1 Institutions</b>									
(a) Mutual Funds	6,013	46,625	52,638	0.09	6013	46625	52638	0.09	0.00
(b) Banks / FI	29281	2,487	31768	0.05	29281	2487	31768	0.05	0.00
(c) Central Govt	-	-	-	-	-	-	-	-	-
(d) State Govt (s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	12,55,314	-	12,55,314	2.16	1255314	-	1255314	2.16	0.00
(g) FIs	1	250	251	0.00	0	250	250	0.00	0.00
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others	-	-	-	-	-	-	-	-	-
<b>Sub-total (B) (1)</b>	<b>12,90,609</b>	<b>49,362</b>	<b>13,39,971</b>	<b>2.30</b>	<b>12,90,608</b>	<b>49,362</b>	<b>13,39,970</b>	<b>2.30</b>	<b>0.00</b>
<b>B 2 Non-institutions</b>									
(a) Bodies Corporate									
i) Indian	10984032	9676	10993708	18.83	1,07,81,750	9276	1,07,91,026	18.49	0.36
ii) Overseas	-	10,46,250	10,46,250	1.79	-	10,46,250	10,46,250	1.79	0.00

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2018				No. of Shares held at the end of the year 31.03.2019				% change during the Year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs 1 lakh	58,38,007	9,59,225	67,97,232	11.64	57,49,050	8,33,341	65,82,391	11.28	0.23
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	4,71,646	0	4,71,646	0.81	7,36,630	-	7,36,630	1.26	-0.22
(c) Others									
i) Trust	250	-	250	0.00	250	-	250	0.00	0.00
ii) NRI	99408	22,521	121929	0.21	87022	22521	109543	0.19	-0.02
iii) Clearing Member	1454	-	1454	0.00	152596	0	152596	0.26	0.26
iv) HUF	424674	0	424674	0.73	4,38,458	0	4,38,458	0.75	0.02
<b>Sub-total (B) (2)</b>	<b>1,78,19,471</b>	<b>2037672</b>	<b>1,98,57,143</b>	<b>34.01</b>	<b>17945756</b>	<b>1911388</b>	<b>19857144</b>	<b>34.01</b>	<b>0.72</b>
<b>(B) Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	<b>1,91,10,080</b>	<b>2087034</b>	<b>2,11,97,114</b>	<b>36.31</b>	<b>19236364</b>	<b>1960750</b>	<b>2,11,97,114</b>	<b>36.31</b>	<b>-0.00</b>
<b>(C) Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A) + (B) + (C)</b>	<b>5,62,86,271</b>	<b>20,87,034</b>	<b>5,83,73,305</b>	<b>100.00</b>	<b>5,64,12,555</b>	<b>19,60,750</b>	<b>5,83,73,305</b>	<b>100</b>	<b>0.00</b>

### ii) Shareholding of Promoters

S. No	Shareholder's Name	Shareholding at the beginning of the year 01 <sup>st</sup> April, 2018			Shareholding at the end of the year-31 <sup>st</sup> March, 2019			% change in share holding during the year
		No. Of Shares	% of total Shares of the company	% of Shares pledged/encumbered to total shares	No. Of Shares	% of total Shares of the company	% of Shares pledged/encumbered to total shares	
1	Shri Shekhar Agarwal	26,16,425	4.48	-	26,16,425	4.48	-	0.00
2	Shri Shekhar Agarwal-HUF	40,27,344	6.90	-	40,27,344	6.90	-	0.00
3	Smt. Shashi Agarwal	77,59,855	13.29	-	1,01,59,855	17.40	-	4.11
4	Ms. Shuchi Poddar	25,34,685	4.34	-	134685	0.23	-	(4.11)
5	Shri Shantanu Agarwal	53,08,115	9.09	-	53,08,115	9.09	-	0.00
6	Shri Shekhar Agarwal- Trust	3,750	0.01	-	3,750	0.01	-	0.00
7	Shri Shantanu Agarwal-HUF	3,750	0.01	-	3,750	0.01	-	0.00
8	M/s Agarwal Finestate Pvt. Ltd.	73,15,358	12.53	-	7315358	12.53	-	9.75
9	M/s LNJ Financial Services Ltd.	21,250	0.04	-	21,250	0.04	-	0.00
10	M/s Ultramarine Impex Pvt. Ltd.	25,05,477	4.29	-	25,05,477	4.29	-	0.00
11	M/s Diplomat Leasing and Finance Pvt. Ltd.	14,78,504	2.53	-	14,78,504	2.53	-	0.00
12	M/s Sita Nirman Pvt. Ltd.	3601678	6.17	-	3601678	6.17	-	0.09
	<b>Total</b>	<b>37176191</b>	<b>63.68</b>		<b>37176191</b>	<b>63.68</b>		<b>2.31</b>

## iii) Change in Promoters' Shareholding (Please specify, if there is no change)

S No.		Shareholding at the beginning of the year-01.04.2018		Cumulative Shareholding during the Year-31.03.2019	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	37176191	63.68	37176191	63.68
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	# (Refer Note)			
	At the end of the year	37176191	63.68	37176191	63.68

# Decrease/Increase in shareholding of Promoters group is mentioned hereunder:

SI No.	Name	Shareholding at the beginning of the year 01.04.2018		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.18 to 31.03.2019)	
		No. of Shares at the beginning (01.04.2018)/ End of the Year (31.03.2019)	% of total Shares of the Company				No. of Shares	% of total shares of the Company
1	Ms. Shashi Agarwal	77,59,855	13.29	01.04.2018				
				12.10.2018	24,00,000	Purchase		
				31.03.2019			1,01,59,855	17.41
2	Ms. Shuchi Poddar	25,34,685	4.34	01.04.2018				
				12.10.2018	-24,00,000	Transfer		
				31.03.2019			1,34,685	0.23

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

S No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.18 to 31.03.2019)	
		No of Shares at the beginning (01-04-2018)/ End of the Year (31.03.2019)	% of total shares of the company				No. of shares	% of total shares of the company
1	Anderson Dealtrade Pvt. Ltd.	5061215	8.67	01.04.2018				
				03.08.2018	100000	Purchase	5161215	8.84
				10.08.2018	250474	Purchase	5411689	9.27
				31.03.2019			5411689	9.27
2	Inter Globe Capital Market Ltd	1038688	1.7794	01.04.2018				
				09.11.2018	50000	Purchase	1088688	1.87
				16.11.2018	50000	Purchase	1138688	1.95
				07.12.2018	50000	Purchase	1188688	2.03
				15.03.2019	199006	Purchase	1387694	2.38
				22.03.2019	348946	Purchase	1736640	2.98
				29.03.2019	803213	Purchase	2539853	4.35
				30.03.2019	320	Purchase	2540173	4.35
				31.03.2019			2540173	4.35

S No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.18 to 31.03.2019)	
		No of Shares at the beginning (01-04-2018)/ End of the Year (31.03.2019)	% of total shares of the company				No. of shares	% of total shares of the company
3	Life Insurance Corporation of India	1255236	2.15	01.04.2018	0	Nil movement during the year	1255236	2.15
		1255236	2.15	31.03.2019	0		1255236	2.15
4	KLG Orchards And Resorts Pvt. Ltd.	1116500	1.91	01.04.2018	0	Nil movement during the year	1116500	1.91
		1116500	1.91	31.03.2019	0		1116500	1.91
5	Deltra Ltd.	976500	1.67	01.04.2018	0	Nil movement during the year	976500	1.67
		976500	1.67	31.03.2019	0		976500	1.67
6	Symphony Merchants Pvt. Ltd.	5,36,000	0.92	01.04.2018				
				17.08.2018	-1000	Transfer	5,35,000	0.92
				24.08.2018	-1500	Transfer	5,33,500	0.91
				31.08.2018	-200	Transfer	5,33,300	0.91
				14.09.2018	-200	Transfer	5,33,100	0.91
				28.09.2018	-200	Transfer	5,32,900	0.91
				05.10.2018	-100	Transfer	5,32,800	0.91
				12.10.2018	-500	Transfer	5,32,300	0.91
				19.10.2018	-2200	Transfer	5,30,100	0.91
				02.11.2018	-800	Transfer	5,29,300	0.91
				09.11.2018	-300	Transfer	5,29,000	0.91
				16.11.2018	-2000	Transfer	5,27,000	0.90
				30.11.2018	-2300	Transfer	5,24,700	0.90
				07.12.2018	-1200	Transfer	5,23,500	0.90
				14.12.2018	-600	Transfer	5,22,900	0.90
				21.12.2018	-800	Transfer	5,22,100	0.89
				28.12.2018	-700	Transfer	5,21,400	0.89
		04.01.2019	-1000	Transfer	5,20,400	0.89		
		11.01.2019	-800	Transfer	5,19,600	0.89		
		18.01.2019	-300	Transfer	5,19,300	0.89		
		08.02.2019	-400	Transfer	5,18,900	0.89		
		08.03.2019	-1500	Transfer	5,17,400	0.89		
		15.03.2019	-1500	Transfer	5,15,900	0.88		
		31.03.2019			5,15,900	0.88		
7.	G Shankar	3000	0.0051	01.04.2018				
				13.04.2018	3604	Purchase	6604	0.01
				20.04.2018	1300	Purchase	7904	0.01
				27.04.2018	5400	Purchase	13304	0.02
				25.05.2018	3500	Purchase	16804	0.02
				08.06.2018	15400	Purchase	32204	0.05
				15.06.2018	31870	Purchase	64074	0.10
				22.06.2018	32571	Purchase	96645	0.17
				29.06.2018	5490	Purchase	102135	0.18
		06.07.2018	24404	Purchase	126539	0.22		
		13.07.2018	4200	Purchase	130739	0.22		

S No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.18 to 31.03.2019)	
		No of Shares at the beginning (01-04-2018)/ End of the Year (31.03.2019)	% of total shares of the company				No. of shares	% of total shares of the company
				20.07.2018	21012	Purchase	151751	0.26
				27.07.2018	12784	Purchase	164535	0.28
				03.08.2018	23545	Purchase	188080	0.32
				10.08.2018	429	Purchase	188509	0.32
				24.08.2018	5900	Purchase	194409	0.33
				31.08.2018	2700	Purchase	197109	0.34
				07.09.2018	8000	Purchase	205109	0.35
				14.09.2018	4307	Purchase	209416	0.36
				21.09.2018	8980	Purchase	218396	0.37
				28.09.2018	2000	Purchase	220396	0.38
				12.10.2018	1900	Purchase	222296	0.38
				19.10.2018	200	Purchase	222496	0.38
				02.11.2018	9581	Purchase	232077	0.40
				16.11.2018	40	Purchase	232117	0.40
				25.01.2019	1696	Purchase	233813	0.40
				08.02.2019	2000	Purchase	235813	0.41
				01.03.2019	4290	Purchase	240103	0.43
				08.03.2019	12697	Purchase	252800	0.45
				15.03.2019	10947	Purchase	263747	0.45
				29.03.2019	1237	Purchase	264984	0.45
		264984	0.4539	31.03.2019			264984	0.45
8.	Kamal Metharam Jagwani	241646	0.41	01.04.2018	0	Nil movement during the year	241646	0.41
		241646	0.41	31.03.2019			241646	0.41
9.	Veena K Jagwani	230000	0.39	01.04.2018	0	Nil Movement during the year	230000	0.39
		230000	0.39	31.03.2019			230000	0.39
10.	Anjaney Stock Broking Limited	4349	0.0075	01.04.2018				
				27.07.2018	-4349	Transfer	0	0.00
				03.08.2018	200000	Purchase	200000	0.34
				10.08.2018	-200000	Transfer	0	0.34
				02.11.2018	50000	Purchase	50000	0.09
				09.11.2018	-50000	Transfer	0	0.09
				15.03.2019	101000	Purchase	101000	0.17
				22.03.2019	299000	Purchase	400000	0.69
				29.03.2019	-249680	Transfer	150320	0.26
				30.03.2019	-320	Transfer	150000	0.26
		150000	0.26	31.03.2019			150000	0.26

v) **Shareholding of Directors and Key Managerial Personnel**

S No	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.18 to 31.03.2019)	
		No of Shares at the beginning (01-04-2018)/ End of the Year (31.03.2019)	% of total shares of the company				No. of shares	% of total shares of the company
1	Shri Shekhar Agarwal, Chairman, Managing Director, CEO & KMP	26,16,425	4.48	01.04.2018	0	Nil movement during the year	26,16,425	4.48
		26,16,425	4.48	31.03.2019				
2	Shri Shantanu Agarwal	53,08,115	9.09	01.04.2018	0	Nil movement during the year	53,08,115	9.09
		53,08,115	9.09	31.03.2019				
3	Shri Riju Jhunjhunwala	0	0.00	01.04.2018	0	Nil movement during the year	0	0.00
		0	0.00	31.03.2019				
4	Shri P. S. Dasgupta	0	0.00	01.04.2018	0	Nil movement during the year	0	0.00
		0	0.00	31.03.2019				
5	Smt. Sunita Mathur	0	0.00	01.04.2018	0	Nil movement during the year	0	0.00
		0	0.00	31.03.2019				
6	Shri Arjun Sharma, Company Secretary, CFO and KMP	0	0.00	01.04.2018	0	Nil movement during the year	0	0.00
		0	0.00	31.03.2019				

V. **INDEBTEDNESS**

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

(₹ In Lakhs)

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

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager

(₹ In Lakhs)

S No	Particulars of remuneration	Shri Shekhar Agarwal, Managing Director & CEO*	Total Amount
1	Gross salary	Nil	Nil
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission		
	- as % of profit		
	- others		
5	Others, please specify		
	Total (A)	Nil	Nil
	Ceiling as per the Act		

\* No remuneration is paid to Shri Shekhar Agarwal, Chairman, Managing Director & CEO of the Company

### B. Remuneration to other director

(₹ In Lakhs)

S No	Particulars of Directors	Fee for attending Board / Committee meetings	Commission	Others	Total Amount
1	<b>Independent Directors</b>				
i	Shri Priya Shankar Dasgupta	0.24	-	-	0.24
ii	Smt. Sunita Mathur	0.32	-	-	0.32
	Total B (1)	0.56	-	-	0.56
2	<b>Other Non-Executive Directors</b>				
i	Shri Riju Jhunjunwala	0.24	-	-	0.24
ii	Shri Shantanu Agarwal	0.08	-	-	0.08
	Total B (2)	0.32	-	-	0.32
	Total B (1) + B (2)	0.88	-	-	0.88
	<b>Overall Ceiling as per the Act</b>				

**C. Remuneration to Key Managerial Personnel (other than MD)**

(₹ In Lakhs)

Sl. No	Particular of Remuneration	Shri Rahul Handa, Company Secretary and CFO (Up to 13 <sup>th</sup> June, 2018)	Shri Nand Lal Thakur, Company Secretary and CFO (From 08 <sup>th</sup> August, 2018 to 12 <sup>th</sup> December, 2018)	Shri Arjun Sharma, Company Secretary and CFO (From 7 <sup>th</sup> February, 2019)	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2.11	1.30	0.57	3.98
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total (A)</b>	<b>2.11</b>	<b>1.30</b>	<b>0.57</b>	<b>3.98</b>
	Ceiling as per the Act				

**VII. PENALTIES/ PUNISHMENTS / COMPOUNDING OF OFFENCES**

TYPE		Section of the Companies Act, 2013	Brief Description	Details of Penalty/ Punishment/ Compounding Fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give Details)
A.	Company					
	Penalty					
	Punishment					
	Compounding					
B.	Directors					
	Penalty					
	Punishment					
C.	Other Officers in Default					
	Penalty					
	Punishment					

## **ANNEXURE- III TO DIRECTORS' REPORT**

### **NOMINATION & REMUNERATION POLICY**

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

The Nomination and Remuneration Committee and its Policy being in compliance with the provisions of Section 178 of the Companies Act, 2013, read with the applicable Rules so also, Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, applies to the Board of Directors, Key Managerial Personnel and the Senior Management Personnel of the Company.

#### **“Key Managerial Personnel (KMP) means and comprise-**

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

“**Senior Management**” shall mean officers/personnel of the listed entity who are members of its core management team excluding Board of Directors and normally this shall comprise all members of management one level below the chief executive officer/managing Director/whole time Director/manager (including chief executive officer/manager, in case they are not part of the Board) and shall specifically include company secretary and chief financial officer and including functional heads.

#### **Role and Objective of the Committee:**

1. To formulate the criteria for determining qualifications, positive attributes and independence of a Director.
2. Identify persons who are qualified to become Directors and who may be appointed in senior management positions in accordance with the criteria laid down in the policy.
3. Recommend to the Board the appointment and removal of Directors and Senior Management.
4. Specify the manner for effective evaluation of performance of Board, its committees and individual

directors to be carried out either by the Board, by the Committee itself or by an independent external agency and review its implementation and compliance.

5. Recommend to the Board a Policy, relating to the remuneration for the Directors, key managerial personnel and other employee .
6. To devise a policy on Board diversity
7. To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run Company successfully.
8. To ensure the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
9. To develop a Succession Plan for the Board and to review it regularly.
10. Recommend to the board, all remuneration, in whatever form, payable to senior management.
11. To perform such other functions as may be referred by the Board or be necessary in view of the Listing Regulation, 2015 and the provisions of the Companies Act, 2013 and Rules made thereunder

#### **Membership :**

1. The Committee shall comprise at least three (3) Directors, all of whom shall be Non-Executive Directors and at least half of them shall be independent.
2. Minimum two (2) members or one third of the members, whichever is greater, including at least one (1) Independent Director in attendance shall constitute a Quorum for a Committee meeting.
3. Membership of the Committee shall be disclosed in the Annual Report.
4. Term of the Committee shall be continued unless terminated by the Board of Directors.

#### **Chairperson:**

1. Chairperson of the Committee shall be an Independent Director.
2. Chairperson of the Company may be appointed as a member of the Committee but shall not Chair the Committee.

3. In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
4. Chairperson of the Nomination and Remuneration Committee could be present at the Annual General Meeting or may nominate some other member of the committee to answer the shareholders' queries.

**Frequency of Meetings:**

The meeting of the Committee shall be held at such regular intervals as may be required. However, the Committee shall meet atleast once in a year

**Committee Member's Interests:**

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

**Voting :**

1. Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall, for all purposes, be deemed to be a decision of the Committee.
2. In the case of equality of votes, the Chairperson of the meeting will have a casting vote.

**Appointment of Directors/KMP/Senior Management:**

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

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

**Letter of Appointment:**

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

**Policy on Board Diversity:**

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

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

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

**1. Fixed Pay :**

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

**2. Minimum Remuneration :**

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

**3. Provision for excess remuneration :**

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

**4. Increment :**

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

**Remuneration to Non-Executive/Independent Director:****1. Remuneration/Commission:**

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

**2. Sitting Fees:**

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

**Other Provisions:**

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

- The Independent Directors shall not be entitled to any Stock Option.

**Evaluation/ Assessment of Directors/ KMPs/ Senior Management of the Company**

The evaluation/assessment of the Directors, KMPs and the Senior Management of the Company is to be conducted on an annual basis and to satisfy the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The following criteria may assist in determining how effective the performance of the Directors/KMPs/ Senior Management has been:

- Leadership & stewardship abilities
- Assess policies, structures & procedures
- Regular monitoring of corporate results against projections
- Contributing to clearly defined corporate objectives & plans
- Obtain adequate, relevant & timely information.
- Review achievement of strategic and operational plans, objectives, budgets
- Identify, monitor & mitigate significant corporate risks
- Directly monitor & evaluate KMPs, senior management
- Review management's Succession Plan
- Effective meetings
- Clearly defining role & monitoring activities of Committees
- Review of ethical conduct

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

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

**DEVIATIONS FROM THIS POLICY:**

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

**ANNEXURE - IV TO DIRECTORS' REPORT**

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

**I Conservation of Energy** Not Applicable

- a. Energy conservation measures taken :
- b. Additional Investment & proposals, if any, being implemented for reduction of consumptions of energy :
- c. Impact of measures at (a) & (b) for reduction of energy consumption and consequent impact on the cost of production of goods.

**II Technology Absorption** Not Applicable

Research and Development  
Technology Absorption ,Adaption and Innovation

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

During the year, the Company earned Foreign Exchange to the tune of ₹ 77.70 Lakh at FOB Price against no Outgo. During the previous year, no Foreign exchange Inflow or Outgo had been reported.

### ANNEXURE - V TO DIRECTORS' REPORT

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- The percentage increase in remuneration of each Director, Chief Financial Officer (CFO) and Company Secretary (CS) during the financial year 2018-19.

Sl. No.	Name of Director#/KMP and Designation	Remuneration of Director/KMP for the financial year 2018-19 (₹ in lakh)	% increase in remuneration in the financial year 2018-19
1	Shri Shekhar Agarwal Managing Director and CEO	NIL	-
2	Shri Rahul Handa (CS & CFO)	2.12	NA
3	Shri Nand Lal Thakur (CS & CFO)	1.29	NA
4	Shri Arjun Sharma (CS & CFO)	0.57	NA

- The ratio of the remuneration of each director to the median remuneration of the employees of the Company:** Since there is only one Employee of the Company, the median cannot be calculated. No remuneration is paid to Shri Shekhar Agarwal, Chairman, Managing Director & CEO of the Company.
- The percentage increase in the median remuneration of employees in the financial year.** Since there is only one Employee of the Company, the median cannot be calculated.
- There was only 1 permanent employee on the rolls of the Company as on the 31<sup>st</sup> March, 2019.
- Average percentage increase made in the salaries of employees other than managerial personnel in the last financial year and increase in the managerial remuneration for the same financial year.** The Company has only one employee, the said comparison cannot be done.
- It is affirmed that the remuneration paid is as per the remuneration policy of the Company.

## ANNEXURE - VI TO DIRECTORS' REPORT

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

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

Since there is only one employee in the Company, his remuneration details are as follows;

S. No.	Name of Employee	Designation	Remuneration (₹ In Lacs)	Qualification	Experience (Years)	Commencement of Employment	No. of Shares Held	Whether Permanent/ Contractual	Age (Years)	Last Employed		
										Organisation	Post Held	Duration (months)
1	Shri Arjun Sharma*	Company Secretary & CFO	0.57	B.Com & CS	2	7th February, 2019	Nil	Permanent	27	South West Pinnacle Exploration Limited	Company Secretary	16 months

\* Annual CTC is ₹ 4.20 Lakh.

**B. Persons employed throughout the financial year & paid ₹ one crore two lac P.A. or more.**

No employee is drawing remuneration in excess of the limits prescribed under the said provision.

**C. Persons employed part of the financial year and paid ₹ 8 lac 50,000 P.M. or more:- NIL**

**ANNEXURE- VII TO DIRECTORS' REPORT**  
**FORM AOC -1**

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Name of the associate	BMD Private Limited
1. Latest audited Balance Sheet Date	31 <sup>st</sup> March, 2019
2. Date on which the Associate or Joint Venture was associated or acquired	16 <sup>th</sup> December, 2008
3. Shares of Associate held by the company on the year end	
Number	66,00,000 EquityShares
Amount of Investment in Associate	₹6,60,00,000/-
Extent of Holding%	49.87%
4. Description of how there is significant influence	No Significant influence
5. Reason why the associate is not consolidated	N.A.
6. Net worth attributable to shareholding as per latest audited Balance Sheet	₹124.08 Crore (49.87% of 248.81Crore)
7. Profit/Loss for the year	₹ 21.98 Crore
i. Considered in Consolidation	₹10.96 Crore
ii. Not Considered in Consolidation	₹ 11.02 Crore

1. Names of associates or Joint Ventures which are yet to commence operations. – N.A.  
2. Names of associates or Joint ventures which have been liquidated or sold during the year. – N.A.

**For and on behalf of Board of Directors**

Sd/-

**Shekhar Agarwal**

Chairman, Managing Director & CEO

DIN: 00066113

Sd/-

**Riju Jhunhunwala**

Director

DIN: 00061060

Sd/-

**Arjun Sharma**

Company Secretary &

Chief Financial Officer

Membership No. A47848

Date: 29<sup>th</sup> May, 2019

Place: Noida

## CORPORATE GOVERNANCE 2018-19

### Company's Philosophy On Corporate Governance

Corporate Governance is about transparency, integrity, ethical standards Accurate Disclosures of Information regarding the financial situation, performance, ownership and governance of the Company. Your Company's essential character revolves around values based on corporate fairness, transparency, professionalism and accountability which are vital not only for healthy and vibrant corporate sector but also inclusive growth of the economy. The Company is committed toward the principles on attaining the highest standard of Corporate Governance and consistently follows high standards in all activities and processes.

This chapter, along with the chapters on Management Discussion and Analysis and Additional Shareholder Information, reports Bhilwara Technical Textiles Limited's compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### Board of Directors

#### Composition of the Board

The Company has a balanced mix of Executive and Non-Executive Directors as on 31<sup>st</sup> March, 2019. As on 31<sup>st</sup> March, 2019, BTTL's Board comprised of 5 (five) Directors, out of which 4 (four) Directors were Non-Executive. Among the Non- Executive, 2 (Two) Directors were Independent Directors from diverse fields / professions. At BTTL, it is our belief that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance.

#### Number of Board Meetings

During 2018-2019, the Board of BTTL met four times on 25<sup>th</sup> May, 2018, 8<sup>th</sup> August, 2018, 2<sup>nd</sup> November, 2018, and 07<sup>th</sup> February, 2019. The maximum time gap between any two consecutive meetings was less than one hundred and twenty days.

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

#### Directors' Attendance Record and Directorship Held

Name Designation & Category of Directorship	No. of Meetings		No. of other Directorships and Committee Membership/ Chairmanship		No. of other Directorship held in Listed Companies	
	Held	Attended	Directorships*	No. of Membership (s) / Chairmanship (s) of Board Committees in other Companies as on 31.03.2019#	Name of the Company	Category of Directorship
Shri Shekhar Agarwal, Chairperson, Managing Director & CEO, Promoter - Executive	4	4	4	3	Maral Overseas Limited	Managing Director
					HEG Ltd.	Director
					BSL Ltd.	Director
Shri Riju Jhunjunwala, Director, Non-Executive	4	2	6	1 as Chairman	RSWM Limited	Managing Director
					HEG Limited	Director
Shri Shantanu Agarwal Director Promoter Non-Executive	4	4	1	-	Maral Overseas Limited	Director

Name Designation & Category of Directorship	No. of Meetings		No. of other Directorships and Committee Membership/ Chairmanship		No. of other Directorship held in Listed Companies	
	Held	Attended	Directorships*	No. of Membership (s) / Chairmanship (s) of Board Committees in other Companies as on 31.03.2019#	Name of the Company	Category of Directorship
Shri Priya Shankar Dasgupta, Director, Independent - Non-Executive	4	1	7	5 (including 1 as Chairman)	Maral Overseas Limited	Director
					RSWM Limited	Director
					Ester Industries Ltd	Director
					Cummins India Ltd	Director
Smt. Sunita Mathur Director Independent - Non-Executive	4	4	1	-	-	-

**Notes:**

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

# Includes Audit and Stakeholders Relationship Committees only.

The previous Annual General Meeting of the Company was held on 19<sup>th</sup> September, 2018 and was attended by Smt. Sunita Mathur, Director and Chairperson of Audit Committee and member of the Nomination and Remuneration Committee and Stakeholder Relationship Committee.

