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**23rd  
Annual Report  
2016-2017**

**BHILWARA TEX-FIN LIMITED**

# BHILWARA TEX-FIN LIMITED

## Board of Directors

Mr. Satish Kumar Sharma	:	00536970
Mr. Rahul Rameshkumar Jain	:	07541089
Mr. Samai Singh	:	00235036
Mrs. Seema Kumari	:	07158452

## DIN No.

## KEY MANAGERIAL PERSONNEL (KMP)

Mr. Himmat Singh Bedla	:	Chief Executive Officer
Mr. Sukomal Bhunya	:	Chief Financial Officer
Ms. Archana Aggarwal	:	Company Secretary

## Audit Committee

Mr. Rahul Rameshkumar Jain  
Mr. Satish Kumar Sharma  
Mrs. Seema Kumari

## NOMINATION AND REMUNERATION COMMITTEE

Mr. Rahul Rameshkumar Jain  
Mr. Samai Singh  
Mrs. Seema Kumari

## STAKEHOLDER RELATIONSHIP COMMITTEE

Mr. Rahul Rameshkumar Jain  
Mr. Satish Kumar Sharma  
Mrs. Seema Kumari

## STATUTORY AUDITOR

M/s. Nagar Goel & Chawla,  
Chartered Accountants  
New Delhi

## SECRETARIAL AUDITORS

M/s Naveen Garg & Associates  
Company Secretaries  
New Delhi

## INTERNAL AUDITORS

M/s. Divyank Khullar & Associates  
Chartered Accountants  
New Delhi

## SHARE TRANSFER AGENT

Indus Portfolio Private Limited

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# BHILWARA TEX-FIN LIMITED

## NOTICE

Notice is hereby given that the **23<sup>rd</sup> Annual General Meeting** of the members of **M/s Bhilwara Tex-Fin Limited** will be held on **Thursday, 28th day of September, 2017 at 11.00 a.m.** at the Farm House of M/s Kapil Constructions Private Limited, Anandgram (Near Rajokari), Church Road Extension, Mata Amritanandmayi Math, Abdul Gaffar Khan Marg, New Delhi -110 070 to transact the following business:

### **Ordinary Business:**

1. To receive, consider and adopt the Annual Financial Statements of the Company for the financial year ended 31st March, 2017, including the audited Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss for the financial year ended on that date and the reports of the Board of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Satish Kumar Sharma, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors and to fix their remuneration:

**"RESOLVED THAT** pursuant to Section 139, 141, 142, 143 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder as amended from time to time pursuant to the recommendations of the audit committee of the Board of Directors, Divyank Khullar & Associates, Chartered Accountants (Firm Regn No.:- 025755N) be and is hereby appointed as Statutory Auditors of the Company in place of M/s Nagar Goel & Chawla, Chartered Accountants, retiring auditors of the Company, to hold office from the date of conclusion of the 23rd AGM of the Company till the date of conclusion of 28th Annual General Meeting to be held for the financial year ending on 31st March 2022 subject to ratification of their appointment at every Annual General Meeting of the Company.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year 2017-18 as may be agreed upon between the auditors and the Board of Directors."

### **Special Business:**

#### **4. Re-Appointment of Mr. Samai Singh as an Independent Director of the Company**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Samai Singh (having DIN 00235036), who was appointed as an Independent Director and who holds office of Independent Director up to the conclusion of this Annual General Meeting and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company with effect from 29th September, 2017 or date of ensuing Annual General meeting whichever is earlier."

5. To consider and if thought fit, to pass with or without modifications, the following resolution as Special resolution thereof:

**"RESOLVED THAT** pursuant to provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (including any amendment, modification or re-enactment thereof) and pursuant to the provisions of the Companies Act, 2013 and rules made thereunder, all material related part transactions entered between the Company and Sainik Mining and Allied Services Limited (SMASL) during the financial year 2016-17 on the terms & conditions as briefly mentioned in the explanatory statement to this resolution be and is hereby ratified and approved.

## **BHILWARA TEX-FIN LIMITED**

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**RESOLVED FURTHER THAT** consent of the members of the Company be and is hereby accorded to all acts, deeds and things which was done and documents executed in connection with such material related party transaction."

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 20 of the Companies Act, 2013 and relevant rules framed thereunder and other applicable provisions, if any, whereby, a document may be served on any member by the Company by sending it to him / her by post, by registered post, by speed post, by electronic mode, or any other modes as may be prescribed, consent of the shareholders / members be and is hereby accorded to charge from the member / shareholders such fees in advance equivalent to estimated actual expenses of delivery of the documents delivered through registered post or speed post or by courier service or such other mode of delivery of documents pursuant to any request by the shareholder for delivery of documents, through a particular mode of service mentioned above provided such request along with requisite fees has been duly received by the Company at least 10 days in advance of dispatch of documents by the Company to the shareholder;

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution the Board of Directors or Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary, proper or desirable to give effect to the resolution."

By order and on behalf of the Board  
**Bhilwara Tex-Fin Limited**

Place: New Delhi  
Date: 10th August, 2017

**(Satish Kumar Sharma)**  
Director  
(DIN: 00536970)

**Notes:**

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The instrument appointing the proxy, in order to be effective, must be deposited at the company's registered office, duly completed and signed, not less than forty-eight hours before the meeting. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in aggregate not more than 10 (Ten) percent of the total share capital of the Company. Provided that a member holding more than 10 (Ten) percent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other member.
3. Proxies submitted on behalf of the companies, societies, etc., must be supported by appropriate resolutions / authority, as applicable.
4. The proxy form and attendance slip are annexed herewith.
5. Members/ proxies should bring the Attendance Slip sent herewith, duly filled in, for attending the AGM.
6. The relevant details as required under regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, of persons seeking appointment / re-appointment as Directors under item No. 2 and item no. 4 of the Notice are also annexed herewith.
7. All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company on all working days except Saturdays, Sundays and Bank Holidays between 11.00 a.m. and 1.00 p.m. up to the date of the AGM.
8. The Register of Members and Transfer Books of the Company will be closed from Friday, 22nd September, 2017 to Thursday, 28th September, 2017, (both days inclusive) for the purpose of holding Annual General Meeting of the Company.

## **BHILWARA TEX-FIN LIMITED**

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9. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agent - M/s Indus Portfolio Private Limited, to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to the Company's Registrars and Transfer Agent.
10. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or the Company's Registrars and Transfer Agent for assistance in this regard.
11. SEBI & the Ministry of Corporate Affairs encourage paperless communication as a contribution to greener environment. Members holding shares in physical mode are requested to register their e-mail ID's with the Indus Portfolio Private Limited , the Registrars & Share Transfer Agents of the Company and Members holding shares in demat mode are requested to register their e-mail ID's with their respective Depository Participants (DPs) in case the same is still not registered. If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Registrars & Share Transfer Agents of the Company in respect of shares held in physical form and to DPs in respect of shares held in electronic form. Members who wish to register their email ID can download the 'Green Initiative' form from the Company's website i.e. [www.bhilwaratexfin.com](http://www.bhilwaratexfin.com)
12. In terms of Section 101 and 136 of the Companies Act, 2013 read together with the Rules made thereunder, the copy of the Annual Report including Financial statements, Board's report etc. and this Notice are being sent by electronic mode, to those members who have registered their email IDs with their respective depository participants or with the share transfer agent of the Company, unless any member has requested for a physical copy of the same. In case you wish to get a physical copy of the Annual Report, you may send your request to [cs.anamika@indusinvest.com](mailto:cs.anamika@indusinvest.com) or [legal.secretarial@sainikmining.com](mailto:legal.secretarial@sainikmining.com) mentioning your Folio/DP ID & Client ID.
13. Pursuant to Section 72 of the Companies Act, 2013, the members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 with the Company's share transfer agent. In respect of shares held in electronic/ demat form, the members may please contact their respective depository participant.
14. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or the Company's Registrars and Transfer Agent, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.
15. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
16. The Notice of the AGM along with the Annual Report 2016-17 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
17. In compliance with the provisions of section 108 of the Company Act, 2013 and the Rules 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules 2015, and regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 , the Company is pleased to provide members with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all resolutions set forth in this Notice.
18. In terms of requirements of Secretarial Standard - 2 on "General Meeting" issued by the Institute of Company Secretaries of India and approved and notified by Central Government of India, a route MAP for the location of the aforesaid General meeting is annexed herewith.