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

None of the Directors are related to each other except Shri Shekhar Agarwal, being father of Shri Shantanu Agarwal.

**Board Independence**

Our definition of 'Independence' of Directors is derived from Regulation 16 of SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015 and Section 149(6) of the Companies Act, 2013. Based on the confirmation / disclosures received from the Directors and on evaluation of the relationships disclosed, all Non-Executive Directors other than Shri Riju Jhunjhunwala and Shri Shantanu Agarwal are Independent in terms of Regulation 16 of SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015 and Section 149(6) of the Companies Act, 2013.

**Matrix setting out the skills/expertise/competence of the Board of directors:**

S. No.	Name of Director	Field of Skill/Expertise/Competence					
		Finance	Law	Management	Technical Operations	Marketing/ Sales	Administration
1	Shri Shekhar Agarwal- Chairperson, Managing Director, CEO	√		√	√	√	√
2	Shri Shantanu Agarwal Non Independent Director	√		√	√	√	√
3	Shri Riju Jhunjhunwala Non Independent Director	√		√	√	√	√
4	Shri Priya Shankar Dasgupta Independent Director	√	√	√			√
5	Smt. Sunita Mathur Independent Director	√	√	√			

**Familiarization Programme for Independent Directors**

The familiarization programme was conducted during the year for the Independent Directors, to provide them an overview of the business and business model of the Company. Independent Directors were provided with certain documents which helped them to get an overview of the Company. All Independent Directors met periodically with

other Key Managerial Personnel, etc to help them understand the service and product management and other areas related to the Company.

The details on the Company's Familiarization Programme for IDs can be accessed at:

<http://www.bttil.co.in/fp.html>

#### **The information placed before the Board includes:**

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

- Annual operating plans and budgets and any updates.
- Capital budgets and any updates.
- Quarterly results of the listed entity.
- Minutes of the meetings of the Audit Committee and other Committees of the Board.
- The Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary.
- Show cause, demand, prosecution notices and penalty notices, which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgments or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Details of any joint venture or collaboration agreement.
- Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- Sale of material nature of investments, subsidiaries, assets, which is not in the normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by Management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer, among others.
- Reconciliation of Share Capital Audit Report under SEBI (Depositories and Participants) Regulations, 1996.

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

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

#### **Shareholding of Non-Executive Directors**

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

<b>Name of Director</b>	<b>Category</b>	<b>Number of Equity shares held</b>	<b>Convertible Warrants</b>
Shri Riju Jhunjhunwala	Non-Executive	NIL	NIL
Shri Shantanu Agarwal	Promoter-Non-Executive	5308115	NIL
Shri Priya Shankar Dasgupta	Independent-Non-Executive	NIL	NIL
Smt. Sunita Mathur	Independent-Non-Executive	NIL	NIL

#### **Audit Committee**

As on 31st March, 2019, BTTL's Audit Committee comprised three members — two of whom, including the Chairperson of the Committee, are independent while the third is a Non-Executive Director. The terms of reference of the Audit Committee are in conformity with those mentioned in Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the

Companies Act, 2013. In 2018-19, the Audit Committee met four times on – 22<sup>nd</sup> May, 2018, 7<sup>th</sup> August, 2018, 2<sup>nd</sup> November, 2018 and 29<sup>th</sup> January, 2019.

#### Details of the Audit Committee

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings Attended
Smt. Sunita Mathur (Chairperson)	Independent, Non-Executive	4	4
Shri Riju Jhunjunwala	Non-Executive	4	4
Shri Priya Shankar Dasgupta	Independent, Non-Executive	4	4

Shri Arjun Sharma who was appointed as the Company Secretary, Compliance Officer & Chief Financial Officer of the Company on 07<sup>th</sup> February, 2019. Invitees to the Audit Committee include the representative of the Statutory Auditors.

Smt. Sunita Mathur, Chairperson of the Audit Committee possesses high degree of accounting and financial management expertise and all other Members of the Committee have rich experience and sound accounting and financial knowledge. The Chairperson of the Audit Committee attended the Annual General Meeting held on 19<sup>th</sup> September, 2018 and was available to answer shareholder queries.

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

The role of the Audit Committee includes the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - ✓ Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of section 134 of the Companies Act, 2013.
  - ✓ Changes, if any, in accounting policies and practices and reasons for the same.
  - ✓ Major accounting entries involving estimates based on the exercise of judgment by management.
  - ✓ Significant adjustments made in the financial statements arising out of audit findings.
  - ✓ Compliance with listing and other legal requirements relating to Financial Statements.
  - ✓ Disclosure of any Related Party Transactions.
  - ✓ Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department,

staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

- Discussion with internal auditors any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower Mechanism.
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience & background, etc. of the candidate.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

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

- Management Discussion and Analysis of the financial condition and results of operations of the Company
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management
- Management letters/letters of internal control weaknesses issued by the Statutory Auditors
- Internal audit reports relating to internal control weaknesses.
- The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by audit committee.
- Review of the appointment, removal and terms of remuneration of the Chief Internal Auditor.
- The uses/applications of funds raised through public issues, rights issues, preferential issues by major category (capital expenditure, sales and marketing, working capital among others), as part of the quarterly declaration of financial results whenever applicable
- Statement certified by the Statutory Auditors, on an annual basis detailing the use of funds raised through public issues, rights issues, preferential issues for purposes other than those stated in the offer document/prospectus/ notice, if applicable

Pursuant to its terms of reference, the Audit Committee is empowered to:

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

### **Internal Financial Control and its adequacy**

A company's Internal Financial Control identifies opportunities for improvement and draws up recommendations and good practices that can be used as a benchmark to develop or strengthen their internal control systems and enhance the reliability of their financial statements. The Company has laid down policies and procedures for ensuring the orderly and efficient conduct of its business including safeguarding of assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation and disclosure of financial information.

### **Nomination and Remuneration Committee**

#### **a) Terms of reference**

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

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

#### b) Composition of the Committee

As on 31<sup>st</sup> March, 2019, BTTL's Nomination and Remuneration Committee comprised three members two of whom, including the Chairperson of the Committee, are independent while the third is a Non-Executive Promoter Director. The Nomination and Remuneration Committee met twice on – 07.08.2018 and 29.01.2019.

Sr. No	Name of the Member	Position	No. of Meetings held during tenure	No. Of Meetings Attended
1	Shri Priya Shankar Dasgupta (Chairperson)	Independent, Non-Executive	2	2
2	Shri Riju Jhunjhunwala	Non-Executive	2	2
3	Smt. Sunita Mathur	Independent, Non-Executive	2	2

#### Nomination and Remuneration Policy

The Company has framed a policy relating to the remuneration of the Directors, Key Managerial Personnel and Senior Management which was reviewed and approved by the Board of Directors on the commendation of the Nomination and Remuneration Committee in line with the amendments notified by SEBI (Prohibition of Insider Trading) Amendment Regulations, 2018. The policy is in consonance with the existing industry practice and form part of Directors Report.

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

The performance evaluation criteria for Directors including Independent Directors/ KMPs and Senior Official of the Company is as per the Nomination and Remuneration Policy of the Company. Evaluation will be conducted by the Independent Directors for each of the Executive/Non-Independent Directors in a separate meeting of the Independent Directors.

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

#### Remuneration of Non-Executive/ Independent Director:

Non-Executive/Independent Directors are paid sitting fees of ₹ 2000/- for attending the Board and Committee meetings. There were no other pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company.

### Remuneration of Directors

The remuneration of Executive Directors, Key Managerial Personnel and Senior Management is paid on monthly basis as approved by the Board on the recommendation of the Nomination and Remuneration committee and subject to the approval of the shareholders in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.

#### Remuneration of Non-Executive/ Independent Director:

Remuneration Paid to Directors for FY 2018 -19

(Amt. in ₹ Lakhs)

Name of Director	Category	Sitting fees	Salaries, allowances and perquisites	Commission	Total
Shri Shekhar Agarwal *	Promoter - Executive	-	-	-	-
Shri Shantanu Agarwal	Promoter-Non Executive	0.08	-	-	0.08
Shri Riju Jhunjunwala	Non-Executive	0.24	-	-	0.24
Shri Priya Shankar Dasgupta	Independent-Non-Executive,	0.24	-	-	0.24
Smt. Sunita Mathur	Independent, Non-Executive	0.32	-	-	0.32

#### Notes:

\* Shri Shekhar Agarwal, Chairperson & Managing Director holds 4.48 % and Shri Shantanu Agarwal, Promoter-Non Executive Director holds 9.09% Equity Shares of the Company as on the 31<sup>st</sup> March, 2019.

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

#### Stakeholders Relationship Committee

As on 31<sup>st</sup> March, 2019, the Company's Stakeholders' Relationship Committee comprised of three Directors - Shri Priya Shankar Dasgupta (Chairperson), Shri Riju Jhunjunwala and Smt. Sunita Mathur. Shri Arjun Sharma who was appointed as the Company Secretary, Compliance Officer & Chief Financial Officer of the Company on 07<sup>th</sup> February, 2019.

The terms and reference of the Committee:

- Consider and resolve the grievances of shareholders of the Company with respect to transfer of shares, non-receipt of annual report, non-receipt of declared dividend issue of duplicate share / debenture certificates, Dematerialization / Rematerialization, sub-division, consolidation etc;
- Ensure expeditious share transfer process in line with the proceedings of the Share Transfer Committee;
- Evaluate performance and service standards of the Registrar and Share Transfer Agent of the Company;
- Provide guidance and make recommendations to improve investor service levels for the investors.
- The Committee also reviews the status of Investors' grievances and redressal mechanism.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends.
- Review of adherence to the service standards adopted by the Company
- Review of measures taken for effective exercise of voting rights by shareholders.

During FY 2018-19, the Committee met four times on 22.05.2018, 07.08.2018, 02.11.2018 and 29.01.2019.

### Details of Stakeholders' Relationship Committee

Name of the Member	Position	No. of Meetings held during tenure	No. of Meetings Attended
Shri Priya Shankar Dasgupta (Chairperson)	Independent, Non-Executive	4	4
Shri Riju Jhunjunwala	Promoter, Non-Executive	4	4
Smt. Sunita Mathur	Independent, Non-Executive	4	4

### Investor Complaints

The Committee mainly looks into the matters pertaining to Redressal of the Stakeholders' grievances and related matters. The Committee received no complaint from the shareholders during the year under review.

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

Sl. No.	Nature of Query/Complaint	Pending as on 1 <sup>st</sup> April, 2018	Received during the year	Addressed during the year	Pending as on 31 <sup>st</sup> March, 2019
1.	Non-receipt of Bonus/Transfer / Transmission / Issue of Duplicate Shares/ Others	Nil	Nil	Nil	Nil
2.	Non-receipt of Dividend, Non receipt of Refund Order & Non-receipt of Annual Report	Nil	Nil	Nil	Nil
3.	Dematerialization / Rematerialization of shares	Nil	Nil	Nil	Nil

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

The Share Transfer Committee presently comprises of:

- 1) Shri Shekhar Agarwal
- 2) Smt. Sunita Mathur

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

To expeditiously approve transfer of shares, Shri Shekhar Agarwal, Chairperson and Managing Director and Shri Atul Kumar Jain, authorized person also attend and approve the Share Transfer Requests on fortnightly basis under the delegated authorisation of the Board of Directors.

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

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

### Reconciliation of Share Capital Audit:

A qualified practicing Company Secretary carries out Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital and the report is placed for the perusal of the Board at the end of every quarter.

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

### Independent Directors Meeting

Pursuant to the Code of Independent Directors and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the meeting of the Independent Directors was held on 29<sup>th</sup> January, 2019, without the attendance of Non-Independent Directors and members of management to inter-alia:

- i. review the performance of Non-Independent Directors and the Board as a whole;
- ii. review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- iii. assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

### Letter of Appointment:

Each Director/KMP/Senior Management is required to sign the duplicate copy of the letter of appointment issued by the Company, which contains the terms and conditions of his/her appointment. During the year under review, no letter of appointment was issued.

### Performance evaluation of Independent Directors

Pursuant to the Code of Independent Directors and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the performance evaluation of Independent Directors is to be done by the entire Board of Directors except the Director who is being evaluated. The criterion for the evaluation of performance is laid down in the Nomination and Remuneration policy. The evaluation of the performance is being done on an annual basis. The Company has two Independent Directors, namely, Shri P.S. Dasgupta and Smt. Sunita Mathur.

### General Body Meetings

#### Details of the Previous Annual General Meetings

Year	Date	Time	Location	Special resolution(s) passed
2015-16	23 <sup>rd</sup> September, 2016	11:30 a.m.	LNJ Nagar, Mordi, Banswara, Rajasthan – 327001	NIL
2016-17	21 <sup>st</sup> September, 2017	10:30 a.m.	LNJ Nagar, Mordi, Banswara, Rajasthan – 327001	Adoption of New Article of Association Pursuant to the Provisions of Section 14 of Companies Act, 2013.
2017-18	19 <sup>th</sup> September, 2018	11:00 a.m.	LNJ Nagar, Mordi, Banswara, Rajasthan – 327001	NIL

### Postal Ballot

During the year ended 31<sup>st</sup> March 2019, no resolution was required to be passed through Postal Ballot. Further, no resolution has been proposed to be conducted through postal ballot.

### Means of Communication

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

The quarterly & annual audited results are forthwith sent to the stock exchange where the Company's shares are listed after they are approved by the Board of Directors. The results of the Company are published in accordance with Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 in at least one prominent national and one regional newspaper. The financial results are also displayed on the Company's website [www.bttl.co.in](http://www.bttl.co.in).

The Company's website [www.bttl.co.in](http://www.bttl.co.in) has separate section "Investor" where the information for the Shareholders is available. Annual Report, Quarterly Results, Shareholding Pattern, is also available on the website in the user friendly manner.

The Company has a dedicated investor email-id: [bttl.investor@lnjbhilwara.com](mailto:bttl.investor@lnjbhilwara.com).

## Disclosures

### a) Related Party Disclosure

- During the period under review, there is no materially significant related party transaction with any of the related parties.
- As required by the IND-AS-24, the details of Related Party Disclosures are given in Note 30.2 to the Annual Accounts.

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

The Company has adopted IND-AS w.e.f 1<sup>st</sup> April, 2017 and the financial statements were based on IND-AS and on guidelines laid down by the Institute of Chartered Accountants of India (ICAI).

### c) Risk Management

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

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

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

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

The Company has a policy prohibiting Insider Trading in conformity with applicable regulations of the Securities and Exchange Board of India (SEBI). The objective of this policy is to prevent purchase and sale of shares of the Company by an insider on the basis of unpublished price sensitive information. Necessary procedures have been laid down for directors, officers and designated employees, for trading in the securities of the Company. To deal in securities, beyond specified limit, permission of compliance officer is required. The policy and the procedures are periodically communicated to the employees who are considered as insiders of the Company. Trading Window closure, are intimated to all the directors, designated employees and insiders, in advance, whenever required.

### f) Compliance with Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

The Company is fully compliant with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 to the extent applicable. A certificate from Statutory Auditors to this effect is enclosed in the Annual Report.

### g) Audit Qualifications

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

### h) Management Discussion and Analysis

The Management Discussion and Analysis Report forms part of the Annual Report. During the financial year ended the 31st March, 2019, there were no material financial or commercial transactions by the Company with its Promoters, Directors, Management or relatives, etc. that may have potential conflict with the interests of the Company at large. As required by Accounting Standards (Ind-AS)-24, the details of related party transactions are given in Note No 30.2 to the Financial Statements.

### i) Whistle Blower Policy

With the objective of pursuing the business in a fair and transparent manner by adopting the highest standards of professionalism honesty, integrity and ethical behavior and to encourage and protect the

employees who wish to raise and report their genuine concerns about any unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct, the Company has adopted a Whistle Blower Policy. The Company has adopted a framework whereby the identity of the complainant is not disclosed and affirms that no personnel have been denied access to the Audit Committee. During the year, the Company did not receive any Whistle Blower reference.

#### j) CEO/ CFO Certification

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

#### k) Code of Conduct

BTTL's Board has laid down a Code of Conduct for all Board members and Senior Management of the Company. The Company is committed to conduct its business in accordance with the pertinent laws, rules and regulations and with the highest standards of business ethics. The Code of Conduct is displayed on the website of the Company [www.bttil.co.in](http://www.bttil.co.in). Board Members and designated Senior Management Officials have affirmed compliance with the Code of Conduct for the year under review.

### Directors

#### i. Appointment or Re-appointment of Non Independent Directors

Shri Shekhar Agarwal is retiring by rotation and being eligible, offer himself for re-appointment in the Annual General Meeting. The brief resume of Shri Shekhar Agarwal is given below;

#### Shri Shekhar Agarwal

Shri Shekhar Agarwal is the Chairman, Managing Director and Chief Executive officer of the Company. Shri Shekhar Agarwal has done B. Tech (Mech.) from Indian Institute of Technology, Kanpur and his Masters in Science from Illinois Institute of Technology, Chicago. He joined the Board of the Company on 14<sup>th</sup> December, 2007. He has an experience of over three decades in the textile industry. He is also Managing Director of Maral Overseas Ltd and Vice Chairman on the Board of RSWM Ltd. He was the Chairman of Confederation of Indian Textiles Industry (CITI).

#### Details of Directorship Held in Other Public Limited Companies

Directors name	Name of the company in which Directorship held*	Committee Chairpersonship	Committee Membership
Shri Shekhar Agarwal	1. RSWM Ltd.	-	Stakeholder Relationship Committee
	2. HEG Ltd.	-	Audit Committee
	3. Maral Overseas Ltd.	-	Stakeholder Relationship Committee
	4. BSL Ltd.	-	Audit Committee

*\*Excludes Directorships in Private Limited Companies, Foreign Companies, Memberships of Management Committees of various Chambers, Bodies and Section 8 companies.*

#### SEBI Complaints Redress System (SCORES)

The investor complaints are processed in a centralised web-based complaints redress system.

#### Uploading on BSE

The quarterly and annually results, quarterly and annually compliances and all other corporate communications to the Stock Exchanges are filed electronically on BSE Limited.

#### Disclosure on Website

The Company's website <https://www.bttil.co.in> has separate section "Investor" where the information for the shareholders is available. Annual Report, financial result, shareholding pattern, Corporate Governance Report etc. are also available on the website of the company in user friendly manner.

The Company ensures that the relevant provision of Regulation 46 of the Listing Regulation, 2015 are complied with.

#### **Material Subsidiary**

The Company doesn't have any subsidiary and material subsidiary. However, the policy of the same as approved by the Board of Directors is disclosed on the website of the Company under the following link: <https://www.btll.co.in/dme.pdf>.

#### **Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity**

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments during the year under review.

#### **Certificate of non-disqualification of Directors**

Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the certificate from Ms. Manisha Gupta, Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority form part of this Annual Report.

### **m) Additional Shareholder Information**

#### **Annual General Meeting**

Date : 29<sup>th</sup> July, 2019  
 Day : Monday  
 Time : 11:00 A.M.  
 Venue : LNJ Nagar, Mordi, Banswara, Rajasthan – 327 001

#### **Financial Calendar**

Financial year : April, 2018 to March, 2019

For the year ended 31<sup>st</sup> March, 2019, results were announced on:

- 25<sup>th</sup> May, 2018 : First quarter
- 8<sup>th</sup> August, 2018 : Second quarter and Half year
- 02<sup>nd</sup> November, 2018 : Third quarter and 9 months
- 07<sup>th</sup> February, 2019 : Fourth quarter and Annual.

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

#### **Book Closure**

The dates of book closure are from Tuesday, the 23<sup>rd</sup> July, 2019 to Monday, the 29<sup>th</sup> July, 2019 (Both days inclusive).

#### **Dividend Payment Dates**

No dividend has been recommended on the Equity Shares.

#### **Listing and Stock Codes**

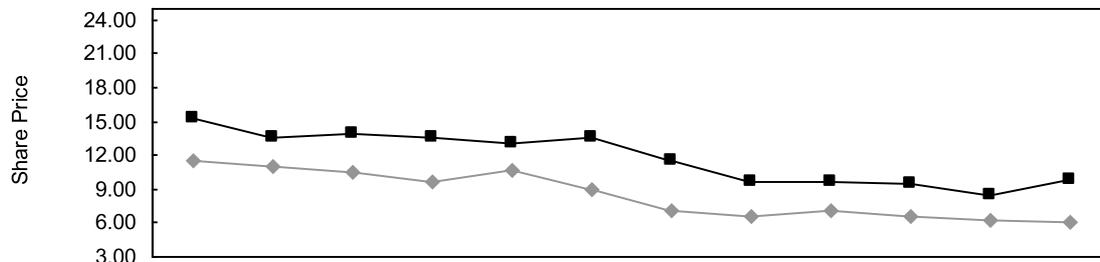
The Company's Equity shares are listed on BSE Limited. Listing fee as prescribed has been paid to the BSE up to 31<sup>st</sup> March, 2019. The scrip code of the Company at BSE is given below:

#### **Scrip Code of the Company**

Stock Exchange	Scrip ID	Scrip code
BSE	BTLL	533108

## Market Price Data:

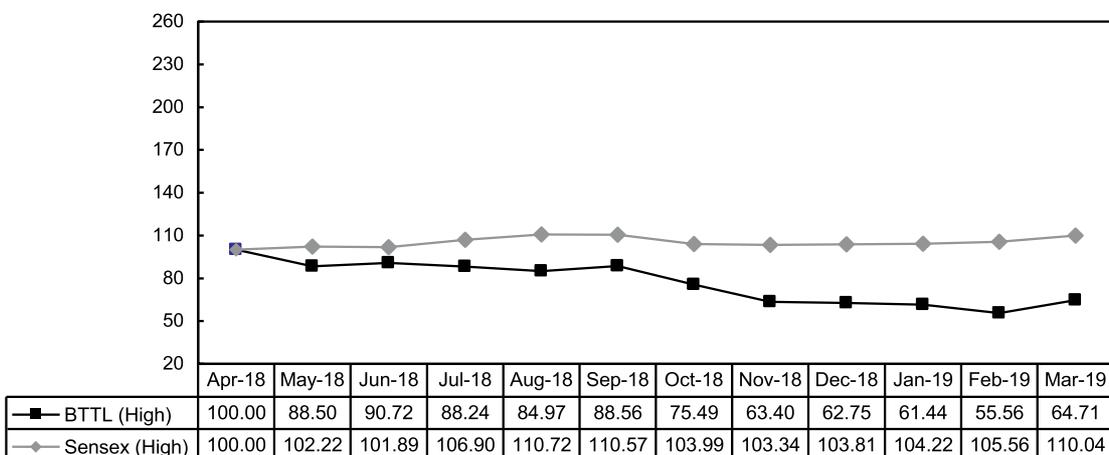
### A. Stock Market Data: Monthly High Low (in ₹) at BSE:



	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
—■— High	15.30	13.50	13.80	13.50	13.00	13.50	11.50	9.70	9.60	9.40	8.50	9.90
—◆— Low	11.5	11.0	10.5	9.67	10.7	9.05	7.04	6.51	7.01	6.66	6.16	6.15

Source: BSE Limited

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



	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
—■— BTTL (High)	100.00	88.50	90.72	88.24	84.97	88.56	75.49	63.40	62.75	61.44	55.56	64.71
—◆— Sensex (High)	100.00	102.22	101.89	106.90	110.72	110.57	103.99	103.34	103.81	104.22	105.56	110.04

Source: BSE Limited

## Shareholding Pattern

### Shareholding Pattern by Ownership as on 31<sup>st</sup> March, 2019

Categories	No. of shares	Percentage
Promoters, Directors, Relatives and Associates	3,71,76,191	63.69
Foreign Institutional Investors	250	0.00
Mutual funds	52,638	0.09
Nationalised and other banks	30,592	0.05
Financial Institutions & Insurance Companies	12,56,490	2.15
NRIs/ Foreign Companies	11,55,793	1.98
Bodies Corporate	10,791,026	18.49
Public	77,57,729	13.29
Clearing Member	1,52,596	0.26
<b>Total</b>	<b>5,83,73,305</b>	<b>100</b>

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

Categories	No. of Shareholders	% of Shareholders	No. of shares	% of Shareholding
up to 5000	9018	97.25	43,64,899	7.4776
5001-10000	116	1.25	8,56,101	1.4666
10001-20000	60	0.64	8,20,365	1.4054
20001-30000	27	0.29	6,45,312	1.1055
30001-40000	11	0.11	3,83,734	0.6574
40001-50000	9	0.09	4,24,670	0.7275
50001-100000	11	0.11	7,49,903	1.2847
100001 and above	21	0.22	5,01,28,321	85.8754
<b>Total</b>	<b>9273</b>	<b>100.00</b>	<b>5,83,73,305</b>	<b>100.00</b>

**Dematerialisation of Shares**

As on 31<sup>st</sup> March, 2019, 56412555 Equity Shares representing 96.64% of the total equity capital were held in dematerialised form. Trading in shares of the Company is permitted in dematerialised form only.

The ISIN number for BTTL's equity shares on NSDL and CDSL is INE274K01012.

**Share Transfer System**

Matters related to share transfer and transmission are attended by the delegated authorities on a fortnightly basis. Share transfers are registered and returned within 15 days from the date of receipt, if the documents are in order in all respects. 7620 Equity shares were transferred during the year 2018-19.

**Commodity price risk or foreign exchange risk and hedging activities**

- Foreign Exchange Risk and Hedging Activities

The Company does not have any exposure hedged through commodity derivatives except the foreign hedging.