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19. The instructions for e-voting are as under:

**A. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company / Depositories):**

- i. Open the e-mail and also open PDF file namely "Bhilwara Tex-Fin e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
- ii. Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>.
- iii. Click on Shareholder - Login.
- iv. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
- v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
- vi. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
- vii. Once the e-voting home page opens, click on e-voting > Active Voting Cycles.
- viii. Select "EVEN" (E-Voting Event Number) of M/s Bhilwara Tex-Fin Limited. Now you are ready for e-voting as Cast Vote page opens.
- ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- x. Upon confirmation, the message "Vote cast successfully" will be displayed.
- xi. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
- xii. 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 to [r.gulati64@gmail.com](mailto:r.gulati64@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- xiii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) - Shareholders and e-voting user manual-Shareholders, available at downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

**B. In case a Member receives physical copy of the Notice of AGM (for Members whose email addresses are not registered with the Company / Depositories):**

- i. Initial password is provided in the enclosed ballot form: EVEN (E-Voting Event Number), user ID and password.
- ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xiii) above, to cast vote.

**C. Other Instructions:**

- i. The e-voting period commences on Saturday, 23rd September, 2017 (9.00 a.m. IST) and ends on Wednesday, 27th September, 2017 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Friday, 22nd September, 2017, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
- ii. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on Friday, 22nd September, 2017.
- iii. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Friday, 22nd September, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Company/ RTA.

## BHILWARA TEX-FIN LIMITED

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However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details / Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990

- 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 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through polling paper. A person may participate in the AGM even after exercising his/her vote through remote e-voting but shall not be allowed to vote again at the AGM
- v. Mr. Rajesh Gulati, Practicing Chartered Accountant (Membership No. 89046), has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- vi. The Facility for voting through ballot will also be made available at the AGM, and members attending the AGM who have not already cast their vote by remote e- voting will be able to exercise their right at the AGM. Shareholders who have not cast their vote electronically, by remote e-voting may only cast their vote at the AGM through ballot paper.
- vii. The Chairman shall, at the AGM, at the end of discussions on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- viii. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. The Scrutinizer's Report of the total votes cast in favour or against, if any, not later than three days after the conclusion of the AGM to the Chairman of the Company. The Chairman, or any other person authorized by the Chairman, shall declare the results of the voting forthwith.
- ix. Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. Rajesh Gulati, Practicing Chartered Accountant, (Membership No. 89046), at the Registered Office of the Company not later than Wednesday, 27th September, 2017 (5.00 p.m. IST).
- x. Members have the option to request for physical copy of the Ballot Form by sending an e-mail to [info@sainik.org](mailto:info@sainik.org) or [legal.secretarial@sainikmining.com](mailto:legal.secretarial@sainikmining.com) by mentioning their Folio / DP ID and Client ID No. However, the duly completed Ballot Form should reach the Registered Office of the Company not later than Wednesday, 27th September, 2017 (5.00 p.m. IST).
- xi. Ballot Form received after this date will be treated as invalid.
- xii. A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
- xiii. The results, along with the Scrutinizer's Report will be placed on the Company's website [www.bhilwaratexfin.com](http://www.bhilwaratexfin.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the result is declared by the Chairman or any other person authorized by the Chairman, and communicated to the BSE Limited, where the shares of the Company are listed.

By order and on behalf of the Board  
**Bhilwara Tex-Fin Limited**

Date: 10th August, 2017  
Place: New Delhi

**Satish Kumar Sharma**  
Director  
(DIN: 00536970)

**Rahul Rameshkumar Jain**  
Director  
(DIN: 07541089)

## BHILWARA TEX-FIN LIMITED

### ANNEXURE TO ITEMS 2 AND 4 OF THE NOTICE

Details of Directors seeking appointment and re-appointment at the forthcoming Annual General Meeting (in pursuance of regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

#### Brief Profile of Director being appointed / re-appointed:

<b>Name</b>	<b>Mr. Satish Kumar Sharma</b>			<b>Mr. Samai Singh</b>		
<b>DIN</b>	00536970			00235036		
<b>Age</b>	61 years			61 years		
<b>Date of Appointment</b>	01/04/2005			30/09/2014		
<b>Qualification</b>	CAIIB, ACS, LL.B, SMP (IIM-C)			He is ex-army person and has bachelor's degree in arts.		
<b>Expertise in specific functional area</b>	Mr. Satish Kumar Sharma is expertized in legal and regulatory matters secretarial matters. He holds a masters degree in economics and a bachelor's degree in law from Maharishi Dayanand University, Rohtak. He is a certified member of the Indian Institute of Bankers and an associate member of the Institute of Company Secretaries of India. He has approximately 38 years of work experience in banking, finance, capital market, legal matters, corporate restructuring, managing NBFCs, mergers & acquisitions and handling compliances for listed and unlisted companies.			He has experience in transport loading, mining, finance, stock broking etc.		
Directorships held in other companies (excluding foreign companies and section 8 companies)	<ul style="list-style-type: none"> <li>• Pragati Vanijaya Limited</li> <li>• SKS Fin-Man Consultants Private Limited</li> <li>• S3H Reality Private Limited</li> </ul>			<ul style="list-style-type: none"> <li>• Sainik Finance &amp; Industries Limited</li> <li>• Khushi Coal Transport Private Limited</li> <li>• Guru Ratan Singh Ventures Private Limited</li> </ul>		
<b>Memberships/ Chairmanships of committees of other Public companies (includes only Audit Committee and Stakeholders' Relationship Committee.)</b>	<b>Committee</b>	<b>Chairman/ Member</b>	<b>Company</b>	<b>Committee</b>	<b>Chairman/ Member</b>	<b>Company</b>
	Audit Committee	Chairman	Pragati Vanijaya Limited	Stakeholder Relationship Committee	Member	Sainik Finance & Industries Limited
	Stakeholder Relationship Committee	Member	Pragati Vanijaya Limited	Audit Committee	Member	Sainik Finance & Industries Limited
<b>Shareholding in the Company</b>	Nil			Nil		
<b>Relationship with any Director(s) of the Company</b>	He is not related to any Director or Key Managerial Personnel of the Company.			He is not related to any director or Key managerial personnel of the Company.		



## **BHILWARA TEX-FIN LIMITED**

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### **Explanatory Statement as required pursuant to section 102 of the Companies Act, 2013:**

#### **Item No. 4:**

#### **Re-Appointment of Mr. Samai Singh as an Independent Director of the Company**

The Board informed that in order to comply with the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provisions of section 149 of the Companies Act, 2013, the Company has appointed 2 independent directors in Company namely i.e. Smt. Seema Kumari and Mr. Samai Singh. First term of Mr. Samai Singh as independent director will expire 29th September, 2017. An independent directors who shall hold office for a term up to five consecutive years on the Board of a Company, shall be eligible for reappointment on passing of a special resolution by the company and disclosure of such appointment in the Board's report. However, no independent director shall hold office for more than two consecutive terms but such independent director shall be eligible for appointment after the expiration of three years of ceasing to become an independent director. The provision of retirement by rotation as defined in the sub-section (6) and (7) of section 152 of the Companies Act 2013 shall not apply to such independent directors.

The Nomination and Remuneration Committee, on the basis of the report of performance evaluation of Independent Directors has recommended reappointed of Mr. Samai Singh for second terms of 5 years. The Board, based on the performance evaluation of Independent Directors and as per the recommendation of Nomination and Remuneration Committee, considers that, given their background and experience and contributions made by Mr. Samai Singh during their tenure, the continued association of Mr. Samai Singh. He is art graduate. He is retired officer of India Army and has in depth knowledge in investment & finance business, in transport, loading, mining, finance, stock broking,

Therefore, Mr. Samai Singh, Independent Director of the Company who was appointed as non -executive independent director and whose term will expire on 29th September, 2017 shall be reappointed as independent directors under the provisions of the Companies Act, 2013. He being eligible has offered himself to be appointed as independent director of the Company for second term of 5 years under the provisions of the Companies Act 2013. He has given declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Companies Act, 2013. He is not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as independent Director. The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 (the "Act") together with the requisite amount of deposit from one of the members signifying his intention to propose his appointment as an Independent Director of the Company.

The Board of Directors is also of the opinion that Mr. Samai Singh fulfils all the conditions specified in the Companies Act, 2013 as well as SEBI (LODR) Regulations, 2015 and is recommended to appoint him as a Independent Director of the Company.

#### **Item No. 5**

The Company is Non-Banking Finance Company registered with Reserve Bank of India and engaged in investment and finance business. The Company has given intercorporate loan and also provided / availed services to / from related parties during the financial year 2016 -17. The Audit Committee at their meeting held on 26.05.2016 has approved such related party transactions as these are in ordinary course of business and on an arm's length basis.

Even though the provisions of Companies Act, 2013 read with rules made thereunder regarding related party transactions are not attracted to such transactions as these are in ordinary course of business and on an arm's length basis, but some transactions were material related party transaction by virtue of SEBI (LODR) Regulations, 2015. Therefore, the approval of the shareholders is being sought in compliance of SEBI (LODR) Regulations, 2015 to ratify such material related transactions.

## BHILWARA TEX-FIN LIMITED

The other related information as envisaged under Companies (Meetings of Board and its Powers) Rules, 2014 are furnished hereunder:

Name of Related Party	Name of Director or key Managerial Person who is related, if any and nature of relationship	Nature, Material Terms, Monetary Value and Particulars of the Contract or arrangement	Any other information relevant or important for the members to take a decision on the proposed resolution
Sainik Mining And Allied Services Limited (SMASL)	Having Interest Significate	Inter- Corporate Loan / finance of Rs.2,40,00,000/- given / provided to SMASL at interest @15% p.a. for a period of one year.	Loan repayable on demand and interest is to be charged @15% p.a.
		Received of refund of Inter Corporate Loan of Rs.62,42,57,903/- given to SMASL	
		Interest of Rs. 6,61,95,160/- received from SMASL.	

None of the Director or Key managerial personal of the Company and their relatives, are concerned or interested, financially or otherwise, in this Resolution. The Board recommends this Resolution for your approval.

### Item No. 6

As per the provisions of Section 20 of the Companies Act, 2013, a document may be served on any member by sending it to him by registered post, by speed post, by electronic mode, or any other modes as may be prescribed. Further a member may request the delivery of document through any other mode by paying such fees as maybe determined by the members in the Annual General Meeting.

Accordingly, the Board recommends the passing of the Special Resolution at Item No. 6 of the accompanying Notice for member's approval.

None of the Directors and the Key Managerial Personnel of the Company and their respective relatives are concerned or interested in the passing of the above resolution.

By order and on behalf of the Board  
**Bhilwara Tex-Fin Limited**

Place: New Delhi  
Date: 10th August, 2017

<b>Satish Kumar Sharma</b>	<b>Rahul Rameshkumar Jain</b>
Director	Director
(DIN: 00536970)	(DIN: 07541089)

# BHILWARA TEX-FIN LIMITED

## DIRECTORS' REPORT

The Members,

### BHILWARA TEX-FIN LIMITED

Your directors have pleasure in presenting their 23rd Annual Report together with the Audited Statement of Accounts for the year ended on 31st March 2017.

#### 1. FINANCIAL RESULTS

(Amount in Rs.)

Particulars	For the financial year 2016-17	For financial year 2015-16
<b>Total Income</b>	8,78,21,461	7,54,31,149
Less: Total Expenditures	8,33,67,339	7,39,76,956
<b>Net Profit before tax</b>	44,54,122	14,54,193
Less: Tax Expenses		
- Excess income tax provision pertaining to earlier assessment years, now reserved	2,75,666	(7,173)
- Provision for Income Tax-Current	18,26,531	6,39,038
<b>Profit after tax</b>	23,51,925	8,22,328
Provision for transfer to Special Reserve Fund	4,70,385	1,64,466

In order to comply with the provisions of Reserve Bank of India Act, 1934 the Company has transferred Rs.4,70,385/- (Rupees Four Lakhs Seventy Thousand Three Hundred and Eighty Five only) to Special Reserve Funds and has also made provision of Rs.14,57,515/- ( Rupees Fourteen Lakhs Fifty Seven Thousands Five Hundred Fifteen Only) for Standard Assets during the year under review. Total provisions for Standard Assets of the Company at the financial year ended 31st March, 2017 is Rs.31,16,610/- (Rupees Thirty One Lakhs Sixteen Thousand Six Hundred and Ten only).

Except as mentioned above, no amount was proposed to transfer to any reserve by the Company during the year under review.

#### 2. OPERATIONS OF THE COMPANY

During the year under review, the Company was engaged in carrying on the business as Non -Banking Financial Company without accepting public deposit for which the Certificate of Registration has been obtained from the Department of Non-Banking Supervision, Reserve Bank of India, New Delhi. The Company has provided / taken inter-corporate loans in ordinary course of business and on arm length basis. Your directors also intend to diversify its operation into another area / business in order to make the Company more profitable. Recently, the Company has obtained shareholders' approval by passing special resolution through postal ballot for change name of the Company and has made an application for the same to Registrar of Companies, NCT of Delhi (RoC). On receipt of Fresh Certificate of Incorporation from RoC pursuant to the change of name, the name of the Company will be changed from Bhilwara Tex - Fin Limited to Capital India Finance Limited.

#### 3. PERFORMANCE REVIEW

During the year under review, the Company's total income is Rs.8,78,21,461/- (Rupees Eight Crores Seventy Eight Lakhs Twenty One Thousand Four Hundred and Sixty One only) as compared to Rs.7,54,31,149/- (Rupees Seven Crores Fifty Four Lacs Thirty One Thousand One Hundred Forty Nine only) in the previous year and the Company earned a profit before tax of Rs.44,54,122/- (Rupees Forty Four Lakhs Fifty Four Thousand One Hundred and Twenty Two only) as compared to Rs. 14,54,193/- ( Rupees Fourteen Lacs Fifty Four Thousand One Hundred and Ninety Three only) in the previous year.

## **BHILWARA TEX-FIN LIMITED**

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### **4. DIVIDEND**

Your directors do not recommend any dividend for payment to the shareholders/ members of the Company for the financial year ended on 31st March, 2017.

### **5. DIRECTORS OF THE COMPANY**

During the year under review, Mr. Rahul Rameshkumar Jain has been appointed as non-executive independent director on the Board of the Company w.e.f.27th January, 2017 and Mr. Sanjay Hasija has tendered his resignation from the Board due to his preoccupation w.e.f. 11th February, 2017.

Pursuant to the provisions of section 149 of the Act, Mr. Rahul Rameshkumar Jain, Mr. Samai Singh and Ms. Seema Kumari are the independent directors of the Company. They have submitted a declaration that each of them meets the criteria of independence as provided in section 149(6) of the Act and there has been no change in the circumstances which may affect their status as independent director during the year.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than the sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

Mr. Satish Kumar Sharma, Director of the Company retires by rotation and being eligible, has offered himself for re-appointment. Your Directors recommend his re-appointment as director of the Company.

Term of office Mr. Samai Singh, Independent Director of the Company who was appointed as non -executive independent director will expire on 29th September, 2017. Mr. Samai Singh being eligible has offered himself to be appointed as independent director of the Company for second term of 5 years under the provisions of the Companies Act 2013. He has given declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Companies Act, 2013.

As required under regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the information on the particulars of the Directors proposed for appointment / re-appointment has been given in the Notice of the Annual General Meeting.

#### **Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit Committee, Nomination and Remuneration Committee. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

#### **Remuneration Policy**

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of directors, senior management and to fix their remuneration. The Nomination and Remuneration Policy is stated in the Corporate Governance Report.

#### **Meetings**

During the year under review Nine (9) Board Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Board meetings was within the period prescribed under the Companies Act, 2013.

### **6. KEY MANAGERIAL PERSONNEL**

Pursuant to the provisions of section 203 of the Act, the key managerial personnel of the Company are - Mr. Himmat Singh Bedla, Chief Executive Officer, Mr. Sukomal Bhunya, Chief Financial Officer and Ms. Archana Aggarwal, Company Secretary of the Company. During the year under review Ms. Mansi Prakash, Company Secretary of the Company tendered his resignation from the post of Company Secretary w.e.f. 04th October, 2016 and Ms. Archana Aggarwal was appointed as Company Secretary w.e.f. 04th October, 2016.

## **BHILWARA TEX-FIN LIMITED**

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### **7. DEMATERIALISATION OF SHARES**

As on 31st March, 2017, only 43.05% of the Company's paid up Equity Share Capital is in dematerialized form and balance 56.95% is in physical form. The Company's Registrars & Transfer Agent is M/s Indus Portfolio Private Limited, having their communication office at G-65, Bali Nagar, New Delhi-110015.

### **8. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

As required under regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report is enclosed as a part of this report.

### **9. DIRECTORS RESPONSIBILITY STATEMENT**

The Board of Directors acknowledges the responsibility for ensuring compliance with the provisions of section 134(3)(c) read with section 134(5) of the Companies Act, 2013 in the preparation of the Financial Statement for the financial year ended on 31st March, 2017 and state:

- i) That in the preparation of Annual Accounts for the financial year ended as at 31st March, 2017, the applicable Accounting Standards have been followed along with proper explanation relating to the material departures.
- ii) That the Directors have selected such Accounting Policies and applied them consistently and 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 at the financial year ended as at 31st March, 2017 and of the profit and loss of the Company for the financial year ended on 31st March, 2017.
- iii) That the Directors have 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 or other irregularities.
- iv) That the Directors have prepared the Annual Accounts on a Going Concern basis.
- v) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- vi) There is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants, including audit of internal financial controls over financial reporting by the statutory auditors, and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during financial year 2016-17.