- Commodity Price Risk and Commodity Hedging Activities

In compliance with Regulation 34(3) read with clause 9(n) of Part C of Schedule V of SEBI LODR, 2015, the Company's exposure to commodity and commodity risks faced by the entity throughout the year:

A: - Total exposure of the listed entity to commodities in INR - NIL

B: - Exposure of the listed entity to various commodities

Commodity Name	Exposure in INR towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				Total
			Domestic market		International market		
			OTC	Exchange	OTC	Exchange	
NIL							

**Credit Rating**

During the period under review, there was no credit rating taken by company.

**Investor Correspondence**

Investor correspondence should be addressed to:

**Registrar & Share Transfer Agent**

BEETAL Financial & Computer Services (P) Ltd.

Beetal House, 3<sup>rd</sup> Floor,

99, Madangir, Behind Local Shopping Centre,

New Delhi – 110 062.

Phone No. : 011-29961281

Fax No. : 011-29961284

E-mail : [beetalrta@gmail.com](mailto:beetalrta@gmail.com), [beetal@beetalfinancial.com](mailto:beetal@beetalfinancial.com)

**Company Secretary**

Bhilwara Technical Textiles Limited

Bhilwara Towers

A-12, Sector 1, Noida

Uttar Pradesh-201401

Phone Nos. : 0120-4390300, 4390000

Fax Nos. : 0120-4277841

E-mail : [bttil.investor@lnjbhilwara.com](mailto:bttil.investor@lnjbhilwara.com)

**Registered Office**

LNJ Nagar

Mordi, Banswara

Rajasthan – 327 001, INDIA

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

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

**Internal Complaints Committee (ICC)**

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

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

The Disclosures in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are tabulated hereunder:

No. of Complaints Filed during the year	No. of Complaints Disposed off during the year	No. of Complaints Pending as at the end of the year
Nil	Nil	Nil

During the Financial Year 2018-19, the Company did not raise any funds through preferential allotment or qualified institutions placement.

The total fees for all services paid by the Company on a consolidated basis to the Statutory Auditor are detailed in the notes to the Financial Statements.

There were no recommendations of any Committee requiring mandatory approval of the Board, which were not accepted by the Board.

#### **Information pursuant to Regulation 34 (3) read with Part F of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

The Company transferred 1,72,295 equity shares in respect of 677 shareholders in the name of “Bhilwara Technical Textiles Limited – Unclaimed Suspense Account” on the 23<sup>rd</sup> October, 2012 and these shares were subsequently dematerialised. Presently, 1,69,252 equity shares are still lying in the Unclaimed Suspense Account.

#### **Unpaid / Unclaimed Dividends**

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

**For and on behalf of the Board**

Sd/-

**Shekhar Agarwal**

Chairman,

Managing Director & CEO

Din -00066113

Place: Noida

Date: 29<sup>th</sup> May, 2019

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

We, Shekhar Agarwal, Chairman, Managing Director & Chief Executive Officer and Arjun Sharma, Chief Financial Officer, of Bhilwara Technical Textiles Limited, hereby certify to the Board that:

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

Sd/-

**Shekhar Agarwal**  
Chairman, Managing Director &  
Chief Executive Officer  
DIN : 00066113

Sd/-

**Arjun Sharma**  
Company Secretary &  
Chief Financial Officer  
Membership No. A47848

Noida (U.P.)  
29<sup>th</sup> May, 2019

## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of

**Bhilwara Technical Textiles Limited**

We have examined the compliance of conditions of corporate governance by Bhilwara Technical Textiles Limited, for the year ended on March 31, 2019 per the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as per the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable.

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

For **Doogar & Associates**  
Chartered Accountants  
Firm Registration No.000561N

Sd/

**Mukesh Goyal**  
Partner

Membership No.081810

Place: Noida,(U.P)  
Dated: 29<sup>th</sup> May, 2019

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,  
The Members of  
**Bhilwara Technical Textiles Limited**  
LNJ Nagar, Mordi  
Banswara,  
Rajasthan-327001  
CIN:-L18101RJ2007PLC025502

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Bhilwara Technical Textiles Limited** having **CIN: L18101RJ2007PLC025502** and having registered office at **LNJ Nagar, Mordi, Banswara, Rajasthan-327001** (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Sh. Shekhar Agarwal	00066113	14/12/2007
2	Sh. Riju Jhujhunwala	00061060	14/12/2007
3	Sh. Shantanu Agarwal	02314304	27/05/2016
4	Sh. Priya Shankar Das Gupta	00012552	06/04/2009
5	Smt. Sunita Mathur	00008923	27/03/2015

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-

**Manisha Gupta**  
**Practicing Company Secretaries**

Place: New Delhi  
Date: 29<sup>th</sup> May, 2019

FCS No. 6378  
CP No. 6808

# INDEPENDENT AUDITORS' REPORT

To the Members of

**Bhilwara Technical Textiles Limited**

## Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of **Bhilwara Technical Textiles Limited** ("the Company"), which comprises the Balance Sheet as at March 31, 2019 and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

We have determined that there are no key audit matters to communicate in our report.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the Director's report, but does not

include the financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this Auditor's report.

- Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the Director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

### Management's responsibility for the standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### 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, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of

the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, no remuneration was paid by the Company to its directors during the year and hence not commented upon

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has no pending litigations as confirmed by the Management; therefore there is no impact on its financial position in its financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor education and Protection Fund by the Company

**For Doogar & Associates**  
Chartered Accountants  
Firm Regn. No. 000561N

**Mukesh Goyal**

Place: Noida

Partner

Date: 29<sup>th</sup> May, 2019

Membership No. 081810

## **ANNEXURE 'A' TO AUDITORS' REPORT**

**(Annexure referred to in our report of even date)**

**Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' section of our report of even date**

- i. (a) The Company has maintained proper records showing particulars, including quantitative details and situation of fixed assets. However,

as on the Balance Sheet date there were no fixed assets.

- (b) The Company has a programme of physical verification to ensure that all the assets are verified which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Management has physically verified fixed asset during the year and no discrepancy has been noticed on such verification as compared to book records.
- (c) According to the information and explanation given to us and the records examined by us, the company is not having any immovable property as on 31<sup>st</sup> March'2019.
- ii. As explained to us, the inventories except good-in-transit were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- iii. According to the information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a) to (c) of the Order are not applicable to the company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted during the year in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- v. The Company has not accepted any deposits from the public within the meaning of directives issued by the Reserve Bank of India and provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder.
- vi. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 in respect of activities carried out by the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues in respect of income tax, service tax, and other material statutory dues as applicable with the appropriate authorities. Further, there were no undisputed amounts outstanding at the year end for a period of more than six months from the date they became payable as at 31<sup>st</sup> March, 2019.
- (b) According to the information and explanations given to us and the records of the company

- examined by us, there are no statutory dues of income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax which have not been deposited on account of a dispute.
- viii. According to the information and explanations given to us and as per the books and records examined by us, the Company has no loans from any financial institution or bank or debenture holders.
- ix. According to the information and explanations given by the Management, the company has not raised any money of initial public offer/further public offer. There are no loans borrowed during the year, therefore utilisation of its proceeds is not commented upon.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of financial statements and according to the information and explanations given by the Management, we report that no fraud by the company or no fraud on the company by the officers and employees of the company has been noticed or reported during the year.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid any managerial remuneration during the year; therefore the provisions of section 197 read with Schedule V to the Act are not applicable.
- xii. In our Opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the company and hence not commented upon.
- xiii. According to the information and explanations given by the management, transactions with related parties are in compliance with section 177 & 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone IND AS financial statements, as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to company and, hence not commented upon.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- xvi. According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For Doogar & Associates**  
Chartered Accountants  
Firm Regn. No. 000561N

**Mukesh Goyal**  
Partner

Place: Noida  
Date: 29th May, 2019

Membership No. 081810

**Annexure B to the Independent Auditor's Report to the Members of Bhilwara Technical Textiles Limited on financial statements**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 1(f) of 'Report on Other Legal and Regulatory Requirements' section**

We have audited the internal financial controls over financial reporting of **Bhilwara Technical Textiles Limited** ("the Company") as of 31st March 2019 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 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified 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 internal financial controls system over financial reporting.

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and

dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements

in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion**

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

**For Doogar & Associates**  
Chartered Accountants  
Firm Regn. No. 000561N

**Mukesh Goyal**  
Partner

Place: Noida  
Date: 29<sup>th</sup> May, 2019

Membership No. 081810

# BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2019

Particulars	Note	(₹ in Lakhs)	
		As at 31 March, 2019	As at 31 March, 2018
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant & Equipment	3	-	4.73
(b) Financial Assets			
(i) Investments	4	957.03	770.40
(c) Other non current assets	5	10.17	7.13
<b>Total Non-Current Assets</b>		<b>967.20</b>	<b>782.26</b>
<b>Current assets</b>			
(a) Inventories	6	84.61	-
(b) Financial assets			
(i) Trade receivables	7	78.61	-
(ii) Cash and cash equivalents	8	3.45	2.29
(iii) Bank balances other than above (ii)	9	747.25	936.77
(iv) Other financial assets	10	17.88	15.28
(c) Current Tax Asset (net)	11	8.16	1.27
(d) Other current assets		13.01	1.16
<b>Total Current Assets</b>		<b>952.97</b>	<b>956.77</b>
<b>Total Assets</b>		<b>1,920.17</b>	<b>1,739.03</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	13	583.73	583.73
(b) Other equity	14	1,187.62	1,152.43
<b>Total Equity</b>		<b>1,771.35</b>	<b>1,736.16</b>
<b>Liabilities</b>			
<b>Non-Current liabilities</b>			
(a) Deferred Tax Liabilities	18	1.94	0.81
(b) Other Non current Liabilities	15	-	1.17
<b>Total non- current liabilities</b>		<b>1.94</b>	<b>1.98</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Trade payables	16		
-Total outstanding dues of micro enterprises and small enterprises		-	-
-Total outstanding dues of Trade Payables other than micro enterprises and small enterprises		127.32	-
(ii) Other Financial Liabilities	17	5.52	0.69
(b) Other current liabilities	12	-	-
(c) Current Tax Liabilities (net)	15	14.04	0.20
<b>Total Current Liabilities</b>		<b>146.88</b>	<b>0.89</b>
<b>Total Liabilities</b>		<b>148.82</b>	<b>2.87</b>
<b>Total Equity and liabilities</b>		<b>1,920.17</b>	<b>1,739.03</b>

Accompanying notes are integral part of the standalone financial statements

## In terms of our report attached

As per our report of even date  
For **Doogar & Associates**  
Chartered Accountants  
Firm Regn. No. 000561N

**Mukesh Goyal**  
Partner  
Membership No. 081810

Place : Noida (U.P.)  
Dated : May 29, 2019

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

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

**Riju Jhunjunwala**  
Director  
DIN: 00061060

**Arjun Sharma**  
Company Secretary &  
Chief Financial Officer  
Membership No. A47848

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2019

Particulars	Notes	(₹ in Lakhs)	
		Year ended 31 March, 2019	Year ended 31 March, 2018
1. Revenue from Operation	19	78.68	-
2. Other Income	20	71.95	67.67
<b>3. Total Income (1+2)</b>		<b>150.63</b>	<b>67.67</b>
<b>4. Expenses</b>			
a. Purchases of stock-in-trade	21	164.30	-
b. Changes in inventories of finished goods, work in progress and stock in trade	22	(84.61)	-
c. Employee benefit expense	23	4.56	6.61
d. Finance Cost	24	0.01	-
e. Depreciation and amortisation	3	0.19	0.04
f. Other expenses	25	23.38	16.89
<b>Total Expenses</b>		<b>107.83</b>	<b>23.54</b>
<b>Profit/Loss before exceptional item and tax (3-4)</b>		<b>42.80</b>	<b>44.13</b>
Exceptional items		-	-
<b>4. Profit before tax from continuing operations</b>		<b>42.80</b>	<b>44.13</b>
<b>5. Tax expense</b>	26		
a. Current tax		8.22	11.17
b. Deferred tax		1.14	0.81
c. Adjustment for earlier years		(1.75)	0.97
<b>Total tax expense</b>	₹	<b>7.61</b>	<b>12.95</b>
<b>6. Profit for the year (4-5)</b>		<b>35.19</b>	<b>31.18</b>
<b>7. Other comprehensive income</b>			
(i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Total other comprehensive income</b>		-	-
<b>8. Total comprehensive income for the year (6+7)</b>		<b>35.19</b>	<b>31.18</b>
<b>Earnings per equity share</b>			
(Face value ₹ 1 per share)			
- Basic and diluted (in ₹)	27	0.06	0.05

**Accompanying notes are integral part of the standalone financial statements**

**In terms of our report attached**

As per our report of even date  
For **Doogar & Associates**  
Chartered Accountants  
Firm Regn. No. 000561N

**Mukesh Goyal**  
Partner  
Membership No. 081810

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

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

**Riju Jhunjunwala**  
Director  
DIN: 00061060

**Arjun Sharma**  
Company Secretary &  
Chief Financial Officer  
Membership No. A47848

Place : Noida (U.P.)  
Dated : May 29, 2019

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2019

Particulars	Notes	(₹ in Lakhs)	
		Year ended 31 March, 2019	Year ended 31 March, 2018
<b>A. Cash flow from operating activities</b>			
Profit for the year before tax		42.80	44.13
<b>Adjustments for:</b>			
Depreciation		0.19	0.04
Interest income		(59.34)	(60.11)
Profit on sale of investment		-	(0.52)
Remeasurement of Investment		(11.63)	-
Profit on sale of vehicle		(0.07)	-
Exchange difference on reinstatement of Trade Receivables		(0.91)	-
		<b>(28.96)</b>	<b>(16.46)</b>
<b>Movements in working capital:</b>			
Adjustments for (increase) / decrease in operating assets:			
Inventories		(84.61)	-
Trade receivables		(77.70)	-
Other Current Assets		(11.85)	(1.16)
Current Tax Asset (net)			
Adjustments for increase / (decrease) in operating liabilities:			
Trade payables		127.32	-
Other financial liabilities		4.83	(0.78)
Other current liabilities		13.84	1.26
Other Non current Liabilities		(1.17)	-
<b>Cash generated from operations</b>		<b>(58.30)</b>	<b>(17.14)</b>
Income tax paid		(10.36)	(15.45)
<b>Net cash generated by operating activities (A)</b>		<b>(68.66)</b>	<b>(32.59)</b>
<b>B. Cash flow from investing activities</b>			
Investments in Mutual Funds		(175.00)	(110.40)
Redemption/Maturity of Bank deposit		189.52	74.95
Profit on sale of investment		-	0.52
Purchase of vehicle		-	(4.77)
Transfer of vehicle		4.58	-
Interest received		50.72	70.95
<b>Net cash generated by/(used in) investing activities (B)</b>		<b>69.82</b>	<b>31.25</b>
<b>C. Cash flow from financing activities</b>			
Repayment of term and working capital loan		-	-
Interest paid		-	-
<b>Net cash generated by/(used in) financing activities (C)</b>		<b>-</b>	<b>-</b>
<b>Net decrease in Cash and cash equivalents (A+B+C)</b>		<b>1.16</b>	<b>(1.34)</b>
Cash and cash equivalents at the beginning of the year		2.29	3.63
<b>Cash and cash equivalents at the end of year end</b>		<b>3.45</b>	<b>939.06</b>
<b>Accompanying notes are integral part of the standalone financial statements</b>			

### In terms of our report attached

As per our report of even date

For **Doogar & Associates**

Chartered Accountants

Firm Regn. No. 000561N

**Mukesh Goyal**

Partner

Membership No. 081810

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

**Shekhar Agarwal**

Chairman & Managing Director

DIN: 00066113

**Riju Jhunjhunwala**

Director

DIN: 00061060

**Arjun Sharma**

Company Secretary &

Chief Financial Officer

Membership No. A47848

Place : Noida (U.P.)

Dated : May 29, 2019

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2019

<b>a. Equity Share Capital</b>		(₹ in Lakhs)	
<b>Particulars</b>	<b>No. of Shares</b>	<b>Amount</b>	
<b>Balance as at April 1, 2017</b>			
Balance at the beginning of the reporting year	58,373,305	583.73	
Changes in equity share capital during the year	-	-	
<b>Balance as at March 31, 2018</b>	58,373,305	583.73	
<b>Balance as at April 1, 2018</b>			
Balance at the beginning of the reporting year	58,373,305	583.73	
Changes in equity share capital during the year	-	-	
<b>Balance as at March 31, 2019</b>	<b>58,373,305</b>	<b>583.73</b>	
<b>b. Other equity</b>			
<b>Particulars</b>	<b>Reserves and surplus</b>		<b>Total other equity</b>
	<b>Securities Premium</b>	<b>Retained earnings</b>	
<b>Balance as at April 1, 2017</b>			
Profit for the year	87.48	1,033.77	1,121.25
Addition during the year	-	31.18	31.18
Other comprehensive income for the year, net of income tax	-	-	-
<b>Total comprehensive income for the year</b>	-	<b>31.18</b>	<b>31.18</b>
<b>Balance as at March 31, 2018</b>	<b>87.48</b>	<b>1,064.95</b>	<b>1,152.43</b>
<b>Balance as at April 1, 2018</b>			
Profit for the year	87.48	1,064.95	1,152.43
Addition during the year	-	35.19	35.19
Other comprehensive income for the year, net of income tax	-	-	-
<b>Total comprehensive income for the year</b>	-	<b>35.19</b>	<b>35.19</b>
<b>Balance as at March 31, 2019</b>	<b>87.48</b>	<b>1,100.14</b>	<b>1,187.62</b>

### Note: Nature and purpose of Reserves:

#### Securities Premium

Securities premium is used to record the premium received on issue of shares. It will be utilised in accordance with the provisions of the Companies Act, 2013

#### General Reserve

This represents appropriation of profit after tax by the company.

#### Retained Earnings

Balance of retained earnings consist of surplus retained from earned profit after payment of dividend.

### Accompanying notes are integral part of the standalone financial statements

#### In terms of our report attached

As per our report of even date  
For **Doogar & Associates**  
Chartered Accountants  
Firm Regn. No. 000561N

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

**Mukesh Goyal**  
Partner  
Membership No. 081810

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

**Riju Jhunjunwala**  
Director  
DIN: 00061060

Place : Noida (U.P.)  
Dated : May 29, 2019

**Arjun Sharma**  
Company Secretary &  
Chief Financial Officer  
Membership No. A47848

# NOTES TO THE FINANCIAL STATEMENTS

## 1. General Information

Bhilwara Technical Textiles Limited ("the Company") is a public limited company incorporated under the provision of the Companies Act, 1956, pursuant to the Scheme of De-merger of 'Strategic Investment Division' of the "M/s. RSWM Ltd." The Company has its primary listing on the BSE Limited in India.

The company's main objects envisage carrying on business in various Textile Products. Currently, the Company is engaged in the business of trading of yarns. In view of the current operation and according to the management the company constitute a single segment and accordingly there are no reportable segments in accordance with the requirement of Indian Accounting Standard (Ind AS) 108 on "Operating Segment Reporting" notified under the Companies (Indian Accounting Standard) Rules, 2015.

Bhilwara Technical Textiles Limited (BTTL) already holds substantial stake in equity share capital of BMD Private Limited which is an Associate Company of BTTL. BMD Private Limited is a leading manufacturer of high performance specialized furnishing fabrics for automotives, contract furnishing, flame retardant fabric & air texturized yarn. BMD Pvt. Ltd. has also forayed in the Wind Power and Solar Power Generation which also gives the Company indirect exposure in the renewable energy sector. BMD has a continuous track record of good performance and maintains leadership for its products in OE Segment.

The standalone financial statement for the year ended 31st March, 2019 is approved for issue by the Company's Board of Directors on 29th May, 2019.

## 2. Significant Accounting Policies

### 2.1. Statement of Compliance

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), as prescribed under section 133 of the Companies Act, 2013('the Act') read with the Rule 3 of the Companies (Indian Accounting Standard) Rules 2015 and guidelines issued by the Securities and Exchange Board of India (SEBI). These Ind AS has been adopted w.e.f. 1 April, 2017 as notified by Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015.

### 2.2. Basis of preparation and presentation

The financial statements are prepared on the historical cost basis except for certain financial instruments that are measured at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

#### 2.2.1. Functional and Presentation Currency

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates. All values are rounded to the nearest Lakhs (INR 00,000) except when otherwise indicated.

#### 2.2.2. Classification of Assets and Liabilities as Current and Non-Current

All assets & liabilities are classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products/activities of the Company and the normal time between acquisition of assets for processing and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Assets are classified as current when any of following criteria are satisfied:

- i. the Company expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- ii. the Company holds the asset primarily for the purpose of trading;
- iii. the Company expects to realise the asset within twelve months after the reporting period;
- iv. the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Liabilities are classified as current when any of following criteria are satisfied:

- i. the company expects to settle the liability in its normal operating cycle;
- ii. the company holds the liability primarily for the purpose of trading;
- iii. the liability is due to be settled within twelve months after the reporting period; or
- iv. the company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

### **2.3. Use of Estimates**

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

### **2.4. Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

The specific recognition criteria described below must also be met before revenue is recognised.

#### **Sale of goods**

Revenue from the sale of goods is recognised, when all the significant risks and rewards of ownership of the goods have passed to the buyer, the Company no longer retain continuing managerial involvement to the degree usually associated with ownership nor has effective control over the goods sold, the amount of revenue and costs associated with the transaction can be measured reliably and no significant uncertainty exists regarding the amount of consideration that will be derived from the sales of goods.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates/claims etc. Sales exclude Value added tax/sales tax / Service Tax / Goods & Service Tax.

#### **Other Operating Income**

##### **Interest income**

Interest income from a financial asset is recognised using effective interest rate method.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

##### **Dividend Income**

Revenue is recognised when the Company's right to receive the payment has been established, which is generally when shareholders approve the dividend.

### **2.5. Inventories**

Inventories including goods-in-transit are valued at lower of cost and estimated net realisable value. However, Raw materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

#### **Traded goods:**

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

## 2.6. Property, Plant and Equipment (PPE)

### Recognition and measurement

Property, plant and equipment (PPE) are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of Property, plant and equipment (PPE) comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses, present value of decommissioning costs (where there is a legal or constructive obligation to decommission) and interest on borrowings attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use.

### Subsequent expenditure

Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

### Impairment

Property, plant and equipment are tested for impairment whenever events or changes in circumstances indicate that an asset may be impaired. If an impairment loss is determined, the remaining useful life of the asset is also subject to adjustment.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

### Depreciation

Depreciation is recognised for Property, Plant and Equipment (PPE) so as to write-off the cost less residual values over their estimated useful lives. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis taking into account commercial and technological obsolescence as well as normal wear and tear.

Depreciation on tangible assets is provided on straight line method except for vehicles which are depreciated on written down value method over the useful life of the assets.

Useful Life of Vehicle is 5 years.

## 2.7. Investments in Associates

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. The investment in associates are carried at cost less impairments. The cost comprises price paid to acquire investment and directly attributable cost.

## 2.8. Foreign currencies

The Company's financial statements are presented in INR. (₹)

### Transactions and balances

In preparing the financial statements, transactions in foreign currencies are recognised at the rates of exchange prevailing at the dates of the transactions. Exchange differences arising on foreign exchange transactions settled during the period are recognised in the Statement of profit and loss of the period.

At the end of each reporting period, monetary items denominated in foreign currencies (except financial instruments designated as Hedge Instruments) are translated at the rates prevailing at that date.

Exchange differences on translation of monetary items are recognised in profit and loss in the period in which they arise with the exception of the following:

Monetary items that are designated as part of cash flow hedge instrument are recognised in other comprehensive income (OCI).

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.

Non-monetary that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

## **2.9. Taxation**

Income tax expense represents the sum of tax currently payable and deferred tax.

### **2.9.1. Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Current tax is determined on the basis of taxable income and tax credits computed for Company, in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdiction where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant taxpaying units intends to settle the asset and liability on a net basis.

### **2.9.2. Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets (including unused tax credits such as MAT credit) are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

Minimum Alternative Tax ( MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

#### **Current and deferred tax for the year**

Current and deferred tax are recognised in profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

#### **2.10. Employee Benefits**

Employee benefits obligation is measured on undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### **2.11. Provisions, Contingent Liabilities & Contingent Assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognized but are disclosed in notes.

Contingent assets are not recognised. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset

#### **2.12. Operating Segment**

An operating segment is a component of an entity whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resource allocation and assess its performance. The Company has identified the chief operating decision maker as its Director in Charge.

#### **2.13. Earnings per share**

Basic earnings per share is computed by dividing the net profit for the year attributable to the shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the loss for the year attributable to the shareholders of the Company as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

#### **2.14. Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or

future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### **2.15. Non-Current assets (or disposal groups) held for sale and discontinued operations**

Non-Current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less cost to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

### **2.16. Fair Value Measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in most advantageous market for the asset or liability and the Company has access to the principal or the most advantageous market.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing

categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

### **2.17. Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

For the purposes of the presentation of cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft as they being considered as integral part of the Company's cash management system.

### **2.18. Financial instruments**

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss (FVTPL) are recognised immediately in the statement of profit and loss.

#### **Financial assets**

For purposes of subsequent measurement, financial assets are classified in below mentioned categories:

- Financial assets carried at amortised cost
- Financial asset at fair value through other comprehensive income
- Financial asset at fair value through profit and loss

#### **Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost using the effective interest method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### **Financial assets at fair value through other comprehensive income**

Financial assets are measured at fair value through other comprehensive income (OCI) if these financial assets are held within a business model whose objective is achieved by both selling financial assets and collecting contractual cash flows, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to the statement of profit and loss on disposal of the investments. So far, the Company has not elected to present subsequent changes in fair value of any investment in OCI.

#### **Financial assets at fair value through profit and loss ('FVTPL')**

Investment in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investment in equity instruments which are not held for trading.

Other financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in profit and loss.

**Impairment of financial assets (other than at fair value)**

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses. In cases where the amounts are expected to be realised up to one year from the date of the invoice, loss for the time value of money is not recognised, since the same is not considered to be material.

**Derecognition of financial assets**

The Company derecognized a financial asset when the contractual right to the cash flow from the asset expires or when it transfers the financial asset and substantially all risk and reward of ownership of the asset to other party. If the Company neither transfer nor retain substantially all the risk and reward of ownership and continue to control the transferred asset, the Company recognizes its retained interest in the asset and an associate liability for an amount it has to pay. If the Company retain substantially all the risks and reward of ownership of a transferred financial asset, the company continue to recognize the financial asset and also a collateralized borrowing for the proceeds received.