### **10. PUBLIC DEPOSITS**

The Company has not invited or accepted any public deposits within the meaning of Section 73 of the Companies Act, 2013 and the rules made thereunder and section 45-I(bb) of the Reserve Bank of India Act, 1934 during the year under review. The Company does not hold any public deposit as on date and will not accept the same in future without the prior approval of Reserve Bank of India in writing.

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

The Company, being a non-banking finance company registered with the Reserve Bank of India and engaged in the business of giving loans or finance & investment activities, is exempt from complying with the provisions of section 186 of the Companies Act, 2013. Accordingly, the disclosures of the loans given as required under the aforesaid section have not been given in this Report.

### **12. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has proper and adequate system of internal control geared towards achieving efficiency in its operations, safeguarding assets, optimum utilization of resources and compliance with statutory regulations.

## **BHILWARA TEX-FIN LIMITED**

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The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. Testing of such Internal Control measures and systems forms a part of Internal Audit function. The Internal Auditors of the Company conduct audits of various departments based on an annual audit plan covering key areas of operations. Internal Audit reviews and evaluates the adequacy and effectiveness of internal controls, ensuring adherence to operating guidelines and systems and recommending improvements for strengthening them. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board. The Audit Committee of the Board of Directors reviews the adequacy of internal controls. This has improved the management of the affairs of the Company and strengthened transparency and accountability. The Management ensures adherence to all internal control policies and procedures as well as compliance with regulatory guidelines. No significant audit observations and recommendations have been received from the Internal Auditors of the Company.

### **13. AUDITORS REPORT AND SECRETARIAL AUDIT REPORT**

The Company has, at its meeting held on 11th August, 2016 appointed M/s Naveen Garg & Associates,, a firm of Company Secretaries in practice to undertake the Secretarial Audit of the Company for the financial year 2016 -17 in terms of provisions of section 204 of the Companies Act 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Report of the Secretarial Auditor for the Financial ended 31st March, 2017 is attached as an annexure as Annexure - "A" which forms part of this report.

Further the statutory auditors' report and secretarial auditors' report does not contain any qualifications, reservations or adverse remarks.

### **14. AUDITORS**

#### **a) STATUTORY AUDITORS:**

Pursuant to the provision of section 139(2), of the Companies Act, 2013 read with the rules made thereunder, no listed Company shall appoint or re-appoint an audit firm as auditors for more than two terms of five consecutive years. Any audit firm has been functioning for than 10 or more years in the Company as statutory auditors of the Company, such audit firm can be appointed as auditors in same Company for a further period of three financial years only. M/s Nagar Goel & Chawla, Chartered Accountants has been functioning for more than 10 years in the Company and they had been appointed as Auditors for a period of three years by the members/ shareholders at their Annual General Meeting held on 30th September, 2014. Their term will expire on date of conclusion of this Annual General Meeting.

Therefore, pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, pursuant to the recommendations of the audit committee of the Board of Directors, M/s Divyank Khullar & Associates, Chartered Accountants, New Delhi (Firm Regn. No.:- 025755N) shall be appointed as Statutory Auditors of the Company in place of M/s Nagar Goel & Chawla, Chartered Accountants, retiring auditors of the Company, to hold office from the date of conclusion of the 23th AGM of the Company till the date of conclusion of 28th Annual General Meeting to be held for the financial year ending on 31st March 2022 subject to ratification of their appointment at every Annual General Meeting of the Company.

The Company has obtained a written consent from M/s Divyank Khullar & Associates, Chartered Accountants, New Delhi for their appointment and also a obtained certificate to the effect that their appointment, if made, would be in accordance with Section 139(1) of the Companies Act, 2013 and the rules made there under, as may be applicable.

#### **b) SECRETARIAL AUDITORS:**

Pursuant to the provisions of section 204 of the Companies Act 2013 read with rule the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has, at its meeting held on 10th August, 2017 appointed M/s Naveen Garg & Associates, a firm of Company Secretaries in practice to undertake the Secretarial Audit of the Company for the financial year 2017-18.

## **BHILWARA TEX-FIN LIMITED**

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### **15. EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure B".

### **16. CORPORATE GOVERNANCE REPORT**

The Company is committed to good Corporate Governance as the requirement of the Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As required under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a detailed report on Corporate Governance together with Auditor's Certificate on compliance of conditions of Corporate Governance is annexed herewith as "Annexure - C" and is forming integral part of this Report.

### **17. RELATED PARTY TRANSACTIONS**

During the year under review, the main business of the company is financing & investment in shares and granting inter-corporate loans. All related party transactions entered into with related parties were placed before the Audit Committee for their approval at commencement of the financial year. The audit committee decided that such transactions are in the ordinary course of business and are on arm's length basis. None of the transactions with related parties fall under the scope of section 188(1) of the Companies Act, 2013. Even though the provisions of Companies Act, 2013 read with rules made thereunder regarding related party transactions are not attracted to such transactions as these are in ordinary course of business and on an arm's length basis, but some transactions were material related party transaction by virtue of SEBI (LODR) Regulations, 2015. All related party transactions so entered are disclosed in note no 29 of Financial Statement of the Company as attached herewith. Information on all transactions with related party pursuant to section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are also annexed in Form AOC-2 and the same forms part of this report.

The Policy relating to related party transactions duly approved by the Board of Directors of the Company has been placed on the Company's website [www.bhilwaratexfin.com](http://www.bhilwaratexfin.com)

### **18. CODE OF CONDUCT**

The Board of Directors has approved a Code of Conduct which is applicable to the members of the Board and all employees in the course of day to day business operations of the Company. The Code has been placed on the Company's website [www.bhilwaratexfin.com](http://www.bhilwaratexfin.com)

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

### **19. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

Pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 read with the rules made thereunder and pursuant to the provision of SEBI (Listing Obligations and Disclosure Requirements), 2015, the Company has established a Vigil Mechanism to be known as the 'Whistle Blower Policy' for its Directors and Employees, to report instances of unethical behaviour, actual or suspected, fraud or violation of the Company's Code of Conduct. The aim of the policy is to provide adequate safeguards against victimization of Whistle Blower who avails of the mechanism and also provide direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases.

Accordingly, Vigil Mechanism / Whistle Blower Policy have been formulated with a view to provide a mechanism for the Directors and employees of the Company to approach the Ethics Officer or the Chairman of the Audit Committee of the Company.

The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees willing to raise a concern about serious irregularities within the Company.

## **BHILWARA TEX-FIN LIMITED**

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During the financial year 2016-17, no such complaint of unethical or improper activity has been received by the Company

### **20. PREVENTION OF INSIDER TRADING**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the trading window is closed. The Board is responsible for implementation of the Code. All Board of Directors and the designated employees have confirmed compliance with the Code.

### **21. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO**

During the year under review, the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are as follows:

#### **Conservation of Energy**

Your Company carries out its business in an environmental friendly manner and is on the look-out for different ways and means to reduce the consumption of energy in its business activity.

#### **Technology Absorption, Adaption and Innovation**

The Company continues to use the latest technologies for improving quality of its services. The Company's business does not require significant import of technology.

#### **Foreign Exchange Earnings and Outgo**

There was no foreign exchange earnings and outgo in the Company during the financial year.

### **22. MATERIAL CHANGES AND COMMITMENTS, IF ANY**

There was no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report;

### **23. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

During the year under review, provision of section 135 and Schedule VII of the Companies Act, 2013 pertaining to Corporate Social Responsibility are not applicable to our Company. Hence, details of expenditures on CSR activities are not required to be furnished.

### **24. LISTING OF SECURITIES**

Presently, the Securities of the Company are listed on BSE Limited, Mumbai. The listing fee for the financial year 2017-18 has been paid.

### **25. ACKNOWLEDGEMENTS**

Your directors would like to place their grateful appreciation for the assistance and co-operation received from the Company's bankers during the year under review. The directors also acknowledge with appreciation the support and co-operation rendered by various Government Agencies and Departments. Your Directors would also wish to place on record their deep sense of appreciation for the continued support of all the investors of the Company.

By order and on behalf of the Board  
**Bhilwara Tex-Fin Limited**

Place: New Delhi  
Date: 10th August, 2017

**Satish Kumar Sharma**  
Director  
(DIN: 00536970)

**Rahul Rameshkumar Jain**  
Director  
(DIN: 07541089)



# BHILWARA TEX-FIN LIMITED

## FORM AOC-2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso is given below:

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

S. No	Particulars	Details
a)	Name(s) of the related party & nature of relationship	NIL
b)	Nature of contracts/arrangements/transaction	NIL
c)	Duration of the contracts/arrangements /transaction	NIL
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
e)	Justification for entering into such contracts or arrangements or transactions	NIL
f)	Date of approval by the Board	NIL
g)	Amount paid as advances, if any	NIL
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL

#### 2. Details of contracts or arrangements or transactions at Arm's length basis:

Sr. No.	Name of Related Party	Nature of Relation Ship	Nature of Contracts/ arrangements/ transaction	Duration of the contracts/ arrangements / transaction	Salient terms of the contracts or arrangements or transaction	Date of approval by the Board	Amount incurred during the year (Rs. In lakhs)
1	Sainik Mining and Allied Services Limited (SMASL)	Having Significant Interest	Inter-corporate loan provided/ provided	Such Inter-corporate Loan was provided to SMASL at the interest of 15% P.A for a period of one year.		26-05-2016	240.00
			Refund of inter-corporate loan given		N.A.		6242.58
			Interest received		N.A.		661.95
2.	Sukomal Bhunya	KMP- Chief Financial Officer	N.A.		N.A.		9.23
3.	Mansi Prakash	KMP- Company Secretary	N.A.		N.A.		0.72
4.	Archana Aggarwal	KMP- Company Secretary	N.A.		N.A.		0.72

# **BHILWARA TEX-FIN LIMITED**

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**ANNEXURE-A**

## **SECRETARIAL AUDIT REPORT**

### **FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 09 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Board of Directors,  
BHILWARA TEX-FIN LIMITED  
129, Transport Centre,  
Rohtak Road, Punjabi Bagh,  
Delhi -110035

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/S BHILWARA TEX-FIN LIMITED having CIN: L74899DL1994PLC128577 and Registered office at 129, Transport Centre, Rohtak Road, Punjabi Bagh, New Delhi-110035 (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

- a) Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We have followed the audit practices and processes as appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, followed provide a reasonable basis for our opinion.
- c) We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- d) Where ever required, we have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
- e) The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- f) The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor effectiveness with which the management has conducted the affairs of the Company.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2017 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 extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of;

- I) The Companies Act, 2013 ("the Act") and the rules made there under as amended from time to time and the Companies Act, 1956 which are still in force;

## **BHILWARA TEX-FIN LIMITED**

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- II) The Securities Contracts ( Regulation) Act, 1956 (SCRA) and the rules made there under;
- III) The Depositories Act, 1996 and the regulations and bye-law framed hereunder;
- IV) Foreign Exchange Management Act, 1999 (FEMA) & the rules and regulations made thereunder to the extent of foreign direct investment, overseas direct investment and External commercial Borrowings (No event took place under this act during the audit period).
- V) The following regulations and guidelines prescribed under the Securities and Exchange Board of India , 1992 (' SEBI Act') and as amended from time to time;
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (No event took place under these regulations during the audit period).
  - (d) The Securities and Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulations, 2015
  - (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (No event took place under these regulations during the audit period).
  - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008(No event took place under these regulations during the audit period).
  - (g) The Securities and Exchange Board of India (Registration to an Issue and Share Transfers Agents ) Regulations, 1993;
  - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009(No event took place under these regulations during the audit period).
  - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998(No event took place these regulations during the audit period).
- VI) The Company has identified the following laws as applicable to the Company:
  - i) The Employees' Provident Fund and Miscellaneous Provision Act, 1952
  - ii) Industrial Dispute Act, 1947,
  - iii) The Payment of Wages Act, 1936,
  - iv) The Payment of Minimum Wages Act, 1948
  - v) The Payment of Bonus Act, 1965,
  - vi) The Payment of Gratuity Act, 1972
  - vii) The Maternity Benefits Act, 1961
  - viii) The Income Tax Act, 1961
  - ix) The Finance Act, 1994 and rules made thereunder.

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

- I. The Secretarial Standards (SS-1 and SS-2) issued by the Institute of Company Secretaries of India is applicable to the Company during the audit report.

## **BHILWARA TEX-FIN LIMITED**

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- II. The Listing Agreements entered into by the Company with BSE Limited, a Stock Exchange in compliance of the provisions of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 and other applicable regulations / guidelines/circulars as may be issued by SEBI from time to time.
- III. Reserve Bank of India Act, 1934,
- IV. Non-Banking Financial (Non-deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015,

During the period under review and as per the explanations, clarifications, representations made by the management to me, we report that, the Company has substantially complied with the provisions of the Act, rules, regulations, guidelines and standards etc. that are applicable to the Company.

We further report that compliance of applicable financial laws including direct and indirect tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by Statutory Auditor and other designated professionals.

We further report that, the Company has made Postal Ballot procedure under the Companies Act, 2013 and duly complied with the provisions of the Section 108 (Voting through the electronic means) of the Companies Act, 2013 and the rules made there.

We further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 1956 and the Rules made under that Act and the provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to:

- a) Maintenance of various statutory registers and documents and making necessary entries therein;
- b) Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government etc.;
- c) Service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- d) Notice of Board Meetings and Committee Meetings of Directors;
- e) The meetings of Directors and Committees of Directors including passing of resolutions by circulation;
- f) The Annual General Meeting during the period was held on 30th September, 2016;
- g) Minutes of proceedings of General Meetings and of the Board and its Committee meetings;
- h) Approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
- i) Constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including KMPs;
- j) Payment of remuneration to Directors including KMPs,
- k) Appointment and remuneration of Auditors;
- l) Transfers and transmissions of the Company's shares;
- m) Investment of the Company's funds including investments and loans to others;
- n) Form of Balance Sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedules to the Act;
- o) Directors' report;
- p) Contracts, common seal, registered office and publication of name of the Company; and
- q) Generally, all other applicable provisions of the Act and the Rules made under the Act.

## BHILWARA TEX-FIN LIMITED

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We 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.
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.
- As per the minutes of the meetings duly recorded and signed by the Chairman, decisions at Board meetings and Committee meetings are carried unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be and no dissenting views have been made by any Directors or member of Committees.
- The Company has obtained all necessary approvals under the various provisions of the Act, and
- There were no prosecution initiated and no fines or penalties imposed during the year under review

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

**We further report that:**

As explained by the management, the Company has made related party transaction on ordinary course of business which is on arm's length basis as decided by the Audit Committee in their meeting during the financial year.

With the reference to the compliance of Industry specific acts, the Company is a Loan Company which is engaged in non-banking financial services and does not accept any public deposits, therefore, the company need to ensure the compliances relevant provision and process of RBI act and other applicable acts on periodically basis. In this regard, we have relied upon management representation issued to us and compliance certificates placed before the Board of Directors and also reports of statutory and internal auditors of the Company. Our report of compliance would be limited to their reporting and subject to the observations and comments made by them in their report, if any.

During the audit period, there were 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. as referred above.

**For Naveen Garg & Associates  
Company Secretaries**

**(Naveen Garg)  
ACS: 32159,  
COP: 11815**

**Place: New Delhi  
Date: 10/08/2017**

# BHILWARA TEX-FIN LIMITED

**ANNEXURE-B**

**Form No.MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**As on the financial year ended on 31st March, 2017**

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

## I. REGISTRATION & OTHER DETAILS:

CIN:	:	L74899DL1994PLC128577
Registration Date	:	16/11/1994
Name of the Company	:	<b>Bhilwara Tex-Fin Limited</b>
Category / Sub-Category of the Company	:	Company limited Shares
Address of the Registered office and contact details	:	129, Transport Centre, Rohtak Road, Punjabi Bagh, New Delhi -110035 Phone: 0124-2719000
Whether listed company		Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	:	<b>Indus Portfolio Private Limited</b> G- 65, Bali Nagar, New Delhi 110015 Contact No: 91-11-47671200 Fax No: 91-11- 25449863

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Investment & Financing	-	100.00%

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

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ subsidiary/ Associate	% of share held	Section
1.	N.A.	N.A.	N.A.	N.A.	N.A.