**Financial liabilities**

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

**Classification as debt or equity**

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

**Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in the statement of profit or loss when the liabilities are derecognized as well as through the effective interest rate (EIR) amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

**Trade and other Payables**

These amounts represent liabilities for goods & services provided to the Company prior to the end of the financial year which are unpaid. These are recognised initially at fair value and subsequently measured at amortised cost using effective interest method. Where the maturity period is within one year from balance sheet date, the carrying amount approximate the fair value at initial recognition due to short maturity of these instruments.

**Derecognition of financial liabilities**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss

**Reclassification of financial assets and financial liabilities**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected

to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

#### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### **Impairment of Non-Financial Assets**

Intangible assets, property, plant and equipment measured at cost and other non-financial assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

### **2.19. Impairment of Non-Financial assets**

The non-financial assets, other than biological assets, inventories and deferred tax asset are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indications exist, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash generating units (CGUs). Each CGU represents the smallest group of assets that generate cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from the business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of the CGU (or an individual asset) is the higher of its value in use and its fair value less cost to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the CGU (or the asset).

The corporate assets (e.g. central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

The impairment loss is recognized if the carrying amount of the asset or the CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit & loss. Impairment loss recognized in respect of CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognized in prior periods, the company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

## 2.20. Use of estimates

The preparation of the financial statement in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and current and / or future periods are affected.

## 2.21. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.

### 2.21.1 Critical accounting judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations that the Management have made in the process of applying the Company's accounting policies and that have most significant effect on the amounts recognised in the financial statements.

#### **Defined benefit plans (gratuity benefits)**

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

#### **Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. **(Refer Note 2.16)**

#### **Impairment of non-financial assets**

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

#### **Impairment of financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making assumption and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward estimate at the end of each reporting period.

#### **Income taxes**

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount

of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

## **2.22. Key Source of estimation uncertainty**

Key source of estimation uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of investments, provisions and contingent liabilities.

The areas involving critical estimates are:

### **Useful lives and residual values of property, plant and equipment**

Useful life and residual value of property, plant and equipment are based on management's estimate of the expected life and residual value of those assets and is as per schedule II to the Companies Act 2013. These estimates are reviewed at the end of each reporting period. Any reassessment of these may result in change in depreciation expense for future years (Refer note no 2.6).

### **Impairment of property plant and equipment**

The recoverable amount of the assets has been determined on the basis of their value in use. For estimating the value in use, it is necessary to project the future cash flow of assets over its estimated useful life. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in statement of profit and loss. (Refer note 2.6)

### **Valuation of deferred tax assets**

Deferred tax assets are recognised only to the extent it is considered probable that those assets will be recoverable. This involves an assessment of when those deferred tax assets are likely to reverse and a judgment as to whether or not there will be sufficient taxable profits available to offset the tax assets when they do reverse. The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. Any change in the estimates of future taxable income may impact the recoverability of deferred tax assets (Refer note 2.9.2).

### **Provisions and contingencies**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

(₹ in Lakhs)		
3 Property, plant and equipment	As at 31 March, 2019	As at 31 March, 2018
<b>Carrying amounts of :</b>		
Property Plant and Equipment	-	4.73
	-	4.73
<b>Particulars</b>	<b>Vehicles</b>	<b>Total</b>
<b>Gross Carrying Value</b>		
<b>As at April 1, 2017</b>	4.77	4.77
Additions	-	-
Disposals	-	-
<b>As at March 31, 2018</b>	4.77	4.77
Additions	-	-
Disposals	(4.77)	(4.77)
<b>As at March 31, 2019</b>	-	-
<b>Accumulated depreciation</b>		
<b>As at April 1, 2017</b>	-	-
Depreciation expense	0.04	0.04
Elimination on disposals of assets	-	-
<b>As at March 31, 2018</b>	0.04	0.04
Depreciation expense	0.19	0.19
Eliminated on disposals of assets	(0.23)	(0.23)
<b>As at March 31, 2019</b>	-	-
<b>Net Carrying Value</b>		
<b>As at March 31, 2018</b>	4.73	4.73
<b>As at March 31, 2019</b>	-	-
<b>4 Investments</b>		
Particulars	As at March 31, 2019	As at March 31, 2018
<b>Non-Current</b>		
<b>Investments in equity instruments at Cost</b>		
<b>Investment in Associates (unquoted)</b>		
66,00,000 (previous Year 66,00,000) equity shares of ₹10 each of BMD Private Limited*	660.00	660.00
<b>Investments in mutual funds at FVTPL (unquoted)</b>		
<b>-Debt</b>		
IIFL WEALTH FINANCE SE-A-JUNE2022 LOA -10 units (previous year units 10)	121.68	110.40
<b>Equity</b>		
IIFL INCOME OPPORTUNITIES FUND -SERIES2 CLASS-B3 (AIF CATEGORY-II)	175.35	-
<b>Total</b>	<b>957.03</b>	<b>770.40</b>
Aggregate book value of Quoted investments	-	-
Aggregate market value of Quoted investments	-	-
Aggregate carrying value of unquoted investments	957.03	770.40
Aggregate amount of impairment in value of investment	-	-

\*49.87% (previous year 49.87%) is Proportion of ownership interest and voting right held by the company in BMD Private Limited, associate.

5 Other assets (Non Current)		(₹ in Lakhs)	
Particulars	As at March 31, 2019	As at March 31, 2018	
Tax refundable	9.97	6.93	
Security Deposits	0.20	0.20	
<b>Total</b>	<b>10.17</b>	<b>7.13</b>	
<b>6 Inventories</b>			
Particulars	As at March 31, 2019	As at March 31, 2018	
<b>Inventories - valued at lower of cost and net realisable value</b>			
Traded Goods (in transit)	84.61	-	
<b>Total</b>	<b>84.61</b>	<b>-</b>	
<b>7 Trade receivables</b>			
Particulars	As at March 31, 2019	As at March 31, 2018	
<b>Current</b>			
Unsecured, Considered Goods	78.61	-	
Unsecured, Considered doubtful	-	-	
Less: Allowance for bad and doubtful debts	-	-	
<b>Total</b>	<b>78.61</b>	<b>-</b>	
<b>8 Cash and cash equivalents</b>			
Particulars	As at March 31, 2019	As at March 31, 2018	
Balances with banks			
- in current accounts	3.18	1.92	
Cash on hand	0.27	0.37	
<b>Total</b>	<b>3.45</b>	<b>2.29</b>	
<b>9 Bank balances other than above (ii)</b>			
Particulars	As at March 31, 2019	As at March 31, 2018	
Bank Deposits	747.25	936.77	
<b>Total</b>	<b>747.25</b>	<b>936.77</b>	
<b>10 Other financial assets</b>			
Particulars	As at March 31, 2019	As at March 31, 2018	
Interest Receivable	17.88	15.28	
<b>Total</b>	<b>17.88</b>	<b>15.28</b>	
<b>11 Current Tax Assets/liabilities (net)</b>			
Particulars	As at March 31, 2019	As at March 31, 2018	
<b>Current tax assets</b>			
Advance Tax	10.36	14.50	
TDS Receivable for 2018-19 (on Interest)	6.02	6.01	
	<b>16.38</b>	<b>20.51</b>	
<b>Current tax liabilities</b>			
Provision for Taxation	8.22	19.24	
	8.22	19.24	
<b>Total</b>	<b>8.16</b>	<b>1.27</b>	

**12 Other current assets**

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Prepaid Expenses	0.31	0.03
Due from government	11.72	1.13
Duty Drawback Receivable	0.98	-
<b>Total</b>	<b>13.01</b>	<b>1.16</b>

**13 Share capital**

Particulars	As at 31 March, 2019	As at 31 March, 2018
<b>Authorised share capital</b>		
70,000,000 fully paid equity shares of ₹ 1 each (as at 31 March, 2018: 70,000,000)	700.00	700.00
	<b>700.00</b>	<b>700.00</b>
<b>Issued, subscribed and fully paid-up</b>		
58,373,305 fully paid equity shares of ₹ 1 each (as at 31 March, 2018: 58,373,305)	583.73	583.73
<b>Total</b>	<b>583.73</b>	<b>583.73</b>

See notes (i) to (iv) below

## (i) Fully paid equity shares

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	Number of shares	(₹ in Lakhs)	Number of shares	(₹ in Lakhs)
Shares outstanding at the beginning of the year	58,373,305	583.73	58,373,305	583.73
Shares issued during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>58,373,305</b>	<b>583.73</b>	<b>58,373,305</b>	<b>583.73</b>

## (ii) Rights, preferences and restriction attached to equity shares

Company has only one class of equity shares having a par value of ₹1. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## (iii) Details of shares held by shareholders holding more than 5% of shares:

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	Number of shares	% Holding	Number of shares	% Holding
<b>Equity shares of ₹ 1 each fully paid</b>				
Shashi Agarwal	10,159,855	17.40%	7,759,855	13.29%
Shantanu Agarwal	5,308,115	9.09%	5,308,115	9.09%
Shekhar Agarwal (Karta)	4,027,344	6.90%	4,027,344	6.90%
Sita Nirman Pvt. Ltd.	3,601,678	6.17%	3,601,678	6.17%
Anderson Deal Trade Pvt. Ltd.	5,061,215	8.67%	5,061,215	8.67%
Agarwal Finestate Pvt. Ltd.	7,315,358	12.53%	7,315,358	12.53%
	<b>35,473,565</b>	<b>60.77%</b>	<b>33,073,565</b>	<b>56.65%</b>

- (a) As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents legal ownerships of shares.
- (iv) The Company has not allotted any fully paid up shares pursuant to contract(s) without payment being received in cash nor has allotted any fully paid up shares by way of bonus shares nor has bought back any class of shares during the period of five years immediately preceding the balance sheet date.

**14 Other equity**

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Retained earnings	1,100.14	1,064.95
Securities Premium	87.48	87.48
<b>Total</b>	<b>1,187.62</b>	<b>1,152.43</b>

**14.1 Retained earnings**

Particulars	As at March 31, 2019	As at March 31, 2018
Balance at the beginning of year	1,064.95	1,033.77
Profit for the year	35.19	31.18
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-
<b>Total</b>	<b>1,100.14</b>	<b>1,064.95</b>

**14.2 Securities premium**

Particulars	As at March 31, 2019	As at March 31, 2018
Balance at the beginning of year	87.48	87.48
Addition during the year	-	-
<b>Total</b>	<b>87.48</b>	<b>87.48</b>

**15 Other liabilities**

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Non Current</b>		
Staff deposit	-	1.17
	-	1.17
<b>Current</b>		
Advance from Export Customer	13.66	-
Statutory dues payable	0.38	0.18
Other liabilities	-	0.02
<b>Total</b>	<b>14.04</b>	<b>0.20</b>

**16 Trade payables**

Particulars	As at March 31, 2019	As at March 31, 2018
Total outstanding dues of micro enterprises and small enterprises*	-	-
Total outstanding dues of Trade Payable other than micro enterprises and small enterprises	127.32	-
<b>Total</b>	<b>127.32</b>	<b>-</b>

\*Note: Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at March 31, 2019	As at March 31, 2018
The principal amount remaining unpaid to any supplier as at the end of the year.	-	-
The interest due on principal amount remaining unpaid to any supplier as at the end of the year.	-	-
The amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
The amount of interest accrued and remaining unpaid at the end of the year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act.	-	-
Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.	-	-

#### 17 Other Financial Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Current</b>		
Audit Fees Payable	1.08	0.45
Legal & Professional Payable	0.18	-
Secretarial audit fee payable	0.23	0.23
Staff Fund	-	0.01
Salary payable	0.32	-
Other financial liabilities	3.71	-
<b>Total</b>	<b>5.52</b>	<b>0.69</b>

#### 18 Deferred Tax liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred tax liabilities	1.94	0.81
Deferred tax assets	-	-
<b>Total</b>	<b>1.94</b>	<b>0.81</b>

#### Movement in Deferred tax Liabilities

2018-19	Opening Balance	Recognised in Statement of profit and loss	Recognised in other comprehensive income	Closing Balance
<b>Deferred tax liabilities in relation to</b>				
- Remeasurement of investment at fair value	(0.73)	(1.13)	-	(1.86)
- Depreciation expenses	(0.08)	-	-	(0.08)
<b>Total</b>	<b>(0.81)</b>	<b>(1.13)</b>	<b>-</b>	<b>(1.94)</b>

19 Revenue from operation		(₹ in Lakhs)	
Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018	
<b>a) Revenue from operations</b>			
Sale of products - Traded goods	77.70	-	
<b>b) Other operating revenues</b>			
Export incentives	0.98	-	
<b>Total</b>	<b>78.68</b>	<b>-</b>	
<b>20 Other income</b>			
Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018	
Interest on deposits	59.34	60.11	
Remeasurement of investment	11.63	7.04	
Profit on transfer of Vehicle	0.07	-	
Exchange difference on reinstatement of Trade Receivables	0.91	-	
Miscellaneous Income	-	0.52	
<b>Total</b>	<b>71.95</b>	<b>67.67</b>	
<b>21 Purchases for stock-in-trade</b>			
Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018	
Purchases Yarn for trading	164.30	-	
<b>Total</b>	<b>164.30</b>	<b>-</b>	
<b>22 Changes in inventories of finished goods, work in progress and stock in trade</b>			
Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018	
<b>Inventories (At Close)</b>			
Traded Goods (in Transit)	84.61	-	
	84.61	-	
<b>Inventories (At opening)</b>			
Traded Goods	-	-	
	-	-	
<b>(Increase)/Decrease of Inventory Total</b>	<b>(84.61)</b>	<b>-</b>	
<b>23 Employee benefit expense</b>			
Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018	
Salaries, wages & Bonus	4.41	6.44	
Staff welfare expenses & other benefits	0.15	0.17	
<b>Total</b>	<b>4.56</b>	<b>6.61</b>	

24 Finance Cost	(₹ in Lakhs)	
Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Other Interest	0.01	-
<b>Total</b>	<b>0.01</b>	<b>-</b>

25 Other expenses	Year ended March 31, 2019	Year ended March 31, 2018
Particulars		
Fees & Subscription	3.25	4.03
Legal & Professional	4.98	4.35
Auditor's Remuneration (refer note (i) below)	1.32	0.81
Publication charges	2.60	1.89
Director's sitting fees	0.88	0.90
Freight (Domestic)	3.93	-
Director's Travelling	0.06	-
Rates & Taxes	-	0.02
Printing & Postage expenses	5.85	4.40
Bank Charges	0.02	0.03
Miscellaneous expense	0.49	0.46
<b>Total</b>	<b>23.38</b>	<b>16.89</b>

**Note-(1)**

Payment to auditor comprise	Year ended March 31, 2019	Year ended March 31, 2018
(i) Statutory audit Fee	0.85	0.50
(ii) Limited review	0.45	0.30
(iii) Other	0.02	0.01
<b>Total</b>	<b>1.32</b>	<b>0.81</b>

**26 Tax Expense****26.1 Income taxes recognised in profit and loss**

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
<b>Current tax</b>		
In respect of the current year	8.22	11.17
In respect of the prior years	(1.75)	0.97
	<b>6.47</b>	<b>12.14</b>
<b>Deferred tax</b>		
In respect of the current year	1.14	0.81
	<b>1.14</b>	<b>0.81</b>
<b>Total income tax expense recognised in the current year</b>	<b>7.61</b>	<b>12.95</b>

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	(₹ in Lakhs)	
	Year ended 31 March, 2019	Year ended 31 March, 2018
<b>Profit before tax</b>	<b>42.80</b>	<b>44.13</b>
Statutory Income tax rate	<b>26.00%</b>	25.75%
Tax at Indian statutory income tax rate	<b>11.13</b>	11.36
Effect of income that is exempt from taxation	-	-
Effect of expenses that are not deductible in determining taxable profit	<b>(1.77)</b>	0.62
Adjustment recognised in the current year in relation to the current tax of prior years	<b>(1.75)</b>	0.97
<b>Income tax expense recognised in profit or loss</b>	<b>7.61</b>	<b>12.95</b>

The tax rate used for the years ended 31 March, 2019 and 31 March, 2018 reconciliations above is the corporate tax rate of 26.00% and 25.75% respectively payable by corporate entities in India on taxable profit under the Income tax law.

## 26.2 26.2 Income tax recognised in other comprehensive income

Particulars	Year ended	
	31 March, 2019	31 March, 2018
<b>Current tax</b>		
Remeasurements of defined benefit obligation	-	-
<b>Deferred Tax</b>		
Remeasurements of defined benefit obligation	-	-
<b>Total income tax recognised in other comprehensive income</b>	<b>-</b>	<b>-</b>

## 27 Earnings per share

Basic earnings per equity share and Diluted earnings per equity share has been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the year.

Particulars	Year ended	
	31 March, 2019	31 March, 2018
Profit after tax as per statement of profit & loss A/c	<b>35.19</b>	31.18
Net earning for computing basic earning per shares	<b>35.19</b>	31.18
Number of equity shares	<b>58,373,305</b>	58,373,305
Weighted average number of equity shares used in computing the basic earnings per share	<b>58,373,305</b>	58,373,305
Weighted average number of equity shares used in computing the diluted earnings per share	<b>58,373,305</b>	58,373,305
<b>Basic earnings per share of ₹ 1 each</b>	<b>0.06</b>	<b>0.05</b>
<b>Diluted earnings per share of ₹ 1 each</b>	<b>0.06</b>	<b>0.05</b>
Face value per share (in ₹)	1	1

## 28 Segment Reporting

The company's main objects envisage carrying on business in various Textile Products. Currently, the Company is engaged in the business of trading of yarns. In view of the current operation and according to the management the company constitute a single segment and accordingly there are no reportable segments in accordance with the requirement of Indian Accounting Standard (Ind AS) 108 on "Operating Segment Reporting" notified under the Companies (Indian Accounting Standard) Rules, 2015.

## 29. Financial instruments

### 29.1 Capital management

The Company manages its capital to ensure that the entities in the Company will be able to continue as going concern while maximizing the return to shareholders and also complying with the ratios stipulated in the loan agreements through the optimization of the debt and equity balance.

The Company is not subject to any externally imposed capital requirements.

#### 29.1.1 Gearing Ratio

The Company is a debt free entity.

### 29.2 Categories of financial instruments

The carrying value and fair value of financial instruments by categories as of March 31, 2019 were as follows:

(₹ in Lakhs)					
Particulars	Amortised / Cost	Financial assets/ liabilities at fair value through profit & loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total Fair value
<b>Financial assets</b>					
<b>Measured at Amortised cost</b>					
(a) Trade receivables	78.61	-	-	78.61	78.61
(b) Cash and cash equivalents	3.45	-	-	3.45	3.45
(c) Bank balances other than above	747.25	-	-	747.25	747.25
(d) Other financial assets	17.88	-	-	17.88	17.88
(e) Investments - Equity	660.00	-	-	660.00	660.00
<b>Measured at Fair Value</b>					
(f) Investments-Mutual Funds	-	297.03	-	297.03	594.06
<b>Financial Liabilities</b>					
<b>Measured at amortised cost</b>					
(g) Trade payables	127.32	-	-	127.32	127.32
(h) Other financial liabilities	5.52	-	-	5.52	5.52

The carrying value and fair value of financial instruments by categories as of March 31, 2018 were as follows:

(₹ in Lakhs)					
Particulars	Amortised / Cost	Financial assets/ liabilities at fair value through profit & loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total Fair value
<b>Financial assets</b>					
<b>Measured at Amortised cost</b>					
(a) Cash and cash equivalents	2.29	-	-	2.29	2.29
(b) Bank Balances other than above	936.77	-	-	936.77	936.77
(c) Other financial asset	15.28	-	-	15.28	15.28
(d) Investments - Equity	660.00	-	-	660.00	660.00
<b>Measured at Fair Value</b>					
(e) Investments -Mutual Funds	-	110.40	-	110.40	110.40
<b>Financial Liabilities</b>					
<b>Measured at amortised cost</b>					
(f) Trade payables	-	-	-	-	-
(g) Other financial liabilities	0.69	-	-	0.69	0.69

### 29.3 Fair value Hierarchy

Level 1- Quoted prices( unadjusted) in active markets for identical assets or liabilities.

Level 2- Input other than quoted prices included within level 1 that are observable for the asset or liabilities, either directly ( i. e as prices) or indirectly (i.e. derived from prices). (Net Asset value as published by the fund).

Level 3- Inputs for the assets or liabilities that are not based on observable market data( unobservable inputs).

**The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2019:**

(₹ in Lakhs)		
Particular	As at March 31, 2019	Fair Value measurement at end of the reporting period/year using
		Level 2
Investment in Mutual Funds	297.03	297.03

**The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2018:**

(₹ in Lakhs)		
Particular	As at March 31, 2018	Fair Value measurement at end of the reporting period/year using
		Level 2
Investment in Mutual Funds	110.40	110.40

### 29.4 Valuation technique used to determine Fair value

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell as asset or paid to transfer a liability in orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values:

Investments in the unquoted mutual funds have been valued considering the market coupon rate of similar financial instruments.

### 29.5 Financial risk management objectives and policies

The Company's principal financial liabilities, comprises of trade payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The company's activities expose it to a variety of financial risks: currency risk, interest rate risk credit risk and liquidity risk. The company's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the company's financial performance. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives The Audit committee reviews and agrees policies for managing each of these risks, which are summarised below.

#### 29.5.1 Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

##### Expected Credit Loss for trade receivables

There is no debtor outstanding for more than 12 months. Credit risk is managed through credit approvals, establishing credit limits, continuous monitoring of creditworthiness of customers to which

the company grants credit terms in the normal course of business. The Company also assesses the financial reliability of customers taking into account the financial condition, current economic trends and historical bad debts and ageing of accounts receivables.

**For the year ending 31st March 2019**

(₹ in Lakhs)

Financial assets to which loss allowance is measured using 12 months Expected credit loss(ECL)	Gross Carrying Amount	Expected Probability of Default	Expected Credit Loss	Carrying amount net of impairment provision
Other Financial Assets	17.88	0.00%	-	17.88

(₹ in Lakhs)

Financial assets to which loss allowance is measured using life time expected credit loss (ECL)	Not Due	Less than 12 months	More than 12 months	Total
Trade Receivables	-	78.61	-	78.61
Expected Loss Rate	-	0.00%	100%	
Expected Credit Losses	-	-	-	-
Carrying amount of Trade receivables	-	78.61	-	78.61

**For the year ending 31st March 2018**

(₹ in Lakhs)

Financial assets to which loss allowance is measured using 12 months Expected credit loss(ECL)	Gross Carrying Amount	Expected Probability of Default	Expected Credit Loss	Carrying amount net of impairment provision
Other Financial Assets	15.28	0.00%	-	15.28

(₹ in Lakhs)

Financial assets to which loss allowance is measured using life time expected credit loss (ECL)	Not Due	Less than 12 months	More than 12 months	Total
Trade Receivables	-	-	-	-
Expected Loss Rate	-	-	100%	
Expected Credit Losses	-	-	-	-
Carrying amount of Trade receivables	-	-	-	-

**Provisioning Norms of Debtors**

Ageing of debtor on the basis of invoice date	Provision in %
Upto 12 Months	Nil
More than 12 months	100%

**Investments**

The Company limits its exposure to credit risk by generally investing with counterparties that have a good credit rating.

**Cash & cash equivalents**

With respect to credit risk arising from financial assets which comprise of cash and cash equivalents, the Company's risk exposure arises from the default of the counterparty, with a maximum exposure equal to the carrying amount of these financial assets at the reporting date. Since the counter party involved is a bank, Company considers the risks of non-performance by the counterparty as non-material.

### 29.5.2 Foreign Currency Risk

Foreign exchange risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in foreign exchange rate.

The Company derives significant portion of its revenue in foreign currency, exposing it to fluctuations in currency movements. The Company has laid down a foreign exchange risk policy as per which senior management team reviews and manages the foreign exchange risks in a systematic manner, including regular monitoring of exposures, proper advice from market experts, hedging of exposures, etc.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Details in respect of the outstanding hedge accounting relationships given below:

Particular	(₹ in lakhs)	
	As at 31 March, 2019	As at 31 March, 2018
	USD	USD
Trade Receivables	1.14	-
Less: Hedged Portion	-	-
Unhedged Exposure	1.14	-

#### Sensitivity Analysis

The Following table demonstrate the sensitivity in the foreign exchange rate ( USD ) to the Indian Rupees with all other variable held constant. The Impact on statement of profit & loss is given below:

Particular	(₹ in Lakhs)			
	As at 31 March, 2019		As at 31 March, 2018	
	Increase	Decrease	Increase	Decrease
<b>USD Sensitivity</b>				
USDINR- Increase / (Decrease) by 1%	0.78	(0.78)	-	-

### 29.6 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the company's short, medium, and long-term funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

#### Liquidity and interest risk tables

The following tables detail the company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The contractual maturity is based on the earliest date on which the company may be required to pay.