## BHILWARA TEX-FIN LIMITED

### 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				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	1467800	-	1467800	41.90	1467800	-	1467800	41.90	NIL
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other..	-	-	-	-	-	-	-	-	-
<b>Sub-total(A)(1):</b>	<b>1467800</b>	-	1467800	41.90	1467800	-	1467800	41.90	NIL
2) Foreign -	-	-	-	-	-	-	-	-	-
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(2):-</b>	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A) = (A)(1) + (A)(2)</b>	<b>1467800</b>	-	1467800	41.90	1467800	-	1467800	41.90	NIL.
<b>B. Public Shareholding</b>									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs -	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total(B)(1)</b>	-	-	-	-	-	-	-	-	-
2. Non Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	968	49500	50468	1.44	943	49500	50443	1.44	Negligible
(i) Indian	-	-	-	-	-	-	-	-	-
(ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	39132	967800	1006932	28.75	39157	967800	1006957	28.75	Negligible
(ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	-	977100	977100	27.90	-	977100	977100	27.90	NIL
c) Others(Specify)									
i) Non-Resident Indian	-	400	400	0.01	-	400	400	0.01	-
ii) Clearing Member	-	-	-	-	-	-	-	-	-
iii) Clearing House	-	-	-	-	-	-	-	-	-
<b>Sub-total(B)(2)</b>	<b>40100</b>	<b>1994800</b>	<b>2034900</b>	<b>58.10</b>	<b>40100</b>	<b>1994800</b>	<b>2034900</b>	<b>58.10</b>	<b>NIL</b>
Total Public Shareholding (B)=(B)(1) + (B)(2)	40100	1994800	2034900	58.10	40100	1994800	2034900	58.10	NIL
C. Shares held by Custodian for GDRs &ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>1507900</b>	<b>1994800</b>	<b>3502700</b>	<b>100.00</b>	<b>1507900</b>	<b>1994800</b>	<b>3502700</b>	<b>100.00</b>	<b>NIL.</b>

## BHILWARA TEX-FIN LIMITED

### (ii) Shareholding of Promoter

S N.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding 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	
11	Sainik Mining And Allied Services Limited	1467800	41.90	N.A.	1467800	41.90	N.A.	NIL
	<b>Total</b>	<b>1467800</b>	<b>41.90</b>	<b>N.A.</b>	<b>1467800</b>	<b>41.90</b>	<b>N.A.</b>	<b>NIL</b>

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

S N.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total share of the Company	No. of shares	% of total share of the Company
	At the beginning of the year	1467800	41.90	1467800	41.90
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	N.A.	N.A.	N.A.	N.A.
	At the End of the year	1467800	41.90	1467800	41.90

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

S N.	For each of Ten Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total share of the Company	No. of shares	% of total share of the Company
	At the beginning of the year	353600	10.09	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):#	-	-	-	-
	At the End of the year(or on the date of separation, if separated during the year)	353600	10.09	-	-



## BHILWARA TEX-FIN LIMITED

### Change in Top Ten Public Shareholding

Sl. No	Name	Shareholding		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-16 to 31-03-17)	
		No. of Shares at the Beginning (01-04-16 / end of the Year (31-03-17)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Sunita Ahlawat	-	-	01-04-2016	-	-	-	-
		36300	1.04	31-03-2017	36300	Purchase	36300	1.04
		36300	1.04	31-03-2017	-	-	36300	1.04
2.	Deepa Malik	-	-	01-04-2016	-	-	-	-
		36000	1.03	31-03-2017	36000	Purchase	36000	1.03
		36000	1.03	31-03-2017	-	-	36000	1.03
3	Preeti Chauhan	35500	1.01	01-04-2016	-	-	35500	1.01
		-	-	-	-	-	-	-
		35500	1.01	31-03-2017	-	-	35500	1.01
4	Madhulika Thakur	35500	1.01	01-04-2017	-	-	35500	1.01
		-	-	-	-	-	-	-
		35500	1.01	31-03-2017	-	-	35500	1.01
5	Ashok Kadian	35100	1.00	01-04-2016	-	-	35100	1.00
		-	-	-	-	-	-	-
		35100	1.00	31-03-2017	-	-	35100	1.00
6	Amar Singh Saharan	35100	1.00	01-04-2016	-	-	35100	1.00
		-	-	-	-	-	-	-
		35100	1.00	31-03-2017	-	-	35100	1.00
7	Jyoti Narwal	-	-	01-04-2016	-	-	-	-
		35100	1.00	31-03-2017	35100	Purchase	35100	1.00
		35100	1.00	31-03-2017	-	-	35100	1.00
8	Narender Singh Redu	35000	1.00	01-04-2016	-	-	35000	1.00
		-	-	-	-	-	-	-
		35000	1.00	31-03-2017	-	-	35000	1.00
9	Karam Pal Saharan	35000	1.00	01-04-2016	-	-	35000	1.00
		-	-	-	-	-	-	-
		35000	1.00	31-03-2017	-	-	35000	1.00
10	Anil Nischal	35000	1.00	01-04-2016	-	-	35000	1.00
		-	-	-	-	-	-	-
		35000	1.00	31-03-2017	-	-	35000	1.00
11	Baljit Singh	36300	1.04	01-04-2016	-	-	36300	1.04
		36300	1.04	31-03-2017	-	Transfer	-	-
		-	-	-	-	-	-	-
12	Sawai Singh	36000	1.03	01-04-2016	-	-	36000	1.03
		36000	1.03	31-03-2017	-	Transfer	-	-
		-	-	-	-	-	-	-
13	SCB Chauhan	35100	1.00	01-04-2016	-	Transfer	35100	1.00
		35100	1.00	31-03-2017	-	-	-	-
		-	-	-	-	-	-	-

## BHILWARA TEX-FIN LIMITED

### (v) Shareholding of Directors and Key Managerial Personnel

Sl. No	Name	Shareholding		Date	Increase/Decrease In share-holding	Reason	Reason Cumulative Share- holding during the year (01-04-16 to 31-03-17)	
		No. of Shares at the Beginning (01-04-16) /end of the year (31-03-17)	% of total shares of the Company				No. of Shares	% of total shares of the Company
<b>A</b>	<b>Director:</b>							
1.	Sh. Satish Kumar Sharma	N.A	N.A	N.A	N.A	N.A	N.A	N.A
2.	Sh. Rahul Rameshkumar Jain	N.A	N.A	N.A	N.A	N.A	N.A	N.A
3	Sh. Samai Singh	N.A	N.A	N.A	N.A	N.A	N.A	N.A
4	Smt. Seema Kumari	N.A	N.A	N.A	N.A	N.A	N.A	N.A
5.	Himmat Sigh Bedla CEO	N.A	N.A	N.A	N.A	N.A	N.A	N.A
6.	Sukomal Bhuniya CFO	N.A	N.A	N.A	N.A	N.A	N.A	N.A
7.	Archana Aggarwal CS	N.A	N.A	N.A	N.A	N.A	N.A	N.A

### V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment ( in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	NIL	483327537	NIL	483327537
ii) Interest due but not paid	NIL	63934545	NIL	63934545
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	<b>NIL</b>	<b>547262082</b>	<b>NIL</b>	<b>547262082</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	NIL	1506800000	NIL	1506800000
Reduction	NIL	677262082	NIL	677262082
<b>Net Change</b>	<b>NIL</b>	<b>829537918</b>	<b>NIL</b>	<b>829537918</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	NIL	1376800000	NIL	1376800000
ii) Interest due but not paid	NIL	14105394	NIL	14105394
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	<b>NIL</b>	<b>1390905394</b>	<b>NIL</b>	<b>1390905394</b>

## BHILWARA TEX-FIN LIMITED

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

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

#### Remuneration to other directors:

Sl No.	Particulars of Remuneration	Name of Directors		Total Amount
	1. Independent Directors			
	· Fee for attending board committee meetings	NIL	NIL	NIL
	· Commission	NIL	NIL	NIL
	· Others, please specify	NIL	NIL	NIL
	Total (1)	NIL	NIL	NIL
	2. Other Non-Executive Directors			
	· Fee for attending board committee meetings	NIL	NIL	NIL
	· Commission	NIL	NIL	NIL
	· Others, please specify	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL
	Total (B)=(1+2)	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL
	Overall Ceiling as per the Act	NIL	NIL	NIL

## BHILWARA TEX-FIN LIMITED

### B. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

(Amount in Rs.)

Sl. No.	Particular of Remuneration	Name of Key Managerial Personnel			
		CS (Mansi Prakash)*	CS (Archana Aggarwal)*	CFO (Sukomal Bhunya)	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961 (b) Value of perquisites u/s 17(2) Income-tax Act,1961 (c) Profits in lieu of salary under section17(3) Income-tax Act,1961	72,000	72,000	9,22,984	10,66,984
2.	Stock Option	N.A.	N.A.	N.A.	N.A.
3.	Sweat Equity	N.A.	N.A.	N.A.	N.A.
4.	Commission - as % of profit - others, specify...	N.A.	N.A.	N.A.	N.A.
5.	Others, please specify	N.A.	N.A.	N.A.	N.A.
	Total (B)	72,000	72,000	9,22,984	10,66,984
	Ceiling as per the Act	-	-	-	-

\* Ms. Mansi Prakash resigned from the post of Company Secretary and Ms. Archana Aggarwal appointed as Company Secretary w.e.f. 4th October, 2016

### VII. PENALTY / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type		Section of the Companies Act	Brief description	Details of Penalty/ Punishment /Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made, If any (give details)
<b>A.</b>	<b>Company</b>					
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-
<b>B.</b>	<b>Directors</b>					
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-
<b>C.</b>	<b>Other Officers in default</b>					
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-

# BHILWARA TEX-FIN LIMITED

## CORPORATE GOVERNANCE REPORT for the financial year ended on 31st March, 2017

ANNEXURE-C

### 1. COMPANY'S PHILOSOPHY

The Corporate Governance refers to set of policies, systems, regulations and procedures to be followed in the best interest of stakeholders i.e. Shareholders, Consumers, Banks, financial institutions and employees of the Company etc. Our Company is making regular compliances and furnishing the information related to the performance and prospect of the Company keeping in view of true spirit of the Corporate Governance. The Company's philosophy is the conduct of its affairs transparently with all persons dealing with the Company and/or having a stake in the Company. As required under SEBI (Listing Obligations and Disclosure Requirements), 2015, all necessary disclosures are set out towards achievements of good Corporate Governance.

### 2. BOARD OF DIRECTORS

The Board of Directors of the Company provides leadership, strategic guidance to the Company and exercises control over the Company and accountable at all time to the shareholders of the Company. The present Board comprises of 4 (Four) directors (of which 3 are non-executive independent directors) who possess the requisite qualifications and experience in general corporate management, finance, banking and other allied fields enabling them to contribute effectively in their capacity as Directors of the Company.

#### 2.1 Composition of the Board of Directors

Name of Director	Category	No. of shares held
Mr. Satish Kumar Sharma	Executive Non Independent Director	NIL
Mr. Rahul Rameshkumar Jain	Independent Director	NIL
Mr. Samai Singh	Independent Director	NIL
Mrs. Seema Kumari	Independent Director	NIL

#### 2.2 Board Meetings held during the year under review:

During the Financial Year 2016-17, Nine (9) meeting of the Board of Directors of the Company were held on 26th May, 2016, 11th August, 2016, 04th October 2016, 11th November 2016, 31st December 2016, 27th January 2017, 08th February 2017, 07th March, 2017 and 27th March 2017.

#### 2.3 Attendance record of Directors at Board Meeting and Annual General Meeting of the Company held during the financial year 2016-17 and number of other Directorships / Committee memberships / Chairmanships

Name of Director	Attendance details				Chairman	Member
	At Board Meeting	At Annual General Meeting held on 30.09.2016	Number of other Companies in which he/she Director (other than foreign companies and section 8 Companies)	*Other committees of which he is		
Mr. Satish Kumar Sharma	9	Yes	3	-	-	
Mr. Sanjay Hasija#	7	Yes	7	-	-	
Mr. Samai Singh	9	Yes	3	-	2	
Mrs. Seema Kumari	9	No	NIL	-	-	
Mr. Rahul Rameshkumar Jain	3	N.A.	5	-	-	

\* For the purpose of reckoning the limit of Chairmanship/ Membership in Committees, we consider only Audit Committee and Stakeholder Relationship Committee.

# Mr. Sanjay Hasija resigned w.e.f. 11th February, 2017

## **BHILWARA TEX-FIN LIMITED**

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### **2.4 Independent Directors:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Board also has a woman director. Whenever new Non-executive and Independent Directors are inducted in the Board they are introduced to our Company's culture through appropriate orientation session and they are also introduced to our organization structure, our business, constitution, board procedures, our major risks and management strategy.

The appointment letters of Independent Directors has been placed on the Company's website [www.bhilwaratexfin.com](http://www.bhilwaratexfin.com). The Board evaluates the performance of Non-executive and Independent Directors every year. All the Non-executive and Independent Directors are eminent personalities having wide experience in the field of business, industry and administration. Their presence on the Board is advantageous and fruitful in taking business decisions.

The Independent Directors held a Separate Meeting on 27th March, 2017, without the attendance of Non - Independent Directors and members of Management. All the Independent Directors were present at the meeting. The following issues were discussed in detail:

- a) Reviewed the performance of non-independent directors and the Board as a whole;
- b) Reviewed the performance of the Chairperson of the meeting, taking into account the views of Executive Directors and Non-Executive Directors;
- c) Assessed 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.

### **3. COMMITTEES OF THE BOARD**

#### **3.1 AUDIT COMMITTEE**

The Audit Committee has been constituted by the Board of Directors in order to meet the requirements of section 177 of the Companies Act, 2013 as well as regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the members of the committee are financially literate.

The terms of reference of the audit committee are broadly include:

- (i) the remuneration and terms of appointment of auditors of the company;
- (ii) review and monitor the auditor's independence and performance, and effectiveness of audit process;
- (iii) examination of the financial statement and the auditors' report thereon;
- (iv) approval or any subsequent modification of transactions of the company with related parties;
- (v) scrutiny of inter-corporate loans and investments;
- (vi) valuation of undertakings or assets of the company, wherever it is necessary;
- (vii) evaluation of internal financial controls and risk management systems;
- (viii) monitoring the end use of funds raised through public offers and related matters; and
- (ix) oversee the vigil mechanism established by the Company for directors and employees to report genuine concerns."

The Audit Committee shall also exercise the following powers in addition to the powers specified above:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice;
- To secure attendance of outsiders with relevant expertise, if it considers necessary;
- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;

## BHILWARA TEX-FIN LIMITED

- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a. Matters are required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of section 134(5) of the Companies Act, 2013;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions; and
  - g. 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- 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 non-payment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower mechanism in case, the same is in existence.
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) 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."

Due to resignation of Sh. Sanjay Hasija from the post of independent Director and the Chairman of Audit Committee, the Audit Committee has been reconstituted by inducting Sh. Rahul Ramesh Kumar Jain as Chairman of the Committee in place of Sh. Sanjay Hasija with effect from 7th March, 2017 during the year under review.

As on date the Audit Committee comprise the following members:

Mr. Rahul Rameshkumar Jain	Chairman	Independent Director
Mr. Satish Kumar Sharma	Member	Executive Director
Mrs. Seema Kumari	Member	Independent Director

## BHILWARA TEX-FIN LIMITED

During the year under review, 4 (Four) Audit Committee meetings were held. The attendance record of the members during these meetings is set down below:

Date of Meeting	Mr. Satish Kumar Sharma	Mr. Sanjay Hasija*	Mr. Rahul Ramesh kumar Jain	Mrs. Seema Kumari
26.05.2016	Yes	Yes	N.A.	Yes
11.08.2016	Yes	Yes	N.A.	Yes
11.11.2016	Yes	Yes	N.A.	Yes
08.02.2017	Yes	Yes	N.A.	Yes

\*Sanjay Hasija resigned w.e.f. 11th February, 2017

### 3.2 STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholder Relationship Committee looks into the matters of complaints of the investors and shareholders relating to the non-receipt of dividend warrants, annual reports, share transfers/ transmission in time, issue of duplicate share certificate, re-mat / de-mat of shares, change of address etc. and the redressal of their complaints. The Stakeholder Relationship Committee has been constituted by the Board of Directors in order to meet the requirements of section 178 of the Companies Act, 2013 as well as the regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Due to resignation of Sh. Sanjay Hasija from the post of independent Director and the Chairman of Stakeholders Relationship Committee, the Stakeholders Relationship Committee has been reconstituted by inducting Sh. Rahul Ramesh Kumar Jain as Chairman of the Committee in place of Sh. Sanjay Hasija with effect from 7th March, 2017 during the year under review.

As on date the Stakeholders Relationship Committee comprises of the following members:

Mr. Rahul Rameshkumar Jain	Chairman	Independent director
Mr. Satish Kumar Sharma	Member	Executive Director
Mrs. Seema Kamari	Member	Independent Director

The committee met 5(Five) times during the year under review. The following table summarizes the attendance of the members at the Stakeholder Relationship Committee of the Company.