Particulars	Weighted average effective interest rate					(₹ in Lakhs)	
		0-1 year	1-3 years	3-5 years	5+ years	Total	Carrying Amount
<b>31 March, 2019</b>							
<b>Non-interest bearing</b>							
Trade payables		127.32	-	-	-	127.32	127.32
Other financial liabilities		5.52	-	-	-	5.52	5.52

(₹ in Lakhs)

Particulars	Weighted average effective interest rate	0-1 year	1-3 years	3-5 years	5+ years	Total	Carrying Amount
<b>31 March, 2018</b>							
<b>Non-interest bearing</b>							
Trade payables		-	-	-	-	-	-
Other financial liabilities		0.69	-	-	-	0.69	0.69

**30.1 LIST OF RELATED PARTIES AS PER IND AS 24 & REGULATION 23 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

S. No	Name of Related Party	Nature of Relationship	
<b>A</b>	(i) <b>A person or a close member of that person's family of a reporting entity has control or joint control over the reporting entity</b>	Shri Shekhar Agarwal	Promoters having voting control
		Shri Shantanu Agarwal	Promoters having voting control
	(ii) <b>A person or a close member of that person's family of a reporting entity has significant influence over the reporting entity</b>	Shri Shekhar Agarwal	
		Smt. Shashi Agarwal	
		Shri Shantanu Agarwal	
		Smt. Shuchi Poddar	
	(iii) <b>A person or a close member of that person's family of a reporting entity is a member of the Key Management Personnel of the reporting entity or of a parent of the reporting entity.</b>	Shri Shekhar Agarwal	
		Shri Shantanu Agarwal	
		Shri Riju Jhunjhunwala	
		Shri Priya Shankar Dasgupta	
Mrs. Sunita Mathur			
<b>B</b>	(i) <b>The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others)</b>	<b>N.A.</b>	
	(ii) <b>One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member)</b>	BMD Pvt. Ltd.	Associate
		BMD Power Pvt. Ltd.	Wholly Owned Subsidiary of Associate
		BMD Renewable Energy Pvt. Ltd.	Wholly Owned Subsidiary of Associate
	Agarwal Trademart Pvt. Ltd.	Wholly Owned Subsidiary of Associate	

S. No	Name of Related Party	Nature of Relationship
(iii)	<b>Associated and other entities are joint ventures of the same third party.</b>	
	N.A.	
(iv)	<b>One Entity is a joint venture of a third party and the other entity is an associate of the third entity</b>	
	N.A.	
(v)	<b>The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity</b>	
	N.A.	
(vi)	<b>The entity is controlled or jointly controlled by a person identified in (a).</b>	
	Aadi Marketing Company Pvt. Ltd.	Holding more than 50% of Shareholding along with relatives in the Company.
	Maral Overseas Ltd.	
	Agarwal Finestate Private Ltd	
	AKJ Apparels Pvt. Ltd.	
	Apeksha Vyapar Pvt. Ltd.	
	Bhilwara Technical Textiles Ltd.	
	BMD Power Pvt. Ltd.	
	BMD Pvt. Ltd.	
	BMD Renewable Energy Pvt. Ltd.	
	BSL Limited	
	Captain Trade & Agencies Pvt. Ltd.	
	Diplomat Leasing and Finance Pvt. Ltd.	
	HEG Ltd.	
	MG Marketing and Trading Pvt. Ltd.	
	RANDR Trustee Pvt. Ltd.	
	RLJ Family Trusteeship Pvt. Ltd.	
	RRJ Family Trustee Pvt. Ltd.	
	RSWM Ltd.	
	SKLNJ Family Trusteeship Pvt. Ltd.	
	SSSA Family Pvt. Ltd.	
	Ultramarine Impex Pvt. Ltd.	
	Kalati Holdings Pvt. Ltd.	
	Investors India Limited	
	Zoongoo Commercial Co. Pvt. Ltd.	
	Glorious Commodeal Pvt. Ltd.	
	Giltedged Industrial Securities Ltd.	
	India TexFab Marketing Ltd.	
	Nivedan Vanijya Niyojan Ltd.	
	Nikita Electrotrades Pvt. Ltd.	
	Raghav Commercial Limited	
	Resrose Vanijya Private Ltd.	
	Veronia Tie up Pvt. Ltd.	

S. No	Name of Related Party	Nature of Relationship
(vii)	<b>A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).</b>	
1	<b>Shri Shekhar Agarwal</b>	
	Agarwal Finestate Private Ltd.	Holding 20% or more Shareholding along with relatives in the Company.
	Bhilwara Technical Textiles Ltd.	
	BMD Power Pvt. Ltd.	
	BMD Pvt. Ltd.	
	BMD Renewable Energy Pvt. Ltd.	
	MG Marketing and Trading Pvt. Ltd.	
	SSSA Family Pvt. Ltd.	
	Ultramarine Impex Pvt. Ltd.	
2	<b>Shri Shantanu Agarwal</b>	
	Agarwal Finestate Private Ltd.	Holding 20% or more Shareholding along with relatives in the Company.
	Bhilwara Technical Textiles Ltd.	
	BMD Power Pvt. Ltd.	
	BMD Pvt. Ltd.	
	BMD Renewable Energy Pvt. Ltd.	
	MG Marketing and Trading Pvt. Ltd.	
	SSSA Family Pvt. Ltd.	
	Ultramarine Impex Pvt. Ltd.	
(viii)	<b>The Entity, or any member of a group of which it is part , provide key management personal service to the reporting entity of to the parent of reporting entity.</b>	
	<b>N.A.</b>	

### 30.2 Related Party Transactions Disclosure for the year ended March 31, 2019

(₹ in Lakhs)

Sr. No.	Transaction	Key Managerial Personnel & Relatives		Associates and Wholly on Subsidiary of Associates of Reporting entity		A person and enterprises over which any person described other than A-(i-iii) and B-(ii) is able to exercise significant influence over the reporting enterprises.		Total	
		31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
1	Sitting Fees	0.88	0.90	-	-	-	-	0.88	0.90
2	Reimbursement of Expenses paid for medical expenses	-	-	-	-	0.08	-	0.08	-
<b>TOTAL</b>		<b>0.88</b>	<b>0.90</b>	<b>-</b>	<b>-</b>	<b>0.08</b>	<b>-</b>	<b>0.96</b>	<b>0.90</b>

## 31 Recent Accounting Pronouncements

### Standards issued but not yet effected

On March 30, 2019 the Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 (hereinafter referred to as "the Rules") which have been made effective from April 1, 2019.

#### 1. New Ind AS 116: 'Leases':

The new Ind AS 116: 'Leases' has been introduced in suppression of the earlier Ind AS 17. In the said new Ind AS, the provisions with regard to 'Lessor' are similar to that of earlier Ind AS. There are however certain changes in provisions with regard to 'Lessee'. The Company does not have any lease as on date, so the impact of the new Ind AS 116 shall not have any impact on its financial statements.

#### 2. Amendment to Ind AS 109: 'Financial Instruments':

The amendment pertains to classification of financial instruments with feature of prepayment with negative compensation, which permits the holder or the borrower to make the prepayment and at the same time permits the lender or the issuer to put the instrument for repayment before the holder or borrower for making its payment before its maturity at an amount less than unpaid amount of principal and interest. Such instruments can be measured at amortised cost or at fair value through the statement of profit and loss or other comprehensive income by lender or issuer.

The Company has evaluated the effect of the said amendment and found that since it is not dealing in such financial instruments, there will not be any impact of this amendment on its financial statements.

#### 3. Amendment to Ind AS 19: 'Employee Benefits':

The amendment relates to measurement and disclosure of effects of plan amendment, curtailment and settlement. When an entity determines the past service cost at the time of plan amendment or curtailment, it shall re-measure the amount of net defined benefit liability/asset using the current value of plan assets and current actuarial assumptions which should reflect the benefits offered under the plan and plan assets before and after the plan amendment, curtailment and settlement.

The Company has evaluated the effect of the said amendment and found that there will not be any material impact of this amendment on its financial statements.

#### 4. Amendment to Ind AS 28: 'Investments in Associates and Joint Ventures':

The said amendment clarifies that Ind AS 109 should be applied to the financial instruments, including long-term interests in associates and joint venture, that, in substance, form part of an entity's net investment in associate or joint venture, to which the equity method is not applied.

The Company has evaluated the effect of the said amendment and found that since the company already applies equity method for investments made in associates and joint ventures, this amendment shall not have any impact on its financial statements.

#### 5. Amendment to Ind AS 12: 'Income Taxes':

The first amendment relates to creation of a corresponding liability for payment of Dividend Distribution Tax (DDT) when it recognises a liability to pay a dividend.

The Company has evaluated the effect of the said amendment and found that it is already creating corresponding liability for payment of DDT when it recognises a liability to pay a dividend. So, there is no any impact on its financial statements further, due to this amendment.

The second amendment relates to recognition of tax consequence of an item whose tax treatment is uncertain. Tax treatment of an item is considered as uncertain when there is uncertainty whether the relevant taxation authority will accept the tax treatment of that item or not.

The Company has evaluated the effect of the said amendment and found that it is already recognising tax liability in all such cases where it considers that the tax treatment is uncertain. So there shall not be any additional impact on its financial statements due to the said amendment.

**32** Previous year figures have been regrouped/restated wherever considered necessary.

**33 Approval of financial statements**

The Financial statements for the year ended 31st March 2019 were approved by the Board of Directors and authorized for issue on 29th May 2019.

**In terms of our report attached**

As per our report of even date

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

For **Doogar & Associates**

Chartered Accountants

Firm Regn. No. 000561N

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

**Mukesh Goyal**

Partner

Membership No. 081810

**Riju Jhunhunwala**  
Director  
DIN: 00061060

Place : Noida

Dated : May 29, 2019

**Arjun Sharma**  
Company Secretary &  
Chief Financial Officer  
Membership No. A47848

# INDEPENDENT AUDITORS' REPORT

## To The Members of Bhilwara Technical Textiles Limited

### Report on the Audit of the Consolidated Ind AS financial statements

#### Opinion

We have audited the accompanying consolidated Ind AS financial statements of **Bhilwara Technical Textiles Limited** (hereinafter referred to as "the Investor Company") and its associate company (Investor Company and associate company together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2019, and their consolidated profit, consolidated total comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

#### Basis for Opinion

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

#### Key Audit Matters

We have determined that there are no key audit matters to communicate in our report.

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

The Investor Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report including annexures to Director's Report, but does not include the consolidated financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this Auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

## Management's Responsibility for the Consolidated Ind AS financial statements

The Investor Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The Board of Directors of the Investor companies and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Investor Company and its associates 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, which have been used for the purpose of preparation of the consolidated financial

statements by the Directors of the Investor Company, as aforesaid.

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

The Board of Directors of the companies of the group is also responsible for overseeing the financial reporting process of the Group.

### **Auditor's Responsibility for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or

conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Investor Company and other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **Other Matters**

The consolidated financial statements include the Investor Company's share of net profit of ₹1096.43 lakhs and share in other comprehensive income of an Associate is ₹ (3.31) lakhs for the year ended 31st March, 2019, as considered in the consolidated financial statements, in respect of one associate, whose financial statements have not been audited by us. These financial

statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of sub-sections (3) of Section 143 of the Act, insofar as it relates to the aforesaid associate, is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements, and our report on other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

### Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
- b) In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books;
- c) The consolidated balance sheet, the consolidated statement of profit and loss including the statement of other comprehensive income, the consolidated cash flow statement and consolidated statement of changes in equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Amendment Rules, 2015, as amended;
- e) On the basis of the written representations received from the directors of the Investor Company as on 31st March, 2019 taken on record by the Board of Directors of the Investor Company and the reports of the other statutory auditor and joint auditor of its subsidiary and associate companies respectively, none of the directors of the Investor companies and its associate company is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in “**Annexure A**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of Group.

- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, no remuneration was paid by the Company to its directors during the year and hence not commented upon.

- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. There were no pending litigations which would impact the consolidated financial position of the Investor Company and its associate;
  - ii. The Investor Company and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts;
  - iii. There were no amounts which were required to be transferred to the Investor education and Protection Fund by the Investor Company and its associate company incorporated in India.; and

**For Doogar & Associates**  
Chartered Accountants  
Firm Regn. No. 000561N

**Mukesh Goyal**  
Partner

Place: Noida  
Date: May 29, 2019

Membership No. 081810

### Annexure A to the Independent Auditor’s Report to the members of Bhilwara Technical Textiles Limited (Investor Company) of even date on its Consolidated Financial Statements

#### Report on the Internal Financial Controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”) as referred to in paragraph 1(f) of ‘Report on Other Legal and Regulatory Requirements’ section of our report referred above

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2019, we have audited the internal financial controls over financial reporting of Bhilwara Technical Textiles Limited (hereinafter referred to as “the Investor Company”) and its associate company (collectively referred as ‘Group’), which is a company incorporated in India, as of that date.

#### Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the of the Investor Company and its associate company, which is company incorporated in India, are responsible for establishing and maintaining internal financial controls based on

the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance note") issued by the ICAI 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 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 judgment, 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 Group's internal financial controls system over financial reporting.

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those

policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Investor Company and its associate company which is a company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **Other Matters**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to the one associate company, which is a company incorporated in India, is based on the corresponding report of the auditor of the associate company incorporated in India.

**For Doogar & Associates**  
Chartered Accountants  
Firm Regn. No. 000561N

**Mukesh Goyal**

Partner

Place: Noida  
Date: May 29, 2019

Membership No. 081810

# CONSOLIDATED BALANCE SHEET AS AT 31 MARCH, 2019

Particulars	Notes	(₹ in Lakhs)	
		As at 31 March, 2019	As at 31 March, 2018
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant & Equipment	3	-	4.73
(b) Financial Assets			
(i) Investments*	4	12,608.88	11,329.14
(c) Other non current assets	5	10.17	7.13
<b>Total Non-Current Assets</b>		<b>12,619.05</b>	<b>11,341.00</b>
<b>Current assets</b>			
(a) Inventories	6	84.61	-
(b) Financial assets			
(i) Trade receivables	7	78.61	-
(ii) Cash and cash equivalents	8	3.45	2.29
(iii) Bank balances other than above (ii)	9	747.25	936.77
(iv) Other financial assets	10	17.88	15.28
(c) Current Tax Asset (net)	11	8.16	1.27
(d) Other current assets	12	13.01	1.16
<b>Total Current Assets</b>		<b>952.97</b>	<b>956.77</b>
<b>Total Assets</b>		<b>13,572.02</b>	<b>12,297.77</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	13	583.73	583.73
(b) Other equity	14	12,839.47	11,711.17
<b>Total Equity</b>		<b>13,423.20</b>	<b>12,294.90</b>
<b>Liabilities</b>			
<b>Non-Current liabilities</b>			
(a) Deferred Tax Liabilities	18	1.94	0.81
(b) Other Non current Liabilities	15	-	1.17
<b>Total non-current liabilities</b>		<b>1.94</b>	<b>1.98</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Trade payables	16		
-Total outstanding dues of micro enterprises and small enterprises		-	-
-Total outstanding dues of Trade Payables other than micro enterprises and small enterprises		127.32	-
(ii) Other Financial Liabilities	17	5.52	0.69
(b) Current Tax Liabilities (net)	12	-	-
(c) Other current liabilities	15	14.04	0.20
<b>Total Current Liabilities</b>		<b>146.88</b>	<b>0.89</b>
<b>Total Liabilities</b>		<b>148.82</b>	<b>2.87</b>
<b>Total Equity and liabilities</b>		<b>13,572.02</b>	<b>12,297.77</b>

\* Investments include Investment in Associates taken by using the Equity Method.

Accompanying notes are integral part of the consolidated financial statements

## In terms of our report attached

As per our report of even date

For **Doogar & Associates**

Chartered Accountants

Firm Regn. No. 000561N

**Mukesh Goyal**

Partner

Membership No. 081810

For and on behalf of the Board of Directors of

**Bhilwara Technical Textiles Limited**

**Shekhar Agarwal**

Chairman & Managing Director

DIN: 00066113

**Riju Jhunjhunwala**

Director

DIN: 00061060

**Arjun Sharma**

Company Secretary &

Chief Financial Officer

Membership No. A47848

Place : Noida (U.P.)

Dated : May 29, 2019

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2019

Particulars		Note	Year ended 31 March, 2019	Year ended 31 March, 2018
(₹ in Lakhs)				
1	a Revenue from Operation	19	78.68	-
	b Other Income	20	71.95	67.67
	<b>Total Income (a+b)</b>		<b>150.63</b>	<b>67.67</b>
2	<b>Expenses</b>			
	a Purchases of stock-in-trade	21	164.30	-
	b Changes in inventories of finished goods, work in progress and stock in trade"	22	(84.61)	-
	c Employee benefit expense	23	4.56	6.61
	d Finance Cost	24	0.01	-
	e Depreciation and amortisation	3	0.19	0.04
	f Other expenses	25	23.38	16.89
	<b>Total Expenses</b>		<b>107.83</b>	<b>23.54</b>
3	<b>Profit/(Loss) before exceptional items, tax &amp; Share of net profits of investments accounted for using equity method (1-2)</b>		<b>42.80</b>	<b>44.13</b>
4	Exceptional items		-	-
5	<b>Profit/(Loss) before tax &amp; share of net profits of investments accounted for using equity method (3-4)</b>		<b>42.80</b>	<b>44.13</b>
6	Share of Profit/(Loss) of Associate		1,096.43	944.35
7	<b>Profit/(Loss) before tax</b>		<b>1,139.23</b>	<b>988.48</b>
8	<b>Tax expense</b>	26		
	a Current tax		8.22	11.17
	b Deferred tax		1.14	0.81
	c Adjustment for earlier years		(1.75)	0.97
	<b>Total tax expense</b>		<b>7.61</b>	<b>12.95</b>
9	<b>Profit for the year (7-8)</b>		<b>1,131.62</b>	<b>975.53</b>
10	<b>Other comprehensive income</b>			
	(i) Items that will be reclassified to Profit or Loss		-	-
	(ii) Income tax relating to items that will be reclassified to Profit or Loss		-	-
11	<b>Share in OCI of Associates that will not be reclassified to Profit or Loss</b>		(3.31)	(37.77)
12	<b>Total other comprehensive income</b>		(3.31)	(37.77)
13	<b>Total comprehensive income for the year (9+12)</b>		<b>1,128.31</b>	<b>937.76</b>
14	<b>Earnings per equity share</b>			
	(Face value ₹ 1 per share)			
	- Basic and diluted (in ₹)	27	1.94	1.67

**Accompanying notes are integral part of the consolidated financial statements**

### In terms of our report attached

As per our report of even date

For **Doogar & Associates**

Chartered Accountants

Firm Regn. No. 000561N

**Mukesh Goyal**

Partner

Membership No. 081810

For and on behalf of the Board of Directors of

**Bhilwara Technical Textiles Limited**

**Shekhar Agarwal**

Chairman & Managing Director

DIN: 00066113

**Riju Jhunjunwala**

Director

DIN: 00061060

**Arjun Sharma**

Company Secretary &

Chief Financial Officer

Membership No. A47848

Place : Noida (U.P.)

Dated : May 29, 2019

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	Notes	(₹ in Lakhs)	
		Year ended 31 March, 2019	Year ended 31 March, 2018
<b>A. Cash flow from operating activities</b>			
Profit for the year before tax		1,139.23	988.48
<b>Adjustments for:</b>			
Share in Profit of Associates		(1,096.43)	(944.35)
Depreciation		0.19	0.04
Interest income		(59.34)	(60.11)
Profit on sale of investment		-	(0.52)
Remeasurement of Investment		(11.63)	-
Profit on sale of vehicle		(0.07)	-
Exchange difference on reinstatement of Trade Receivables		(0.91)	-
		<b>(28.96)</b>	<b>(16.46)</b>
<b>Movements in working capital:</b>			
Adjustments for (increase) / decrease in operating assets:			
Inventories		(84.61)	-
Trade receivables		(77.70)	-
Other Current Assets		(11.85)	(1.16)
Adjustments for increase / (decrease) in operating liabilities:			
Trade payables		127.32	-
Other financial liabilities		4.83	(0.78)
Other liabilities		13.84	1.26
Other Non current Liabilities		(1.17)	-
<b>Cash generated from operations</b>		<b>(58.30)</b>	<b>(17.14)</b>
Income tax paid		(10.36)	(15.45)
<b>Net cash generated by operating activities (A)</b>		<b>(68.66)</b>	<b>(32.59)</b>
<b>B. Cash flow from investing activities</b>			
Investments in Mutual		(175.00)	(110.40)
Redemption of Bank Deposit		189.52	74.95
Profit on sale of investment		-	0.52
Purchase of vehicle		-	(4.77)
Sale of vehicle		4.58	-
Interest received		50.72	70.95
<b>Net cash generated by/(used in) investing activities (B)</b>		<b>69.82</b>	<b>31.25</b>
<b>C. Cash flow from financing activities</b>			
Repayment of term and working capital loan		-	-
Interest paid		-	-
<b>Net cash generated by/(used in) financing activities (C)</b>		<b>-</b>	<b>-</b>
<b>Net decrease in Cash and cash equivalents (A+B+C)</b>		<b>1.16</b>	<b>(1.34)</b>
Cash and cash equivalents at the beginning of the year		2.29	3.63
<b>Cash and cash equivalents at the end of year end</b>		<b>3.45</b>	<b>2.29</b>

Accompanying notes are integral part of the consolidated financial statements

### In terms of our report attached

As per our report of even date

For **Doogar & Associates**

Chartered Accountants

Firm Regn. No. 000561N

**Mukesh Goyal**

Partner

Membership No. 081810

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

**Shekhar Agarwal**

Chairman & Managing Director

DIN: 00066113

**Riju Jhunjhunwala**

Director

DIN: 00061060

**Arjun Sharma**

Company Secretary &

Chief Financial Officer

Membership No. A47848

Place : Noida (U.P.)

Dated : May 29, 2019

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2019

<b>a. Equity share capital</b>				(₹ in Lakhs)
Particulars	No. of Shares			Amount
<b>Balance as at April 1, 2017</b>				
Balance at the beginning of the reporting year	58,373,305			583.73
Changes in equity share capital during the year	-			-
<b>Balance as at March 31, 2018</b>	<b>58,373,305</b>			<b>583.73</b>
<b>Balance as at April 1, 2018</b>				
Balance at the beginning of the reporting year	58,373,305			583.73
Changes in equity share capital during the year	-			-
<b>Balance as at March 31, 2019</b>	<b>58,373,305</b>			<b>583.73</b>
<b>b. Other equity</b>				(₹ in Lakhs)
Particulars	Reserves and surplus			Total other equity
	Share in Associates	Securities Premium	Retained Earnings	
<b>Balance as at April 1, 2017*</b>	9,652.16	87.48	1,033.77	10,773.41
Profit for the year	-	-	31.18	31.18
Share in Associate Profit & Loss	944.35	-	-	944.35
Other comprehensive income for the year, net of income tax	(37.77)	-	-	(37.77)
<b>Total comprehensive income for the year</b>	<b>906.58</b>	<b>-</b>	<b>31.18</b>	<b>937.76</b>
<b>Balance as at March 31, 2018</b>	<b>10,558.74</b>	<b>87.48</b>	<b>1,064.95</b>	<b>11,711.17</b>
<b>i) Investments (Mutual Fund - Fair Valuation)</b>				
Profit for the year	-	-	35.19	35.19
Share in Associate Profit & Loss	1,096.43	-	-	1,096.43
Other comprehensive income for the year, net of income tax	(3.31)	-	-	(3.31)
<b>Total comprehensive income for the year</b>	<b>1,093.12</b>	<b>-</b>	<b>35.19</b>	<b>1,128.31</b>
<b>Balance as at March 31, 2019</b>	<b>11,651.86</b>	<b>87.48</b>	<b>1,100.14</b>	<b>12,839.47</b>
<b>i) Investments (Mutual Fund - Fair Valuation)</b>				

\*Value of share in reserves of associate as at April 1, 2017 has been revised as same has been restated by the associate company. Prior to restatement, the value was ₹ 9,682.88 lakhs.

### Note: Nature and purpose of Reserves:

#### Securities Premium

Securities premium is used to record the premium received on issue of shares. It will be utilised in accordance with the provisions of the Companies Act, 2013.

#### General Reserve

This represents appropriation of profit after tax by the company.

#### Retained Earnings

Balance of retained earnings consist of surplus retained from earned profit after payment of dividend.

### Accompanying notes are integral part of the consolidated financial statements

#### In terms of our report attached

As per our report of even date

For **Doogar & Associates**

Chartered Accountants

Firm Regn. No. 000561N

**Mukesh Goyal**

Partner

Membership No. 081810

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

**Shekhar Agarwal**

Chairman & Managing Director

DIN: 00066113

**Riju Jhunjunwala**

Director

DIN: 00061060

**Arjun Sharma**

Company Secretary &  
Chief Financial Officer  
Membership No. A47848

Place : Noida (U.P.)

Dated : May 29, 2019

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 1. General Information

Bhilwara Technical Textiles Limited ("the Company") is a public limited company incorporated under the provision of the Companies Act, 1956, pursuant to the Scheme of De-merger of 'Strategic Investment Division' of the "M/s. RSWM Ltd." The Company has its primary listing on the BSE Limited in India.

The company's main objects envisage carrying on business in various Textile Products. Currently, the Company is engaged in the business of trading of yarns. In view of the current operation and according to the management the company constitute a single segment and accordingly there are no reportable segments in accordance with the requirement of Indian Accounting Standard (Ind AS) 108 on "Operating Segment Reporting" notified under the Companies (Indian Accounting Standard) Rules, 2015.

Bhilwara Technical Textiles Limited (BTTL) already holds substantial stake in equity share capital of BMD Private Limited which is an Associate Company of BTTL. BMD Private Limited is a leading manufacturer of high performance specialized furnishing fabrics for automotives, contract furnishing, flame retardant fabric & air texturized yarn. BMD Pvt. Ltd. has also forayed in the Wind Power and Solar Power Generation which also gives the Company indirect exposure in the renewable energy sector. BMD has a continuous track record of good performance and maintains leadership for its products in OE Segment.

The Consolidation financial statement for the year ended 31<sup>st</sup> March, 2019 is approved for issue by the Company's Board of Directors on 29<sup>th</sup> May, 2019.

### 2. Significant Accounting Policies

#### 2.1. Basis of Consolidation

The consolidated financial statement comprises the financial statement of the Company and its associate companies. Associates are entities over which the Company has significant influence. Significant influence is the power to participate in the financial and operating decisions of the investee but is not control or joint control over those policies. Investments in associates are accounted for using the equity method of accounting.

Details of the associate at the end of the reporting period considered in the preparation of the Consolidated Financial Statements are as follows:

Associate Company	Country of Incorporation	Interest as on 31.03.2019	Interest as on 31.03.2018	Audited
BMD Private Limited	India	49.87 %	49.87 %	Audited

#### Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment. When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

#### 2.2. Statement of Compliance

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), as prescribed under section 133 of the Companies Act, 2013('the Act') read with the Rule 3 of the Companies (Indian Accounting Standard) Rules 2015 and guidelines issued by the Securities and Exchange Board of India (SEBI).

### 2.3. Basis of preparation and presentation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

#### 2.3.1 Functional and Presentation Currency

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

#### 2.3.2 Classification of Assets and Liabilities as Current and Non-Current

All assets & liabilities are classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products/activities of the Company and the normal time between acquisition of assets for processing and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Assets are classified as current when any of following criteria are satisfied:

- i. the Company expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- ii. the Company holds the asset primarily for the purpose of trading;
- iii. the Company expects to realise the asset within twelve months after the reporting period;
- iv. the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Liabilities are classified as current when any of following criteria are satisfied:

- i. the company expects to settle the liability in its normal operating cycle;
- ii. the company holds the liability primarily for the purpose of trading;
- iii. the liability is due to be settled within twelve months after the reporting period; or
- iv. the company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

### 2.4. Use of Estimates

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

### 2.5. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

The specific recognition criteria described below must also be met before revenue is recognised.

#### Sale of goods

Revenue from the sale of goods is recognised, when all the significant risks and rewards of ownership of the goods have passed to the buyer, the Company no longer retain continuing managerial involvement to the degree usually associated with ownership nor has effective control over the goods sold, the amount of revenue and costs associated with the transaction can be measured reliably and no significant uncertainty exists regarding the amount of consideration that will be derived from the sales of goods.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates/claims etc. Sales exclude Value added tax/sales tax / Service Tax / Goods & Service Tax.

### **Other Operating Income**

#### **Interest income**

Interest income from a financial asset is recognised using effective interest rate method.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

#### **Dividend Income**

Revenue is recognised when the Company's right to receive the payment has been established, which is generally when shareholders approve the dividend.

## **2.6. Inventories**

Inventories including goods-in-transit are valued at lower of cost and estimated net realisable value. However, Raw materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

#### **Traded goods:**

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

## **2.7. Property, Plant and Equipment (PPE)**

### **Recognition and measurement**

Property, plant and equipment (PPE) are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of Property, plant and equipment (PPE) comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses, present value of decommissioning costs (where there is a legal or constructive obligation to decommission) and interest on borrowings attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use.

### **Subsequent expenditure**

Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

### **Impairment**

Property, plant and equipment are tested for impairment whenever events or changes in circumstances indicate that an asset may be impaired. If an impairment loss is determined, the remaining useful life of the asset is also subject to adjustment.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

### **Depreciation**

Depreciation is recognised for Property, Plant and Equipment (PPE) so as to write-off the cost less residual values over their estimated useful lives. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes

in estimate accounted for on a prospective basis taking into account commercial and technological obsolescence as well as normal wear and tear.

Depreciation on tangible assets is provided on straight line method except for vehicles which are depreciated on written down value method over the useful life of the assets.

Useful life of vehicle is 5 years.

## 2.8. Investments in Associates

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. The investment in associates are carried at cost less impairments. The cost comprises price paid to acquire investment and directly attributable cost.

## 2.9. Foreign currencies

The Company's financial statements are presented in INR (₹).

### Transactions and balances

In preparing the financial statements, transactions in foreign currencies are recognised at the rates of exchange prevailing at the dates of the transactions. Exchange differences arising on foreign exchange transactions settled during the period are recognised in the Statement of profit and loss of the period.

At the end of each reporting period, monetary items denominated in foreign currencies (except financial instruments designated as Hedge Instruments) are translated at the rates prevailing at that date.

Exchange differences on translation of monetary items are recognised in profit and loss in the period in which they arise with the exception of the following:

Monetary items that are designated as part of cash flow hedge instrument are recognised in other comprehensive income (OCI).

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.

Non-monetary that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

## 2.10. Taxation

Income tax expense represents the sum of tax currently payable and deferred tax.

### 2.10.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Current tax is determined on the basis of taxable income and tax credits computed for Company, in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdiction where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant taxpaying units intends to settle the asset and liability on a net basis.

### 2.10.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets (including unused tax credits such as MAT credit) are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax

assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

#### **Current and deferred tax for the year**

Current and deferred tax are recognised in profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

#### **2.11. Employee Benefits**

Employee benefits obligation is measured on undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### **2.12. Provisions, Contingent Liabilities & Contingent Assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognized but are disclosed in notes.

Contingent assets are not recognised. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset

### **2.13. Operating Segment**

An operating segment is a component of an entity whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resource allocation and assess its performance. The Company has identified the chief operating decision maker as its Director in Charge.

### **2.14. Earnings per share**

Basic earning per share is computed by dividing the net profit for the year attributable to the shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the loss for the year attributable to the shareholders of the Company as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

### **2.15. Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### **2.16. Non-Current assets (or disposal groups) held for sale and discontinued operations**

Non-Current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less cost to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

### **2.17. Fair Value Measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in most advantageous market for the asset or liability and the Company has access to the principal or the most advantageous market.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

## 2.18. Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

For the purposes of the presentation of cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft as they being considered as integral part of the Company's cash management system.

## 2.19. Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss (FVTPL) are recognised immediately in the statement of profit and loss.

### Financial assets

For purposes of subsequent measurement, financial assets are classified in below mentioned categories:

- Financial assets carried at amortised cost
- Financial asset at fair value through other comprehensive income
- Financial asset at fair value through profit and loss

**Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost using the effective interest method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial assets at fair value through other comprehensive income**

Financial assets are measured at fair value through other comprehensive income (OCI) if these financial assets are held within a business model whose objective is achieved by both selling financial assets and collecting contractual cash flows, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the "Reserve for equity instruments through other comprehensive income". The cumulative gain or loss is not reclassified to the statement of profit and loss on disposal of the investments. So far, the Company has not elected to present subsequent changes in fair value of any investment in OCI.

**Financial assets at fair value through profit and loss ('FVTPL')**

Investment in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investment in equity instruments which are not held for trading.

Other financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in profit and loss.

**Impairment of financial assets (other than at fair value)**

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses. In cases where the amounts are expected to be realised up to one year from the date of the invoice, loss for the time value of money is not recognised, since the same is not considered to be material.

**Derecognition of financial assets**

The Company derecognized a financial asset when the contractual right to the cash flow from the asset expires or when it transfers the financial asset and substantially all risk and reward of ownership of the asset to other party. If the Company neither transfer nor retain substantially all the risk and reward of ownership and continue to control the transferred asset, the Company recognizes its retained interest in the asset and an associate liability for an amount it has to pay. If the Company retain substantially all the risks and reward of ownership of a transferred financial asset, the company continue to recognize the financial asset and also a collateralized borrowing for the proceeds received.

**Financial liabilities**

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

**Classification as debt or equity**

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

### **Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in the statement of profit or loss when the liabilities are derecognized as well as through the effective interest rate (EIR) amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

### **Trade and other Payables**

These amounts represent liabilities for goods & services provided to the Company prior to the end of the financial year which are unpaid. These are recognised initially at fair value and subsequently measured at amortised cost using effective interest method. Where the maturity period is within one year from balance sheet date, the carrying amount approximate the fair value at initial recognition due to short maturity of these instruments.

### **Derecognition of financial liabilities**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss

### **Reclassification of financial assets and financial liabilities**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### **Impairment of Non-Financial Assets**

Intangible assets, property, plant and equipment measured at cost and other non-financial assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

## **2.20. Impairment of Non-Financial assets**

The non-financial assets, other than biological assets, inventories and deferred tax asset are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indications exist, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash generating units (CGUs). Each CGU represents the smallest group of assets that generate cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from the business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of the CGU (or an individual asset) is the higher of its value in use and its fair value less cost to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the CGU (or the asset).

The corporate assets (e.g. central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

The impairment loss is recognized if the carrying amount of the asset or the CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit & loss. Impairment loss recognized in respect of CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognized in prior periods, the company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

## 2.21. Use of estimates

The preparation of the financial statement in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and current and / or future periods are affected.

## 2.22. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.

### 2.22.1 Critical accounting judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations that the Management have made in the process of applying the Company's accounting policies and that have most significant effect on the amounts recognised in the financial statements.

#### Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

#### Impairment of non-financial assets

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market

transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

#### **Impairment of financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making assumption and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward estimate at the end of each reporting period.

#### **Income taxes**

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

### **2.23. Key Source of estimation uncertainty**

Key source of estimation uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of investments, provisions and contingent liabilities.

The areas involving critical estimates are:

#### **Useful lives and residual values of property, plant and equipment**

Useful life and residual value of property, plant and equipment are based on management's estimate of the expected life and residual value of those assets and is as per schedule II to the Companies Act 2013. These estimates are reviewed at the end of each reporting period. Any reassessment of these may result in change in depreciation expense for future years (Refer note no 2.7).

#### **Impairment of property plant and equipment**

The recoverable amount of the assets has been determined on the basis of their value in use. For estimating the value in use, it is necessary to project the future cash flow of assets over its estimated useful life. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in statement of profit and loss. (Refer note 2.7)

#### **Valuation of deferred tax assets**

Deferred tax assets are recognised only to the extent it is considered probable that those assets will be recoverable. This involves an assessment of when those deferred tax assets are likely to reverse and a judgment as to whether or not there will be sufficient taxable profits available to offset the tax assets when they do reverse. The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. Any change in the estimates of future taxable income may impact the recoverability of deferred tax assets (Refer note 2.10.2).

#### **Provisions and contingencies**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

( ₹ in Lakhs)		
	As at 31 March, 2019	As at 31 March, 2018
<b>3. Property, plant and equipment</b>		
<b>Carrying amounts of :</b>		
Property Plant and Equipment	-	4.73
	-	4.73
<b>Particulars</b>	<b>Vehicles</b>	<b>Total</b>
<b>Gross Carrying Value</b>		
<b>As at April 1, 2017</b>	<b>4.77</b>	<b>4.77</b>
Additions	-	-
Disposals	-	-
<b>As at March 31, 2018</b>	<b>4.77</b>	<b>4.77</b>
Additions	-	-
Disposals	(4.77)	(4.77)
<b>As at March 31, 2019</b>	<b>-</b>	<b>-</b>
<b>Accumulated depreciation</b>		
<b>As at April 1, 2017</b>	<b>-</b>	<b>-</b>
Depreciation expense	0.04	0.04
Elimination on disposals of assets	-	-
<b>As at March 31, 2018</b>	<b>0.04</b>	<b>0.04</b>
Depreciation expense	0.19	0.19
Eliminated on disposals of assets	(0.23)	(0.23)
<b>As at March 31, 2019</b>	<b>-</b>	<b>-</b>
<b>Net Carrying Value</b>		
<b>As at March 31, 2018</b>	<b>4.73</b>	<b>4.73</b>
<b>As at March 31, 2019</b>	<b>-</b>	<b>-</b>
<b>4. Investments</b>		
Particulars	As at March 31, 2019	As at March 31, 2018
<b>Non-Current</b>		
<b>Investments in equity instruments</b>		
<b>Investment in Associates (unquoted) (At Cost)</b>		
66,00,000 (previous Year 66,00,000) equity shares of ₹10 each of BMD Private Limited*	660.00	660.00
<b>Add: Increase in Value of Investment in Associate</b>		
Opening Balance	10,558.74	9,652.16
Additions during the year	1,093.12	906.57
<b>Closing Balance</b>	<b>11,651.85</b>	<b>10,558.73</b>
	<b>12,311.85</b>	<b>11,218.73</b>
<b>Investments in mutual funds at FVTPL (unquoted)</b>		
<b>-Debt</b>		
IIFL WEALTH FINANCE SR-A-JUNE2022 LOA -Units 10 (previous year Units 10)	121.68	110.40
<b>Equity</b>		
IIFL INCOME OPPORTUNITIES FUND -SERIES2 CLASS-B3 (AIF CATEGORY-II)	175.35	-
<b>Total</b>	<b>12,608.88</b>	<b>11,329.14</b>

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Aggregate book value of Quoted investments	-	-
Aggregate market value of Quoted investments	-	-
Aggregate carrying value of unquoted investments	12,608.88	11,329.14
Aggregate amount of impairment in value of investment	-	-

\*49.87% (previous year 49.87%) is Proportion of ownership interest and voting right held by the company in BMD Private Limited, associate.

**5. Other assets (Non Current)**

Particulars	As at March 31, 2019	As at March 31, 2018
Tax refundable	9.97	6.93
Security Deposits	0.20	0.20
<b>Total</b>	<b>10.17</b>	<b>7.13</b>

**6. Inventories**

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Inventories - valued at lower of cost and net realisable value</b>		
Traded Goods (in transit)	84.61	-
<b>Total</b>	<b>84.61</b>	<b>-</b>

**7. Trade receivables**

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Current</b>		
Unsecured, Considered Goods	78.61	-
Unsecured, Considered doubtful	-	-
Less: Allowance for bad and doubtful debts	-	-
<b>Total</b>	<b>78.61</b>	<b>-</b>

**8. Cash and cash equivalents**

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with banks		
- in current accounts	3.18	1.92
Cash on hand	0.27	0.37
<b>Total</b>	<b>3.45</b>	<b>2.29</b>

**9. Bank balances other than (ii)**

Particulars	As at March 31, 2019	As at March 31, 2018
Bank Deposits	747.25	936.77
<b>Total</b>	<b>747.25</b>	<b>936.77</b>

**10. Other financial assets**

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Current</b>		
Interest Receivable	17.88	15.28
<b>Total</b>	<b>17.88</b>	<b>15.28</b>

**11. Current Tax Assets/liabilities (Net)**

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Current tax assets</b>		
Advance Tax	10.36	14.50
TDS Receivable for 2018-19 (on Interest)	6.02	6.01
	<b>16.38</b>	<b>20.51</b>
<b>Current tax liabilities</b>	<b>8.22</b>	<b>19.24</b>
Provision for Taxation	8.22	19.24
<b>Current Tax Assets (Net) Total</b>	<b>8.16</b>	<b>1.27</b>

**12. Other current assets**

Particulars	As at March 31, 2019	As at March 31, 2018
Prepaid Expenses	0.31	0.03
Due from government	11.72	1.13
Duty Drawback Receivable	0.98	-
<b>Total</b>	<b>13.01</b>	<b>1.16</b>

**13. Equity Share capital**

Particulars	As at 31 March, 2019	As at 31 March, 2018
<b>Authorised share capital</b>		
70,000,000 fully paid equity shares of ₹ 1 each (as at 31 March, 2019: 70,000,000)	700.00	700.00
	<b>700.00</b>	<b>700.00</b>
<b>Issued, subscribed and fully paid-up</b>		
58,373,305 fully paid equity shares of ₹ 1 each (as at 31 March, 2019: 58,373,305)	583.73	583.73
	<b>583.73</b>	<b>583.73</b>

See notes (i) to (iv) below

**(i) Fully paid equity shares**

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	Number of shares	(₹ in Lakhs)	Number of shares	(₹ in Lakhs)
Shares outstanding at the beginning of the year	58,373,305	583.73	58,373,305	583.73
Shares issued during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>58,373,305</b>	<b>583.73</b>	<b>58,373,305</b>	<b>583.73</b>
<b>Preference shares Capital</b>				
At the Beginning of the Year			-	-
Issued during the Year			-	-
Redemption during the year			-	-
<b>Outstanding at the End of the Year</b>			<b>-</b>	<b>-</b>

**(ii) Rights, preferences and restriction attached to equity share**

Company has only one class of equity shares having a par value of ₹ 1 Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders

**(iii) Details of shares held by shareholders holding more than 5% of shares:**

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	Number of shares	% Holding	Number of shares	% Holding
<b>Equity shares of ₹ 1 each fully paid</b>				
Shashi Agarwal	10,159,855	17.40%	7,759,855	13.29%
Shantanu Agarwal	5,308,115	9.09%	5,308,115	9.09%
Shekhar Agarwal (Karta)	4,027,344	6.90%	4,027,344	6.90%
Sita Nirman Pvt. Ltd.	3,601,678	6.17%	3,601,678	6.17%
Anderson Deal Trade Pvt. Ltd.	5,061,215	8.67%	5,061,215	8.67%
Agarwal Finestate Pvt. Ltd.	7,315,358	12.53%	7,315,358	12.53%
	<b>35,473,565</b>	<b>60.76%</b>	<b>33,073,565</b>	<b>56.65%</b>

- (a) As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents legal ownerships of shares
- (iv) The Company has not allotted any fully paid up shares pursuant to contract(s) without payment being received in cash nor has allotted any fully paid up shares by way of bonus shares nor has bought back any class of shares during the period of five years immediately preceding the balance sheet date.

**14. Other equity****( ₹ in Lakhs)**

Particulars	As at 31 March, 2019	As at 31 March, 2018
Retained earnings	1,100.14	1,064.95
Securities Premium	87.48	87.48
Share in Associates	11,651.85	10,558.74
<b>Total</b>	<b>12,839.47</b>	<b>11,711.17</b>

Particulars	As at 31 March, 2019	As at 31 March, 2018
<b>Reconciliation of the other equity</b>		
<b>Securities Premium</b>	<b>87.48</b>	<b>87.48</b>
Securities premium is used to record the premium received on issue of shares. It will be utilised in accordance with the provisions of the Companies Act, 2013		
	<b>87.48</b>	<b>87.48</b>
<b>Retained earnings</b>		
Opening Balance	1,064.95	1,033.77
Addition as per Profit & Loss	35.19	31.18
	<b>1,100.14</b>	<b>1,064.95</b>

Balance of retained earnings consist of surplus retained from earned profit after payment of dividend.

(₹ in Lakhs)

Reconciliation of the other equity	As at 31 March, 2019	As at 31 March, 2018
<b>Share in Associates</b>		
Opening Balance	10,558.74	9,652.16
Share in Associates in Profit/Loss	1,096.43	944.35
Share in Associates in Other Comprehensive Income (OCI)	(3.31)	(37.77)
	<b>11,651.85</b>	<b>10,558.74</b>

Value of share in reserves of associate as at April 1, 2017 has been revised as same has been restated by the associate company. Prior to restatement, the value was ₹ 9,682.88 lakhs

#### 15. Other liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Non Current</b>		
Staff deposit	-	1.17
	-	<b>1.17</b>
<b>Current</b>		
Advance from Export Customer	13.66	-
Statutory dues payable	0.38	0.18
Other liabilities	-	0.02
<b>Total</b>	<b>14.04</b>	<b>0.20</b>

#### 16. Trade payables

Particulars	As at March 31, 2019	As at March 31, 2018
Total outstanding dues of micro enterprises and small enterprises*	-	-
Total outstanding dues of Trade Payable other than micro enterprises and small enterprises	127.32	-
<b>Total</b>	<b>127.32</b>	<b>-</b>

**\*Note: Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

Particulars	As at March 31, 2019	As at March 31, 2018
The principal amount remaining unpaid to any supplier as at the end of the year	-	-
The interest due on principal amount remaining unpaid to any supplier as at the end of the year	-	-
The amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
The amount of interest accrued and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act.	-	-
Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

17. Other Financial Liabilities		(₹ in Lakhs)		
Particulars	As at March 31, 2019	As at March 31, 2018		
<b>Current</b>				
Audit Fees Payable	1.08	0.45		
Legal & Professional Payable	0.18	-		
Secretarial audit fee payable	0.23	0.23		
Staff Fund	-	0.01		
Salary payable	0.32	-		
Other financial liabilities	3.71	-		
<b>Total</b>	<b>5.52</b>	<b>0.69</b>		
<b>18. Deferred Tax liabilities (Net)</b>				
Particulars	As at March 31, 2019	As at March 31, 2018		
Deferred tax liabilities	1.94	0.81		
Deferred tax assets	-	-		
<b>Total</b>	<b>1.94</b>	<b>0.81</b>		
<b>Movement in Deferred tax Liabilities</b>				
2018-19	Opening Balance	Recognised in Statement of profit and loss	Recognised in other comprehensive income	Closing Balance
<b>Deferred tax liabilities in relation to</b>				
- Remeasurement of investment at fair value	(0.73)	(1.13)	-	(1.86)
- Depreciation expenses	(0.08)	-	-	(0.08)
	<b>(0.81)</b>	<b>(1.13)</b>	<b>-</b>	<b>(1.94)</b>
<b>19. Revenue from operation</b>				
Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018		
<b>a) Revenue from operations</b>				
Sale of products - Traded goods	77.70	-		
<b>b) Other operating revenues</b>				
Export incentives	0.98	-		
<b>Total</b>	<b>78.68</b>	<b>-</b>		
<b>20. Other income</b>				
Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018		
Interest on deposits	59.34	60.11		
Remeasurement of investment	11.63	7.04		
Profit on transfer of Vehicle	0.07	-		
Exchange difference on reinstatement of Trade Receivables	0.91	-		
Miscellaneous Income	-	0.52		
<b>Total</b>	<b>71.95</b>	<b>67.67</b>		

(₹ in Lakhs)		
Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
<b>21. Purchases for stock-in-trade</b>		
Purchases Yarn for trading	164.30	-
<b>Total</b>	<b>164.30</b>	<b>-</b>
<b>22. Changes in inventories of finished goods, work in progress and stock in trade</b>		
Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
<b>Inventories (At Close)</b>		
Traded Goods (in Transit)	84.61	-
	<b>84.61</b>	<b>-</b>
<b>Inventories (At Opening)</b>		
Traded Goods	-	-
<b>(Increase)/Decrease of the Inventory Total</b>	<b>(84.61)</b>	<b>-</b>
<b>23. Employee benefit expense</b>		
Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Salaries, wages & Bonus	4.41	6.44
Staff welfare expenses & other benefits	0.15	0.17
<b>Total</b>	<b>4.56</b>	<b>6.61</b>
<b>24. Finance Cost</b>		
Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Other Interest	0.01	-
<b>Total</b>	<b>0.01</b>	<b>-</b>
<b>25. Other expenses</b>		
Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Fees & Subscription	3.25	4.03
Legal & Professional	4.98	4.35
Auditor's Remuneration (refer note (i) below)	1.32	0.81
Publication charges	2.60	1.89
Director's sitting fees	0.88	0.90
Freight (Domestic)	3.93	-
Director's Travelling	0.06	-
Rates & Taxes	-	0.02
Printing & Postage expenses	5.85	4.40
Bank Charges	0.02	0.03
Miscellaneous expense	0.49	0.46
<b>Total</b>	<b>23.38</b>	<b>16.89</b>

(₹ in Lakhs)

Note (i)	Payment to auditor comprise	For the Year ended March 31, 2019	For the Year ended March 31, 2018
	(i) Statutory audit Fee	0.85	0.50
	(ii) Limited review	0.45	0.30
	(iii) Other	0.02	0.01
	<b>Total</b>	<b>1.32</b>	<b>0.81</b>

**26. Income Taxes****26.1 Income taxes recognised in profit and loss** (₹ in Lakhs)

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
<b>Current tax</b>		
In respect of the current year	8.22	11.17
In respect of the prior years	(1.75)	0.97
	<b>6.47</b>	<b>12.14</b>
<b>Deferred tax</b>		
In respect of the current year	1.14	0.81
	<b>1.14</b>	<b>0.81</b>
<b>Total income tax expense recognised in the current year</b>	<b>7.61</b>	<b>12.95</b>

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
<b>Profit before tax</b>	<b>42.80</b>	<b>44.13</b>
Statutory Income tax rate	26.00%	25.75%
Tax at Indian statutory income tax rate	11.13	11.36
Effect of income that is exempt from taxation	-	-
Effect of expenses that are not deductible in determining taxable profit	(1.77)	0.62
Adjustment recognised in the current year in relation to the current tax of prior years	(1.75)	0.97
<b>Income tax expense recognised in profit or loss</b>	<b>7.61</b>	<b>12.95</b>

The tax rate used for the years ended 31 March, 2019 and 31 March, 2018 reconciliations above is the corporate tax rate of 26.00 % and 25.75% respectively payable by corporate entities in India on taxable profit under the Income tax law.

**26.2 Income tax recognised in other comprehensive income**

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
<b>Current tax</b>		
Remeasurements of defined benefit obligation	-	-
<b>Deferred Tax</b>		
Remeasurements of defined benefit obligation	-	-
<b>Total income tax recognised in other comprehensive income</b>	<b>-</b>	<b>-</b>

## 27 Earnings per share

Basic earnings per equity share and Diluted earnings per equity share has been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the year.

(₹ in Lakhs)

Particulars	For the year ended	
	31 March, 2019	31 March, 2018
Profit after tax as per statement of profit & loss A/c	1,131.62	975.53
Net earning for computing basic earning per shares	1,131.62	975.53
Number of equity shares	58,373,305	58,373,305
Weighted average number of equity shares used in computing the basic earnings per share	58,373,305	58,373,305
Weighted average number of equity shares used in computing the diluted earnings per share	58,373,305	58,373,305
<b>Basic earnings per share of ₹ 1 each</b>	<b>1.94</b>	<b>1.67</b>
<b>Diluted earnings per share of ₹ 1 each</b>	<b>1.94</b>	<b>1.67</b>
Face value per share (in ₹)	1	1

## 28 Segment Reporting

The company's main objects envisage carrying on business in various Textile Products. Currently, the Company is engaged in the business of trading of yarns. In view of the current operation and according to the management the company constitute a single segment and accordingly there are no reportable segments in accordance with the requirement of Indian Accounting Standard (Ind AS) 108 on "Operating Segment Reporting" notified under the Companies (Indian Accounting Standard) Rules, 2015.

## 29. Financial instruments

### 29.1 Capital management

The Company manages its capital to ensure that the entities in the Company will be able to continue as going concern while maximizing the return to shareholders and also complying with the ratios stipulated in the loan agreements through the optimization of the debt and equity balance.

The Company is not subject to any externally imposed capital requirements.

#### 29.1.1 Gearing Ratio

The Company is a debt free entity.

### 29.2 Categories of financial instruments

The carrying value and fair value of financial instruments by categories as of March 31, 2019 were as follows:

(₹ in Lakhs)

Particulars	Amortised/ Cost	Financial assets/ liabilities at fair value through profit & loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total Fair value
<b>Financial assets</b>					
<b>Measured at Amortised cost</b>					
(a) Trade receivables	78.61	-	-	78.61	78.61
(b) Cash and cash equivalents	3.45	-	-	3.45	3.45
(c) Bank balances other than above	747.25	-	-	747.25	747.25
(d) Other financial assets	17.88	-	-	17.88	17.88
(e) Investments - Equity	660.00	-	-	660.00	660.00
<b>Measured at Fair Value</b>					
(f) Investments-Mutual Funds	-	297.03	-	297.03	297.03
<b>Financial Liabilities</b>					
<b>Measured at amortised cost</b>					
(g) Trade payables	127.32	-	-	127.32	127.32
(h) Other financial liabilities	5.52	-	-	5.52	5.52

The carrying value and fair value of financial instruments by categories as of March 31, 2018 were as follows:

(₹ in Lakhs)					
Particulars	Amortised/ Cost	Financial assets/ liabilities at fair value through profit & loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total Fair value
<b>Financial assets</b>					
<b>Measured at Amortised cost</b>					
(a) Cash and cash equivalents	2.29	-	-	2.29	2.29
(b) Bank Balances other than above	936.77	-	-	936.77	936.77
(c) Other financial asset	15.28	-	-	15.28	15.28
(d) Investments - Equity	660.00	-	-	660.00	660.00
<b>Measured at Fair Value</b>					
(e) Investments -Mutual Funds		110.40	-	110.40	110.40
<b>Financial Liabilities</b>					
<b>Measured at amortised cost</b>					
(f) Trade payables	-	-	-	-	-
(g) Other financial liabilities	0.69	-	-	0.69	0.69

### 29.3 Fair value Hierarchy

Level 1- Quoted prices( unadjusted) in active markets for identical assets or liabilities

Level 2- Input other than quoted prices included within level 1 that are observable for the asset or liabilities, either directly ( i. e as prices) or indirectly (i.e. derived from prices). (Net Asset value as published by the fund)

Level 3- Inputs for the assets or liabilities that are not based on observable market data( unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2019:

Particular	(₹ in Lakhs)	
	As of March 31, 2019	Fair Value measurement at end of the reporting period/ year using
	<b>Level 2</b>	
Investment in Mutual Funds	297.03	297.03

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2018:

Particular	(₹ in Lakhs)	
	As of March 31, 2018	Fair Value measurement at end of the reporting period/year using
	<b>Level 2</b>	
Investment in Mutual Funds	110.40	110.40

### 29.4 Valuation technique used to determine Fair value

The Company maintains policies and procedures to value financials assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell as asset or paid to transfer a liability in orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values:

Investments in the unquoted mutual funds have been valued considering the market coupon rate of similar financial instruments.

## 29.5 Financial risk management objectives and policies

The Company's principal financial liabilities, comprises of trade payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The company's activities expose it to a variety of financial risks: currency risk, interest rate risk credit risk and liquidity risk. The company's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the company's financial performance. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives The Audit committee reviews and agrees policies for managing each of these risks, which are summarised below.

### 29.5.1 Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

#### Expected Credit Loss for trade receivables

There is no debtor outstanding for more than 12 months. Credit risk is managed through credit approvals, establishing credit limits, continuous monitoring of creditworthiness of customers to which the company grants credit terms in the normal course of business. The Company also assesses the financial reliability of customers taking into account the financial condition, current economic trends and historical bad debts and ageing of accounts receivables.

For the year ending 31st March 2019				(₹ in Lakhs)
Financial assets to which loss allowance is measured using 12 months Expected credit loss(ECL)	Gross Carrying Amount	Expected Probability of Default	Expected Credit Loss	Carrying amount net of impairment provision
Other Financial Assets	17.88	0%'	-	17.88

(₹ in Lakhs)				
Financial assets to which loss allowance is measured using life time expected credit loss (ECL)	Not Due	Less than 12 months	More than 12 months	Total
Trade Receivables	-	78.61	-	78.61
Expected Loss Rate	-	0.00%	100.00%	
Expected Credit Losses	-	-	-	-
Carrying amount of Trade receivables	-	78.61	-	78.61

For the year ending 31st March 2018				(₹ in Lakhs)
Financial assets to which loss allowance is measured using 12 months Expected credit loss(ECL)	Gross Carrying Amount	Expected Probability of Default	Expected Credit Loss	Carrying amount net of impairment provision
Other Financial Assets	15.28	0.00%	-	15.28

				(₹ in Lakhs)
Financial assets to which loss allowance is measured using life time expected credit loss (ECL)	Not Due	Less than 12 months	More than 12 months	Total
<b>Trade Receivables</b>	-	-	-	-
Expected Loss Rate	-	-	100.00%	
Expected Credit Losses	-	-	-	-
Carrying amount of Trade receivables	-	-	-	-
<b>Provisioning Norms of Debtors</b>				
Ageing of debtor on the basis of invoice date	Provision in %			
Upto 12 Months	Nil			
More than 12 months	100%			

### Investments

The Company limits its exposure to credit risk by generally investing with counterparties that have a good credit rating.

### Cash & cash equivalents

With respect to credit risk arising from financial assets which comprise of cash and cash equivalents, the Company's risk exposure arises from the default of the counterparty, with a maximum exposure equal to the carrying amount of these financial assets at the reporting date. Since the counter party involved is a bank, Company considers the risks of non-performance by the counterparty as non-material.

### 29.5.2 Foreign Currency Risk

Foreign exchange risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in foreign exchange rate.

The Company derives significant portion of its revenue in foreign currency, exposing it to fluctuations in currency movements. The Company has laid down a foreign exchange risk policy as per which senior management team reviews and manages the foreign exchange risks in a systematic manner, including regular monitoring of exposures, proper advice from market experts, hedging of exposures, etc.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Details in respect of the outstanding hedge accounting relationships given below:

Particular	(₹ in Lakhs)	
	As at 31 March, 2019	As at 31 March, 2018
	USD	USD
Trade Receivables	1.14	-
<b>Less: Hedged Portion</b>	-	-
<b>Unhedged Exposure</b>	<b>1.14</b>	-

### Sensitivity Analysis

The Following table demonstrate the sensitivity in the foreign exchange rate ( USD ) to the Indian Rupees with all other variable held constant. The Impact on statement of profit & loss is given below:

Particular	As at 31 March, 2019		As at 31 March, 2018	
	Increase	Decrease	Increase	Decrease
<b>USD Sensitivity</b>				
USDINR-Increase/(Decrease) by 1%	0.78	(0.78)	-	-

## 29.6 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the company's short, medium, and long-term funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

### Liquidity and interest risk tables

The following tables detail the company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The contractual maturity is based on the earliest date on which the company may be required to pay.

Particulars	Weighted average effective interest rate					(₹ in Lakhs)	
		0-1 year	1-3 years	3-5 years	5+ years	Total	Carrying Amount
<b>31 March, 2019</b>							
<b>Non-interest bearing</b>							
Trade payables		127.32	-	-	-	127.32	127.32
Other financial liabilities		5.52	-	-	-	5.52	5.52
<b>31 March, 2018</b>							
<b>Non-interest bearing</b>							
Trade payables		-	-	-	-	-	-
Other financial liabilities		0.69	-	-	-	0.69	0.69

### 30.1 LIST OF RELATED PARTIES AS PER IND AS 24 & REGULATION 23 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

S. No	Name of Related Party	Nature of Relationship	
A	(i)	<b>A person or a close member of that person's family of a reporting entity has control or joint control over the reporting entity</b>	
		Shri Shekhar Agarwal	Promoters having voting control
	Shri Shantanu Agarwal	Promoters having voting control	
	(ii)	<b>A person or a close member of that person's family of a reporting entity has significant influence over the reporting entity</b>	
		Shri Shekhar Agarwal	
		Smt. Shashi Agarwal	
		Shri Shantanu Agarwal	
	Smt. Shuchi Poddar		
	(iii)	<b>A person or a close member of that person's family of a reporting entity is a member of the Key Management Personnel of the reporting entity or of a parent of the reporting entity.</b>	
		Shri Shekhar Agarwal	
		Shri Shantanu Agarwal	
		Shri Riju Jhunjunwala	
		Shri Priya Shankar Dasgupta	
		Mrs. Sunita Mathur	

S. No	Name of Related Party	Nature of Relationship
B	(i)	<b>The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others)</b>
		N.A.
	(ii)	<b>One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member)</b>
		BMD Pvt. Ltd. Associate
		BMD Power Pvt. Ltd. Wholly Owned Subsidiary of Associate
		BMD Renewable Energy Pvt. Ltd. Wholly Owned Subsidiary of Associate
		Agarwal Trademart Pvt. Ltd. Wholly Owned Subsidiary of Associate
	(iii)	<b>Associated and other entities are joint ventures of the same third party.</b>
		N.A.
	(iv)	<b>One Entity is a joint venture of a third party and the other entity is an associate of the third entity</b>
		N.A.
	(v)	<b>The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity</b>
		N.A.
	(vi)	<b>The entity is controlled or jointly controlled by a person identified in (a).</b>
		Aadi Marketing Company Pvt. Ltd.
		Maral Overseas Ltd.
		Agarwal Finestate Private Ltd
		AKJ Apparels Pvt. Ltd.
		Apeksha Vyapar Pvt. Ltd.
		Bhilwara Technical Textiles Ltd.
		BMD Power Pvt. Ltd.
		BMD Pvt. Ltd.
		BMD Renewable Energy Pvt. Ltd.
		BSL Limited
		Captain Trade & Agencies Pvt. Ltd.
		Diplomat Leasing and Finance Pvt. Ltd.
		HEG Ltd.
		MG Marketing and Trading Pvt. Ltd.
		RANDR Trustee Pvt. Ltd.
		RLJ Family Trusteeship Pvt. Ltd.
		RRJ Family Trustee Pvt. Ltd.
		RSWM Ltd.
		SKLNJ Family Trusteeship Pvt. Ltd.
		SSSA Family Pvt. Ltd.
		Ultramarine Impex Pvt. Ltd.
		Kalati Holdings Pvt. Ltd.
		Investors India Limited
		Zoongoo Commercial Co. Pvt. Ltd.
		Glorious Commodeal Pvt. Ltd.

Holding more than 50% of Shareholding along with relatives in the Company.

S. No	Name of Related Party	Nature of Relationship
	Giltedged Industrial Securities Ltd.	
	India TexFab Marketing Ltd.	
	Nivedan Vanijya Niyojan Ltd.	
	Nikita Electrotrades Pvt. Ltd.	
	Raghav Commercial Limited	
	Resrose Vanijya Private Ltd.	
	Veronia Tie up Pvt. Ltd.	
(vii)	<b>A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).</b>	
1	<b>Shri Shekhar Agarwal</b>	Holding 20% or more Shareholding along with relatives in the Company.
	Agarwal Finestate Private Ltd	
	Bhilwara Technical Textiles Ltd.	
	BMD Power Pvt. Ltd.	
	BMD Pvt. Ltd.	
	BMD Renewable Energy Pvt. Ltd.	
	MG Marketing and Trading Pvt. Ltd.	
	SSSA Family Pvt. Ltd.	
	Ultramarine Impex Pvt. Ltd.	
2	<b>Shri Shantanu Agarwal</b>	
	Agarwal Finestate Private Ltd	
	Bhilwara Technical Textiles Ltd.	
	BMD Power Pvt. Ltd.	
	BMD Pvt. Ltd.	
	BMD Renewable Energy Pvt. Ltd.	
	MG Marketing and Trading Pvt. Ltd.	
	SSSA Family Pvt. Ltd.	
	Ultramarine Impex Pvt. Ltd.	
(viii)	<b>The Entity, or any member of a group of which it is part, provide key management personal service to the reporting entity of to the parent of reporting entity.</b>	
<b>N.A.</b>		

**30.2 Related Party Transactions Disclosure for the year ended March 31, 2019**
**(₹ in Lakhs)**

Sr. No.	Transaction	Key Managerial Personnel & Relatives		Associates and Wholly on Subsidiary of Associates of Reporting entity		A person and enterprises over which any person described other than A- (i-iii) and B-(ii) is able to exercise significant influence over the reporting enterprises.		Total	
		31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
1	Sitting Fees	0.88	0.90	0	0	0	0	0.88	0.90
2	Reimbursement of Expenses paid for medical expenses	0	0	0	0	0.08	0	0.08	0.00
<b>TOTAL</b>		<b>0.88</b>	<b>0.90</b>	<b>0.00</b>	<b>0.00</b>	<b>0.08</b>	<b>0.00</b>	<b>0.96</b>	<b>0.90</b>

### 31 Investment in Associates

Details of Associate Companies at the end of the reporting period:

Name of the Company	Relationship	Principal Activity	Accounting Method	Principal place of Business	Place of Incorporation	Proportion of Ownership Interest and Voting Rights held by the Investor Company	
						As at March 31, 2019	As at March 31, 2018
BMD Private Associate Limited		Manufacture of Automotive Furnishing Fabric	Equity Method	Banswara, Rajasthan	Rajasthan	49.87%	49.87%

- i) Significant judgements: existence of significant influence  
Please refer Note 2.8 to the Consolidated Financial Statement
- ii) Summarised financial information in respect of the Associate is set out below. The summarised financial information below represents amounts shown in the Associates' financial statements prepared in accordance with Ind AS.

#### a) Summarised Balance Sheet

Particulars	(₹ in Lakhs)	
	BMD Private Limited	
	As at March 31, 2019	As at March 31, 2018
Current assets	13,384.84	14,049.42
Non-current assets	40,074.32	33,491.15
Current liabilities	15,281.62	14,731.10
Non-current liabilities	13,296.19	10,315.01
<b>Net Assets (including non controlling interest)</b>	<b>24,881.35</b>	<b>22,494.46</b>
Less: Non controlling Interest	-	-
Net Assets (Net off non controlling Interest)	24,881.35	22,494.46
<b>Share of Bhilwara Technical Textiles Limited</b>	<b>12,409.15</b>	<b>11,218.73</b>

#### b) Summarized statement of Profit & Loss

Particulars	(₹ in Lakhs)	
	BMD Private Limited	
	Year ended March 31, 2019	Year ended March 31, 2018
Revenue	29,838.28	31,750.52
Profit/(Loss) after Tax	2,198.43	1,893.48
Other comprehensive income for the year	(6.64)	(75.73)
Total comprehensive income for the year (Excluding Non Controlling Interest)	<b>2,191.79</b>	<b>1,817.75</b>

## c) Reconciliation of Net Assets:

(₹ in Lakhs)

Particulars	BMD Private Limited	
	As at March 31, 2019	As at March 31, 2018
Opening Net Assets	22,494.46	20,676.71
Less: Non Controlling Interest	-	-
Net Assets after Non Controlling Interest	22,494.46	20,676.71
Add: Equity component of compound financial instruments transferred to retained earning	195.10	-
Profit for the year (Excluding Non Controlling Interest)	2,198.43	1,893.48
Other Comprehensive Income (Excluding Non Controlling Interest)	(6.64)	(75.73)
Closing Net Assets (Excluding Non Controlling Interest)	24,881.35	22,494.46
<b>Share of Bhilwara Technical Textiles Limited</b>	<b>12,409.15</b>	<b>11,218.73</b>

## 32 Additional Information as required under Schedule III of the Companies Act, 2013

(₹ in Lakhs)

Name of the Entities	2018-19							
	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit / (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Profit	Amount	As a % of Consolidated Profit	Amount	As a % of Consolidated Profit	Amount
<b>Parent:</b>								
Bhilwara Technical Textiles Limited	13.10%	1,771.35	3.11%	35.19	0%	-	3.12%	35.19
<b>Associates (Investment as per Equity method):</b>								
<b>Indian</b>								
BMD Private Limited	86.90%	11,749.15	96.89%	1,096.43	100%	(3.31)	96.88%	1,093.12
<b>Total</b>	<b>100.00%</b>	<b>13,520.50</b>	<b>100.00%</b>	<b>1,131.62</b>	<b>100.00%</b>	<b>(3.31)</b>	<b>100.00%</b>	<b>1,128.31</b>

(₹ in Lakhs)

Name of the Entities	2017-18							
	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit / (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Profit	Amount	As a % of Consolidated Profit	Amount	As a % of Consolidated Profit	Amount
<b>Parent:</b>								
Bhilwara Technical Textiles Limited	14.12%	1,736.16	3.20%	31.18	0.00%	-	3.32%	31.18
<b>Associates (Investment as per Equity method):</b>								
<b>Indian</b>								
BMD Private Limited	85.88%	10,558.74	96.80%	944.35	100.00%	(37.77)	96.68%	906.58
<b>Total</b>	<b>100.00%</b>	<b>12,294.90</b>	<b>100.00%</b>	<b>975.53</b>	<b>100.00%</b>	<b>(37.77)</b>	<b>100.00%</b>	<b>937.76</b>

### 33 Recent Accounting Pronouncements

#### Standards issued but not yet effected

On March 30, 2019 the Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 (hereinafter referred to as “the Rules”) which have been made effective from April 1, 2019.

#### 1. New Ind AS 116: ‘Leases’:

The new Ind AS 116: ‘Leases’ has been introduced in suppression of the earlier Ind AS 17. In the said new Ind AS, the provisions with regard to ‘Lessor’ are similar to that of earlier Ind AS. There are however certain changes in provisions with regard to ‘Lessee’. The Company does not have any lease as on date, so the impact of the new Ind AS 116 shall not have any impact on its financial statements.

#### 2. Amendment to Ind AS 109: ‘Financial Instruments’:

The amendment pertains to classification of financial instruments with feature of prepayment with negative compensation, which permits the holder or the borrower to make the prepayment and at the same time permits the lender or the issuer to put the instrument for repayment before the holder or borrower for making its payment before its maturity at an amount less than unpaid amount of principal and interest. Such instruments can be measured at amortised cost or at fair value through the statement of profit and loss or other comprehensive income by lender or issuer.

The Company has evaluated the effect of the said amendment and found that since it is not dealing in such financial instruments, there will not be any impact of this amendment on its financial statements.

#### 3. Amendment to Ind AS 19: ‘Employee Benefits’:

The amendment relates to measurement and disclosure of effects of plan amendment, curtailment and settlement. When an entity determines the past service cost at the time of plan amendment or curtailment, it shall re-measure the amount of net defined benefit liability/asset using the current value of plan assets and current actuarial assumptions which should reflect the benefits offered under the plan and plan assets before and after the plan amendment, curtailment and settlement.

The Company has evaluated the effect of the said amendment and found that there will not be any material impact of this amendment on its financial statements.

#### 4. Amendment to Ind AS 28: ‘Investments in Associates and Joint Ventures’:

The said amendment clarifies that Ind AS 109 should be applied to the financial instruments, including long-term interests in associates and joint venture, that, in substance, form part of an entity's net investment in associate or joint venture, to which the equity method is not applied.

The Company has evaluated the effect of the said amendment and found that since the company already applies equity method for investments made in associates and joint ventures, this amendment shall not have any impact on its financial statements.

#### 5. Amendment to Ind AS 12: ‘Income Taxes’:

The first amendment relates to creation of a corresponding liability for payment of Dividend Distribution Tax (DDT) when it recognises a liability to pay a dividend. The Company has evaluated the effect of the said amendment and found that it is already creating corresponding liability for payment of DDT when it recognises a liability to pay a dividend. So, there is no any impact on its financial statements further, due to this amendment. The second amendment relates to recognition of tax consequence of an item whose tax treatment is uncertain. Tax treatment of an item is considered as uncertain when there is uncertainty whether the relevant taxation authority will accept the tax treatment of that item or not.

The Company has evaluated the effect of the said amendment and found that it is already recognising tax liability in all such cases where it considers that the tax treatment is uncertain. So there shall not be any additional impact on its financial statements due to the said amendment.

**34** Previous year figures have been regrouped/restated wherever considered necessary.

**35 Approval of financial statements**

The Consolidated Financial statements for the year ended 31st March 2019 were approved by the Board of Directors and authorized for issue on 29th May 2019.

**In terms of our report attached**

As per our report of even date

For **Doogar & Associates**

Chartered Accountants

Firm Regn. No. 000561N

For and on behalf of the Board of Directors of

**Bhilwara Technical Textiles Limited**

**Shekhar Agarwal**

Chairman & Managing Director

DIN: 00066113

**Mukesh Goyal**

Partner

Membership No. 081810

**Riju Jhunjunwala**

Director

DIN: 00061060

Place : Noida (U.P.)

Dated : May 29, 2019

**Arjun Sharma**

Company Secretary &

Chief Financial Officer

Membership No. A47848

# NOTICE

## **BHILWARA TECHNICAL TEXTILES LIMITED**

**CIN: L18101RJ2007PLC025502**

Regd. Office: LNJ Nagar, Mordi, Banswara – 327 001, RAJASTHAN

Phone: 02961 – 231251, 02962 – 302400, Fax: 02961 – 231254

Corporate Office: Bhilwara Towers, A-12, Sector – 1, Noida – 201 301 (U.P)

Phone: 0120 – 4390300 (EPABX), Fax: 0120-4277841

E-mail: [bttl.investor@lnjbhilwara.com](mailto:bttl.investor@lnjbhilwara.com)

Website: [www.bttil.co.in](http://www.bttil.co.in)

### **NOTICE**

Notice is hereby given that the Twelfth Annual General Meeting of the Members of the Company will be held on Monday, the 29<sup>th</sup> July, 2019 at 11.00 A.M. at the Registered Office of the Company at LNJ Nagar, Mordi, Banswara- 327001, Rajasthan to transact the following businesses:

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Standalone and Consolidated Financial Statements for the year ended the 31<sup>st</sup> March, 2019 along with the Report of Board of Directors and Auditor thereon.
2. To appoint a Director in place of Shri Shekhar Agarwal (DIN: 00066113) who is liable to retire by rotation and being eligible, offers himself for re-appointment.

#### **SPECIAL BUSINESS:**

##### **3. Re- Appointment of Shri Priya Shankar Dasgupta (DIN : 00012552) as Independent Director :**

To consider and if thought fit, to pass, with or without modifications, the following resolution as a **SPECIAL RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder, read with Schedule IV of the Companies Act, 2013, as amended from time to time, and pursuant to the provisions of SEBI ( Listing Obligation and Disclosure Requirement), Regulation 2015 as amended from time to time, consent of members be and is hereby accorded for appointment of Shri Priya Shankar Dasgupta (DIN : 00012552), who was appointed as an Independent Director of the Company for first term of 5 consecutive years at the 7<sup>th</sup> Annual General Meeting of the Company held on 30<sup>th</sup> September, 2014 and who is eligible for re-appointment for second term and in respect of whom the Company has received notice in writing from a member of the Company under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of five consecutive years commencing from 30<sup>th</sup> September, 2019 up to 29<sup>th</sup> September, 2024”.

##### **4. Re- Appointment of Smt. Sunita Mathur (DIN : 00008923) as Independent Director :**

To consider and if thought fit, to pass, with or without modifications, the following resolution as a **SPECIAL RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder, read with Schedule IV of the Companies Act, 2013, as amended from time to time, and pursuant to the provisions of SEBI (Listing Obligation and Disclosure Requirement), Regulation 2015 as amended from time to time, consent of members be and is hereby accorded for appointment of Smt. Sunita Mathur (DIN : 00008923), who was appointed as an Independent Director of the Company for first term of 5 consecutive years w.e.f. 27<sup>th</sup> March, 2015 at the 8<sup>th</sup> Annual General Meeting of the Company held on 29<sup>th</sup> September, 2015 and who is eligible for re-appointment for second term and in respect of whom the Company has received notice in writing from a member of the Company under Section 160 of the Act proposing her candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of five consecutive years commencing from 27<sup>th</sup> March, 2020.”

##### **5. Investment(s), Loans, Guarantees and security in excess of limits specified under section 186 of Companies Act, 2013:**

To consider and if thought fit, to pass, with or without modifications, the following resolution as **SPECIAL RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013 (“the Act”) read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act (including any modification or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the Members of the Company be and is

hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution), to (i) give any loan to any person or other body corporate; (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as they may in their absolute discretion deem beneficial and in the interest of the Company, subject however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of Rs. 20 Crores (Rupees Twenty Crores only) over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Companies Act, 2013.

By Order of the Board of Directors  
**For Bhilwara Technical Textiles Limited**

Place : Noida (U. P.)  
 Date : 29<sup>th</sup> May, 2019

**Arjun Sharma**  
 Company Secretary &  
 Chief Financial Officer  
 ACS 47848

**NOTES:**

1. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to Special Businesses to be transacted at the meeting is annexed.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE MEETING.** A person can act as a proxy on behalf of Members not exceeding fifty (50) and holding not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. Corporate Members intending to send their authorized representative(s) to attend the meeting are requested to send to the Company, a duly certified Board Resolution authorizing their said representative(s) to attend and vote on their behalf at the meeting.
4. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, the 23<sup>rd</sup> July, 2019 to Monday, the 29<sup>th</sup> July, 2019 (both days inclusive).
5. The relevant documents accompanying the Notice are open for inspection to the members at the Registered Office of the Company during the normal business hours of the Company upto the date of the Meeting.
6. Members are requested to bring their attendance slip with their copy of Annual Report to the meeting.
7. In case of Joint holders attending the meeting, only such joint holder whose name appears earlier in the order of names will be entitled to vote.
8. Members are requested to:
  - (i) Quote their folio number/client ID in all correspondence with the Company.
  - (ii) Notify immediately to the Company all changes with respect to their bank details, mandate, nomination, Power of Attorney and Change of Address. Members holding shares in electronic form should send their requests regarding the same to their respective Depository Participants.
9. Members who are holding Company's shares in electronic form are required to bring details of their Depository Account such as Client ID and DP ID Numbers for identification.
10. Members seeking any information/clarification with regard to accounts and audit are requested to write to the Company in advance and their queries should reach the Registered Office of the Company at least seven days prior to the date of meeting, so as to enable the Management to keep the information/clarification ready.
11. Members holding shares in physical form are requested to furnish their email ID through e-mail at **bttl.investor@injbhilwara.com** and/or send letter to us quoting their Folio No. and e-mail ID to enable us to serve any document, notice, communication, annual reports etc. through e-mail. For members who have not registered their email addresses, physical copies of the Annual Report 2019 are being sent by the permitted mode. Members holding shares in demat form may get their email ID updated with their respective Depository Participants. We request the members to continue to support the Green Initiative introduced by MCA and make it a success.
12. The Notice and Annual Report of the Company will also be available on the website of the Company, [www.bttl.co.in](http://www.bttl.co.in).
13. Members holding shares in physical form are requested to dematerialise their holdings in their own interest. Attention of the members holding shares in physical form is also drawn towards the recent amendment by SEBI which stipulates that except in the case of transmission and transposition of shares, requests for effecting transfer of shares shall not be processed after 31st March, 2019 unless the securities are held in dematerialized form.

- 14. Details under Regulation 36(3) and 26(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of Secretarial Standard-2 in respect of the Directors seeking re-appointment at the 12<sup>th</sup> Annual General Meeting, forms integral part of the notice as **Annexure-I**.
- 15. In case of transfer of Physical Shares before 31<sup>st</sup> March, 2019, the transferor(s) and transferee(s) are requested to furnish a copy of the PAN card to the RTA for registration of transfer of shares in physical form.
- 16. Route map of the Annual General Meeting Venue is annexed to this notice.

**17. Voting through electronic means**

- I. Pursuant to the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Rules, 2015 ("Amended Rules 2015") and pursuant to Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by NSDL, on all the resolutions set forth in this Notice. The member may cast their votes using an electronic voting system from a place other than the venue of the Meeting (remote e-voting).
- II. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting (remote e - voting).
- III. The facility for voting through ballot paper will also be made available at the Meeting and members attending the Meeting, who have not already cast their votes by remote e-voting shall be able to exercise their right at the Meeting through ballot paper.
- IV. Members who have cast their votes by remote e-voting prior to the Meeting may attend the Meeting but shall not be entitled to cast their votes again.
- V. The remote e-voting period commences at 9.00 a.m. on Friday, the 26<sup>th</sup> July, 2019 and will end at 5.00 p.m. on, Sunday, the 28<sup>th</sup> July, 2019. During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of Monday the 22<sup>nd</sup> July, 2019, may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- VI. The details of the process and manner for remote e-voting are explained as under:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

**Step 1: Details are mentioned below:**

How to Log-in to NSDL e-Voting website?

- 1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL:  
<https://www.evoting.nsdl.com/>.
- 2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
- 3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e- Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

- 4. Your User ID details will be as per details given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is
For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID. For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
For Members who hold shares in demat account with CDSL	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
For Members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the Company. For example, if EVEN is 101456 and folio number is 001*** then user ID is 101456001***

- 5. Your password details are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - i. If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - ii. If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 

Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

"Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) in mentioning your demat account number/folio number, your PAN, your name and your registered address.

Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

### **Step 2: Cast your vote electronically on NSDL e-Voting system.**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of the Company.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders:**

- I. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/ Authority Letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at [manisha.pcs@gmail.com](mailto:manisha.pcs@gmail.com), with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- II. It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password? Option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
- III. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and remote e-voting user manual for Shareholders available at the Downloads Section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free No.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- IV. A person whose name is recorded in the Register of Members or in the Register of beneficial owners maintained by the depositories as on the cut-off date i.e. Monday, the 22<sup>nd</sup> July, 2019 only shall be entitled to avail the facility of remote e-voting as well as voting at the Annual General Meeting through ballot paper. The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date of Monday, the 22<sup>nd</sup> July, 2019.

- V. In case a person has become the Member of the Company after the dispatch of Notice but on or before the cut-off date i.e. Monday, the 22<sup>nd</sup> July, 2019, he/she may write to M/s. Beetal Financial & Computer Services Pvt. Ltd on the e-mail ID: [beetalrta@gmail.com](mailto:beetalrta@gmail.com) or [spgupta123@gmail.com](mailto:spgupta123@gmail.com). After receipt of the above credentials, please follow the instructions for e-voting to cast the vote. If the member is already registered with NSDL remote e-voting platform then he can use his/her existing User ID and Password for casting the vote through remote e-voting.
- VI. Mrs. Manisha Gupta, Practicing Company Secretary (Membership No. FCS 6378) has been appointed as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.
- VII. The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolution on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of ballot paper for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote e voting facility.
- VIII. The Scrutinizer, after scrutinizing the votes cast at the meeting, not later than forty eight hours of the conclusion of the Annual General meeting make a consolidated Scrutinizer's Report and submit the same to the Chairman or a person authorized by him in writing who shall counter sign the same and declare the results of the voting forthwith. The scrutinizer shall unblock the votes in the presence of at least two witnesses not in the employment of the Company.
- IX. Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. 29<sup>th</sup> July, 2019.
- X. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.bttil.co.in](http://www.bttil.co.in) and on the website of NSDL and communicated to the BSE Limited for placing the same on their respective website.
- XI. Members, who are not casting their vote electronically, may cast their vote at the Annual General meeting by means of ballot.

By Order of the Board of Directors  
For **Bhilwara Technical Textiles Limited**

Place: Noida (U. P.)  
Date: 29<sup>th</sup> May, 2019

**Arjun Sharma**  
Company Secretary &  
Chief Financial Officer  
ACS 47848

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

### **ITEM NO. 3**

As the members are aware that Shri Priya Shankar Dasgupta (DIN:00012552) was appointed as an Independent Director in the 7<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2014 for the first term of 5 years. Shri Priya Shankar Dasgupta is a renowned International Lawyer and the Company is benefitting immensely from his rich experience and International exposure. The Board considered the feedback/views of the Nomination and Remuneration Committee and Independent Directors on the performance evaluation of Shri Priya Shankar Dasgupta.

The Board, thereafter, evaluated the performance of Shri Priya Shankar Dasgupta on the basis of his professional ethics, integrity and values, practical wisdom, the skills, knowledge and expertise relevant to the Company's business and found his performance satisfactory. The Board taking into account the above proposed to re-commend his re-appointment for the 2<sup>nd</sup> (second) term of 5 years commencing from 30<sup>th</sup> September, 2019.

Pursuant to the Regulation 16 and 17 of SEBI (LODR) Regulations, 2015 read with Schedule IV of the Companies Act, 2013, it is proposed to re-appoint Shri Priya Shankar Dasgupta as an Independent Director for 2<sup>nd</sup> (second) term of five consecutive years commencing from 30<sup>th</sup> September, 2019, not liable to retire by rotation.

Shri Priya Shankar Dasgupta is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and SEBI (Listing Obligation & Disclosure Requirement), Regulation, 2015 and has given his consent to act as an Independent Director of the Company for the second term. The Company had received Notice in writing from member proposing candidature of him. The Company has also received declaration from Shri Priya Shankar Dasgupta that he meets with the criteria of independence as prescribed both under sub-section(6) of Section 149 of the Companies Act, 2013 and under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In terms of provisions of Section 149 of the Companies Act, 2013, the re-appointment of Shri Priya Shankar Dasgupta as an Independent Director of the Company requires the approval by the Company in General Meeting by Special Resolution.

The relevant details pertaining to Shri Priya Shankar Dasgupta are provided in **Annexure-I** in accordance with the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings ("SS-2").

The Company has received Notice in writing from member proposing his candidature. In the opinion of the Board, Shri Priya Shankar Dasgupta fulfills the conditions specified in the Companies Act, 2013, and the rules made thereunder for his re-appointment as an Independent Director of the Company.

A copy of draft Letter of Appointment for Independent Director, setting out terms and conditions of his re-appointment, is available for inspection at the Registered Office of the Company during normal business hours of the Company.

Except Shri Priya Shankar Dasgupta and his relatives, to the extent of their shareholding, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company/his relatives is, in any way, concerned or interested in the proposed resolution.

Your Directors recommend the Special Resolution as set out in item No. 3 for approval of the members.

#### ITEM NO. 4

##### **Re- Appointment of Smt. Sunita Mathur (DIN: 00008923) as Independent Director**

As the members are aware that Smt. Sunita Mathur (DIN: 00008923) was appointed as an Independent Director in the 8<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> September, 2015 for the first term of 5 years. Smt. Sunita Mathur has expert knowledge of the regulatory framework pertaining to foreign inward investment and corporate law and the Company is benefitting immensely from her rich experience and International exposure. The Board considered the feedback/views of the Nomination and Remuneration Committee and Independent Directors on the performance evaluation of Smt. Sunita Mathur.

The Board, thereafter, evaluated the performance of Smt. Sunita Mathur on the basis of her professional ethics, integrity and values, practical wisdom, the skills, knowledge and expertise relevant to the Company's business and found her performance satisfactory. The Board taking into account the above proposed to re-commend her re-appointment for the 2<sup>nd</sup> (second) term of 5 years commencing from 27<sup>th</sup> March, 2020.

Pursuant to the Regulation 16 and 17 of SEBI (LODR) Regulations, 2015 read with Schedule IV of the Companies Act, 2013, it is proposed to re-appoint Smt. Sunita Mathur as an Independent Director for 2<sup>nd</sup> (second) term of five consecutive years commencing from 27<sup>th</sup> March, 2020, not liable to retire by rotation.

Smt. Sunita Mathur is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and SEBI (Listing Obligation & Disclosure Requirement), Regulation, 2015 and has given her consent to act as an Independent Director of the Company for the second term. The Company had received Notice in writing from member proposing her candidature. The Company has also received declaration from Smt. Sunita Mathur that she meets with the criteria of independence as prescribed both under sub-section(6) of Section 149 of the Companies Act, 2013 and under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In terms of provisions of Section 149 of the Companies Act, 2013, the re-appointment of Smt. Sunita Mathur as an Independent Director of the Company requires the approval by the Company in General Meeting by Special Resolution.

The relevant details pertaining to Smt. Sunita Mathur are provided in **Annexure-I** in accordance with the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings ("SS-2").

The Company has received Notice in writing from member proposing her candidature. In the opinion of the Board, Smt. Sunita Mathur fulfills the conditions specified in the Companies Act, 2013, and the rules made thereunder for her re-appointment as an Independent Director of the Company.

A copy of draft Letter of Appointment for Independent Director, setting out terms and conditions of her re-appointment, is available for inspection at the Registered Office of the Company during normal business hours of the Company.

Except Smt. Sunita Mathur and her relatives, to the extent of their shareholding, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company/her relatives is, in any way, concerned or interested in the proposed resolution.

Your Directors recommend the Special Resolution as set out in item No. 4 for approval of the members.

#### ITEM NO. 5

##### **Investment(s), Loans, Guarantees and security in excess of limits specified under section 186 of Companies Act, 2013:**

The Company has recently entered into the export market and made descent revenue in the last quarter of the F.Y. 2018-19 and is anticipating higher revenue the F.Y. 2019-20. Looking at the Company's long term business prospects, the Company intends to park the surplus funds in order to maximise the wealth of the shareholders.

Accordingly, the Board of Directors of the Company propose to make the most out of the surplus funds by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate or as and when required.

Pursuant to the provisions of section 186(3) of the Companies Act, 2013 and rules made there under, the Company needs to obtain prior approval of shareholders / members by way of special resolution passed at the General Meeting in case the amount of investment, loan, guarantee or security proposed to be made is more than the higher of sixty percent of the paid up share capital, free reserves and securities premium account or one hundred percent of free reserves and securities premium account.

Accordingly, the Board of Directors of the Company proposes to obtain approval of shareholders by way of special resolution as contained in the notice of the Annual General Meeting for an amount not exceeding Rs, 20 Crore (Indian Rupees Twenty Crore Only) outstanding at any time notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

The Directors therefore, recommend the Special Resolution for approval of the shareholders.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Special Resolution.

By Order of the Board of Directors  
**For Bhilwara Technical Textiles Limited**

**Place : Noida (U. P.)**  
**Date : 29<sup>th</sup> May, 2019**

**Arjun Sharma**  
**Company Secretary &**  
**Chief Financial Officer**  
**ACS: 47848**

## ANNEXURE - I

(In pursuance to Secretarial Standard on General Meeting (SS-2) and Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015

### DETAILS OF THE DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT IN FORTHCOMING / FIXATION OF REMUNERATION ANNUAL GENERAL MEETING

Name of Director	Shri Shekhar Agarwal	Shri Priya Shankar Dasgupta	Smt. Sunita Mathur
<b>DIN</b>	00066113	00012552	00008923
<b>Category</b>	Promoter- Executive	Independent -Non Executive	Independent -Non Executive
<b>Interse Relationship with other Directors</b>	Father of Shri Shantanu Agarwal	N. A.	N. A.
<b>Date of Birth</b>	9 <sup>th</sup> October, 1952	30 <sup>th</sup> June, 1955	18 <sup>th</sup> January, 1958
<b>Date of Appointment</b>	14 <sup>th</sup> December, 2007	06 <sup>th</sup> April, 2009	27 <sup>th</sup> March, 2015
<b>Qualification</b>	B. Tech. (Mech.)-IIT Kanpur, M.Sc. -(Chicago)	B.A. (Hons.), LLB, Post Graduate Diploma-Corporate Laws & Labour Laws.	Company Secretary
<b>Expertise in specific functional areas</b>	Industrialist with rich experience of Textile Industry	Renowned International Corporate Lawyer and represents a leading law firm in Delhi	She has expert knowledge of the regulatory framework in India pertaining to foreign inward investment and Corporate law
<b>List of other Public Companies in which Directorships held #</b>	1. RSWM Ltd. 2. HEG Ltd. 3. Maral Overseas Ltd. 4. BSL Ltd.	a. Cummins India Ltd. b. Ester Industries Ltd. c. Maral Overseas Ltd. d. Otis Elevators Co. (India) Ltd. e. RSWM Ltd. f. Timken India Ltd. g. Interstar Financial Services Limited	
<b>Chairman/Member of the Committees of Directors of other Companies :</b>			
<b>a. Audit Committee</b>	1. BSL Ltd.-Member 2. HEG Ltd.-Member	1. Cummins India Ltd.- (Member) 2. Maral Overseas Ltd.- (Member) 3. Otis Elevator Co. (India) Ltd.- (Member) 4. Timken India Ltd.-(Chairman)	None
<b>b. Stakeholders Relationship Committee</b>	1. RSWM Ltd.-Member 2. Maral Overseas Ltd.- Member	1. Cummins India Ltd.-(Member)	None
<b>No. of Equity Shares held in Company</b>	26,16,425 Equity Shares	NIL	NIL
<b>Terms &amp; Condition of appointment or re-appointment along with detail of remuneration sought to be paid</b>	Executive Director liable to retire by rotation	As mentioned in draft letter of appointment	As mentioned in draft letter of appointment
<b>Last Remuneration Drawn</b>	N.A.	See note No. 1	See note No. 1
<b>No. of Board Meeting attended during the year</b>	4 out of 4	1 out of 4	4 out of 4

#Excludes Directorships in Private Limited Companies, Foreign Companies, Foundations, Memberships of Management Committees of various Chambers, Bodies and Section 8 Companies.

**Note no.-1** The Non-Executive Directors (including Independent Directors) are only paid sitting fee for attending meetings of Board of Directors, Independent Directors and various Committees of Directors



## BHILWARA TECHNICAL TEXTILES LIMITED

CIN: L18101RJ2007PLC025502

Regd. Office: LNJ Nagar, Mordi, Banswara-327001, Rajasthan; Phone : +91-2961-231251, +91-2962-302400 Fax :+91-2961-231254

Corp. Off : Bhilwara Towers, A-12, Sector-1, Noida-201301(U.P), Phone : 91-120-4390300, (EBABX) Fax : +91-120-4277841

E-mail : [bttl.investor@lnjbhilwara.com](mailto:bttl.investor@lnjbhilwara.com), Website : [www.bttl.co.in](http://www.bttl.co.in)

### ATTENDANCE SLIP

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

DP Id\* .....

Folio No. ....

Client Id\* .....

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

Name and address of the Shareholders :

I/We hereby record my presence at the 12th Annual General Meeting of the Company to be held on Monday, July 29<sup>th</sup>, 2019 at 11.00 A.M. at the Registered Office of the Company at LNJ Nagar, Mordi, Banswara-327001, Rajasthan.

\* Applicable for investors holding Shares in electronic form

\*\* Strike out whichever is not applicable

Signature of the Shareholder/Proxy/Representative\*

#### Note:

- Members are requested to produce this attendance slip, duly signed in accordance with their specimen signatures registered with the Company, for admission to the meeting.



## BHILWARA TECHNICAL TEXTILES LIMITED

CIN: L18101RJ2007PLC025502

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### PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies [Management and Administration] Rules, 2014]

Name of the Member(s): ..... E mail Id: .....

Registered Address: ..... Folio No/ \*Client Id: .....

..... \*DP Id: .....

I/We being the member(s) of \_\_\_\_\_ shares of the above named Company hereby appoint:

1. Name : ..... Address : .....

..... E-mail Id : .....

Signature ....., or failing him / her

2. Name : ..... Address : .....

..... E-mail Id : .....

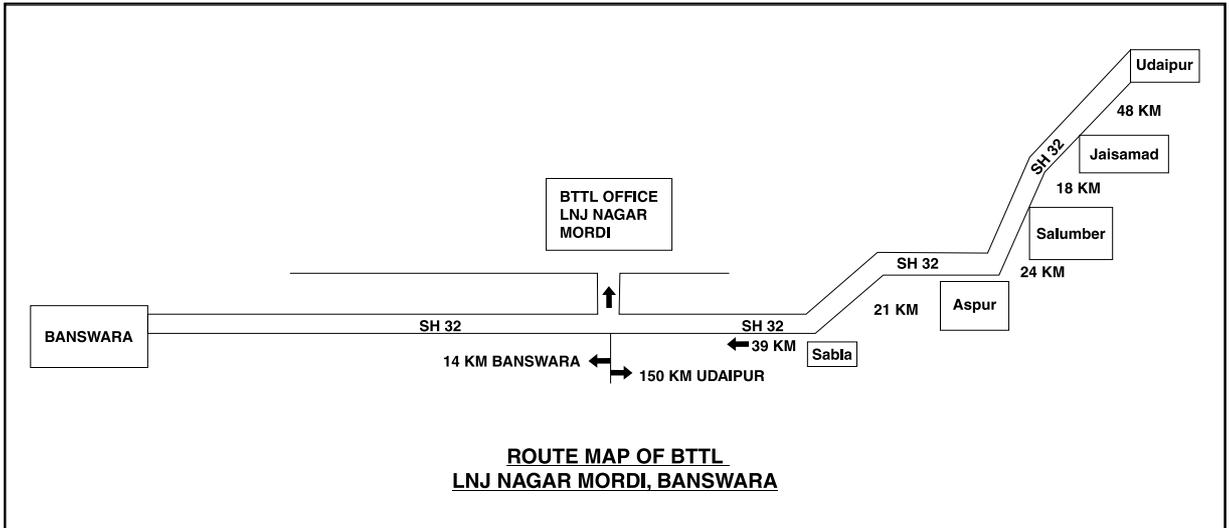
Signature ....., or failing him / her

3. Name : ..... Address : .....

..... E-mail Id : .....

Signature .....

as my/our proxy to attend and vote (on a poll) for me/us and my/our behalf at the **12th Annual General Meeting** of the Company, to be held on Monday, July 29<sup>th</sup>, 2019 at 11:00 A.M. at the Registered Office at **LNJ Nagar, Mordi, Banswara-327001, Rajasthan** and at any adjournment thereof in respect of such resolutions as are indicated:



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

Resolutions Numbers	Resolutions	For	Against
<b>Ordinary Business</b>			
1	To receive, consider and adopt the Standalone and Consolidated Financial Statements for the year ended the 31st March, 2019 along with the Report of Board of Directors and Auditor thereon.		
2	To appoint a Director in place of Shri Shekhar Agarwal (DIN: 00066113) who is liable to retires by rotation and being eligible, offers himself for re-appointment.		
<b>Special Business</b>			
3	To approve the re-appointment of Shri Priya Shankar Dasgupta (DIN: 00012552) as Independent Director of the Company		
4	To approve the re-appointment of Smt. Sunita Mathur (DIN: 00008923) as Independent Director of the Company		
5	Investment(s), Loans, Guarantees and security in excess of limits specified under section 186 of Companies Act, 2013		

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2019

Affix  
Revenue  
Stamp

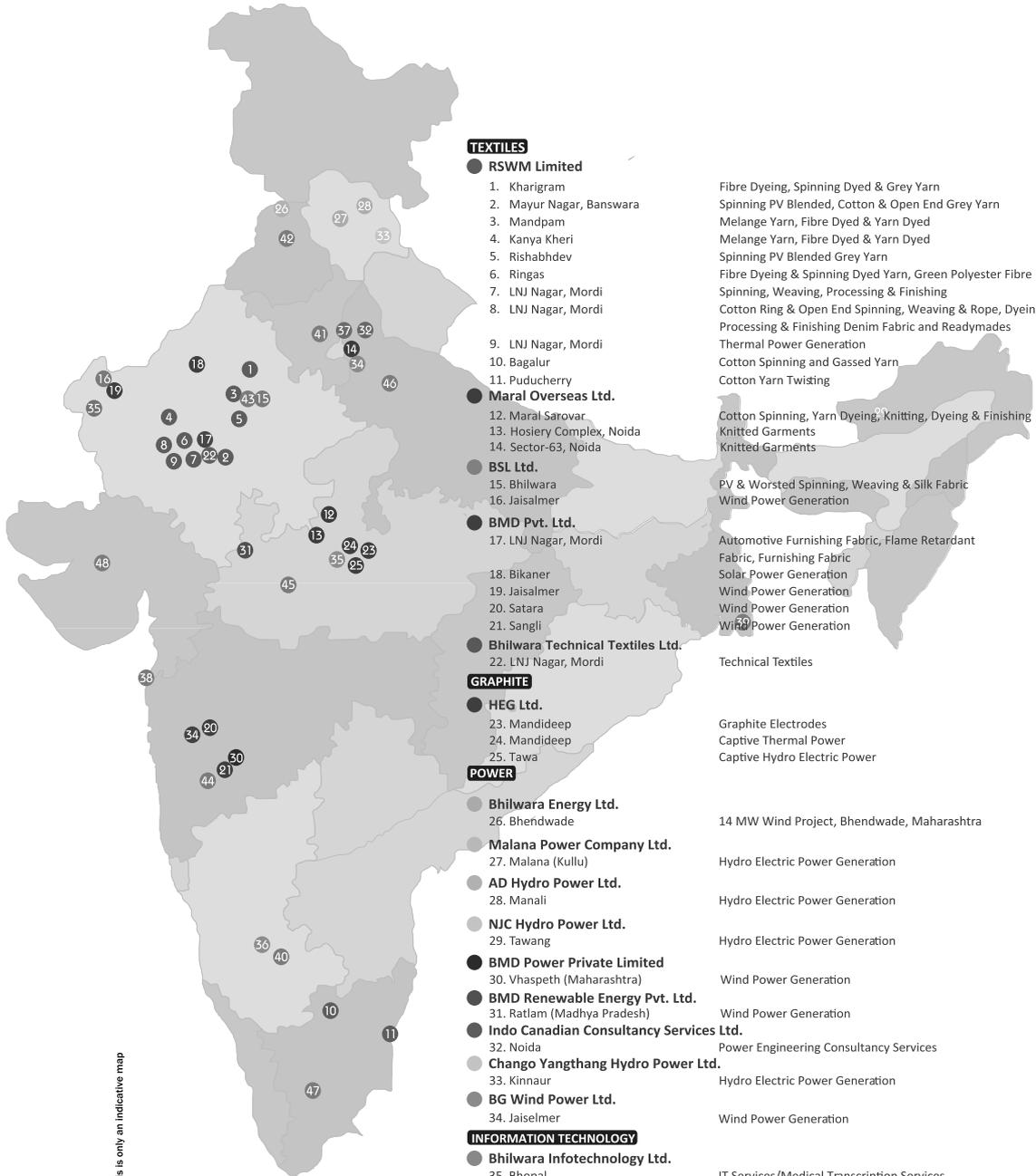
Signature of Shareholder \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

**Notes :**

1. The proxy Form 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.
2. \*\* It is optional to indicate your preference. If you leave the 'for' or 'against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.
3. For the Resolutions, Explanatory Statements and Notes, please refer to the Notice of 12th Annual General Meeting

# NATIONWIDE NETWORK



This is only an indicative map

## TEXTILES

### ● RSWM Limited

1. Kharigram
2. Mayur Nagar, Banswara
3. Mandpam
4. Kanya Kheri
5. Rishabhdev
6. Ringas
7. LNJ Nagar, Mordi
8. LNJ Nagar, Mordi

Fibre Dyeing, Spinning Dyed & Grey Yarn  
Spinning PV Blended, Cotton & Open End Grey Yarn  
Melange Yarn, Fibre Dyed & Yarn Dyed  
Melange Yarn, Fibre Dyed & Yarn Dyed  
Spinning PV Blended Grey Yarn  
Fibre Dyeing & Spinning Dyed Yarn, Green Polyester Fibre  
Spinning, Weaving, Processing & Finishing  
Cotton Ring & Open End Spinning, Weaving & Rope, Dyeing,  
Processing & Finishing Denim Fabric and Readymades  
Thermal Power Generation  
Cotton Spinning and Gassed Yarn  
Cotton Yarn Twisting

### ● Maral Overseas Ltd.

12. Maral Sarovar
13. Hosiery Complex, Noida
14. Sector-63, Noida

Cotton Spinning, Yarn Dyeing, Knitting, Dyeing & Finishing  
Knitted Garments  
Knitted Garments

### ● BSL Ltd.

15. Bhilwara
16. Jaisalmer

PV & Worsted Spinning, Weaving & Silk Fabric  
Wind Power Generation

### ● BMD Pvt. Ltd.

17. LNJ Nagar, Mordi
18. Bikaner
19. Jaisalmer
20. Satara
21. Sangli

Automotive Furnishing Fabric, Flame Retardant  
Fabric, Furnishing Fabric  
Solar Power Generation  
Wind Power Generation  
Wind Power Generation  
Wind Power Generation

### ● Bhilwara Technical Textiles Ltd.

22. LNJ Nagar, Mordi

Technical Textiles

## GRAPHITE

### ● HEG Ltd.

23. Mandideep
24. Mandideep
25. Tawa

Graphite Electrodes  
Captive Thermal Power  
Captive Hydro Electric Power

## POWER

### ● Bhilwara Energy Ltd.

26. Bhendwade

14 MW Wind Project, Bhendwade, Maharashtra

### ● Malana Power Company Ltd.

27. Malana (Kullu)

Hydro Electric Power Generation

### ● AD Hydro Power Ltd.

28. Manali

Hydro Electric Power Generation

### ● NJC Hydro Power Ltd.

29. Tawang

Hydro Electric Power Generation

### ● BMD Power Private Limited

30. Vhaspeth (Maharashtra)

Wind Power Generation

### ● BMD Renewable Energy Pvt. Ltd.

31. Ratlam (Madhya Pradesh)

Wind Power Generation

### ● Indo Canadian Consultancy Services Ltd.

32. Noida

Power Engineering Consultancy Services

### ● Chango Yangthang Hydro Power Ltd.

33. Kinnaur

Hydro Electric Power Generation

### ● BG Wind Power Ltd.

34. Jaisalmer

Wind Power Generation

## INFORMATION TECHNOLOGY

### ● Bhilwara Infotechnology Ltd.

35. Bhopal
36. Bengaluru

IT Services/Medical Transcription Services

IT Services/Medical Transcription Services

## OFFICES

### ● Corporate Office

37. Bhilwara Towers A-12, Sector-1, Noida-201301

### ● Regional / Marketing :

- |               |               |                  |               |
|---------------|---------------|------------------|---------------|
| 38. Mumbai    | 41. New Delhi | 44. Ichalkaranji | 47. Tirupur   |
| 39. Kolkata   | 42. Ludhiana  | 45. Indore       | 48. Ahmedabad |
| 40. Bengaluru | 43. Bhilwara  | 46. Kanpur       |               |

# BOOK - POST



*If undelivered, please return to:*

**Bhilwara Technical Textiles Limited**

CIN: L18101RJ2007PLC025502

Regd. Off.: LNJ Nagar, Mordi, Banswara, Rajasthan – 327001

Phone: 02961-231251-52, 02962-302400; Website: [www.bttil.co.in](http://www.bttil.co.in)