Date of Meeting	Mr. Sanjay Hasija	Mr. Rahul Rameshkumar Jain	Mr. Satish Kumar Sharma	Mrs. Seema Kumari
30.06.2016	Yes	N.A.	Yes	Yes
30.09.2016	Yes	N.A.	Yes	Yes
31.12.2016	Yes	N.A.	Yes	Yes
27.03.2017	NA.	Yes	Yes	Yes
31.03.2017	N.A.	Yes	Yes	Yes

\*Sanjay Hasija resigned w.e.f. 11th February, 2017

The details of queries/complaints received from the shareholders, status thereof etc. are summarized as under during the year under review

Sl. No.	Particulars	No.	Status/Remark
1.	Number of queries/complaints received from shareholders/ investors from April 01, 2016 to March 31, 2017 regarding non-receipt of dividend/ interest warrants, non-receipt of shares sent for transfer etc.	NIL	N.A.
2.	Number of queries/complaints not attended	NIL	N.A.
3.	Number of request of Share Transfer / Transmission received during the year	8	N.A.
4.	Number of Share for which Transfer cases done during the year	2,16,400	N.A.
5.	Number of Share Transfer pending during the year	NIL	N.A.



## BHILWARA TEX-FIN LIMITED

### 3.3 NOMINATION AND REMUNERATION COMMITTEE

This Committee shall identify the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also shall carry out evaluation of every director's performance. Committee shall also formulate the criteria for determining qualifications, positive attributes, independent of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

The broad terms of reference of the nomination and remuneration committee are as under:

- identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down
- recommend to the Board their appointment and removal
- shall carry out evaluation of every director's performance.
- formulate the criteria for determining qualifications, positive attributes and independence of a director
- recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- while formulating the policy under sub-section (3) of section 178 of the Act ensure that -
  - (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
  - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Due to resignation of Sh. Sanjay Hasija from the post of independent Director and the Chairman of Nomination and Remuneration Committee, the Nomination and Remuneration Committee has been reconstituted by inducting Sh. Rahul Ramesh Kumar Jain as Chairman of the Committee in place of Sh. Sanjay Hasija with effect from 7th March, 2017 during the year under review.

As on date the Nomination and Remuneration Committee comprises of the following members:

Mr. Rahul Rameshkumar Jain	Chairman	Independent Director
Mr. Samai Singh	Member	Independent Director
Mrs. Seema Kumari	Member	Independent Director

The Committee met 3 (Three times during the year under review. The following table summarizes the attendance of the members at the Nomination and Remuneration Committee of the Company:

Date of meeting	Mr. Sanjay* Hasija	Mr. Rahul Rameshkumar Jain	Mr. Samai Singh	Mrs. Seema Kumari
11.08.2016	Yes	N.A.	Yes	Yes
04.10.2016	Yes	N.A.	Yes	Yes
27.01.2017	Yes	N.A.	Yes	Yes

\*Sanjay Hasija resigned w.e.f. 11th February, 2017

### 4. THE MANNER OF THE BOARD EVALUATION

The board of directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Companies Act, 2013 and the corporate governance requirements as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## **BHILWARA TEX-FIN LIMITED**

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The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the Board as a whole was evaluated, taking into account the views of executive directors and non-executive directors.

### **5. POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION**

#### **a) Criteria of selection of Non-executive Directors**

The Non-executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of marketing, finance, taxation, law, governance and general management.

In case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the independent nature of the Directors vis-a-vis the Company so as to enable the Board to discharge its function and duties effectively.

The Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164(2) of the Companies Act, 2013.

The Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.

- i. Qualification, expertise and experience of the Directors in their respective fields;
- ii. Personal, Professional or business standing;
- iii. Diversity of the Board.

In case of re-appointment of Non-executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

#### **b) CEO & Executive Chairman / Director - Criteria for selection / appointment**

For the purpose of selection of the CEO & Executive Chairman / Director the Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Nomination and Remuneration Committee will also ensure that the incumbent fulfils such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

## BHILWARA TEX-FIN LIMITED

### c) **Remuneration to the independent directors or for the CEO & Executive Director at the time of appointment or re-appointment,**

At the time of appointment or re-appointment, the CEO & Executive Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the Committee and the Board of Directors) and the CEO & Executive Chairman / Director within the overall limits prescribed under the Companies Act, 2013.

The remuneration shall be subject to the approval of the Members of the Company in General Meeting. The remuneration of the CEO & Executive Director comprises of fixed and variable component as per the provisions of Companies Act, 2013. The fixed component comprises salary, allowances, perquisites, amenities and re-trial benefits.

### d) **Remuneration Policy for the Senior Management Employees**

In determining the remuneration of the Senior Management Employees, the Committee shall ensure the relationship of remuneration and performance benchmark is clear. The Executive Director will carry out the individual performance review based on the respective defined objectives, qualification, expertise, experience and other factors whilst recommending the annual incentive to the Committee for its review and approval.

## 6 BUSINESS RISK MANAGEMENT

The Internal Auditors also report to the Committee from time to time from the purpose of risk management. Business Risk Evaluation and Management is an outgoing process within the Organization. The Company has a strong risk management framework to identify, monitor and minimize risks as also identify business opportunities.

The objectives and scope of the Risk Management Committee broadly comprise of

1. Oversight of risk management performed by the executive management.
2. Reviewing the policy and framework in line with legal requirements and SEBI guidelines.
3. Reviewing risks and evaluate treatment including initiating mitigation actions.
4. Defining framework for identification, assessment, monitoring, mitigation and reporting of risks.
5. Within its overall scope as aforesaid, the Committee shall review risks trends, exposure, potential impact analysis and mitigation plan

## 7. GENERAL BODY MEETINGS

Location and time of the last three Annual General Meetings:

Year	Date	Time	Venue
2016	30th September, 2016	10.30 A.M.	Farm House of Kapil Constructions Private Limited, Anandgram (Near Rajokari), Church Road Extension, Mata Amritanandmayi Math, Abdul Gaffar Khan Marg, New Delhi -110 070.
2015	30th September, 2015	10.30 A.M.	Farm House of Kapil Constructions Private Limited, Kishangarh-Mehrauli Road, Near Maa Anandmai Ashram, New Delhi-110 057
2014	30th September, 2014	10.30 A.M.	Farm House of Kapil Constructions Private Limited, Kishangarh-Mehrauli Road, Near Maa Anandmai Ashram, New Delhi-110 057

## BHILWARA TEX-FIN LIMITED

The following table summarizes the details of the special resolution passed or not during the last three years:

Sl.	Particulars	Status	Remark
1.	Whether any special resolutions were passed at the last three Annual General Meeting	None	-
2.	Whether Special Resolutions were put through postal ballot during the year	Yes: Result of which declared on 27 <sup>th</sup> March, 2017	a) Special resolution passed Section 180(1)(c) of the Companies Act, 2013 to authorize Board of Directors for borrowing monies or availing / taking loan etc. and b) Special resolution passed Section 180(1)(a) of the Companies Act, 2013 for selling, leasing or otherwise disposing of the whole or substantially the whole of the undertaking of the Company / creation of charge or mortgage on the Company's properties both present and future, in respect to borrowings.
3.	Persons who conducted the postal ballot	Mr. Rajesh Gulati, Practicing Chartered Accountant was appointed as the scrutinizer for carrying out the postal ballot process.	
4.	Procedure for postal ballot	<p>The Company followed the procedure for conducting postal as prescribed under section 110 read with section 108 of the Companies Act, 2013 and rules made thereunder. The Company also provides e-voting facility in addition to physical ballot to all members. For this purpose, the Company has engaged the services of NSDL. Postal ballot forms and notices were dispatched along with postage prepaid business reply envelopes to registered members. The same notice was sent by email to members who have opted for receiving communication through the electronic mode. The Company also published notices in the newspaper declaring the details and requirements as mandated by the Act and applicable rules.</p> <p>Voting rights were reckoned on the paid-up value of shares registered in the names of members as on the cut-off date. Members who want to exercise their votes by physical postal ballot were requested to return the forms, duly completed and signed, to the scrutinizer on or before the closing of voting period. Those using the e-voting option are requested to vote before the closing of hours on the last date of e-voting. The scrutinizer completes his scrutiny and submits his report to the Chairman, and consolidated results of voting are declared /announced by the Chairman. The results are also displayed on the Company website <a href="http://www.bhilwaratexfin.com">www.bhilwaratexfin.com</a>, besides being communicated to stock exchange.</p>	

### 8. DISCLOSURES

- a) Except as disclosed in annual report of the Company for the financial year ended on 31st March, 2017, there was no related party transactions with its promoters, Directors or the management, their subsidiaries / relatives that may have potential conflict with the interests of the Company at large.
- b) There were no cases of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchanges, or the Securities and Exchange Board of India or any other statutory body/ authority, on any matter related to capital markets during the last three years.
- c) The related party details are disclosed in the notes to financial statements. The Register of Contracts containing the transactions in which Directors are interested is regularly placed before the Board for its approval.
- d) No personnel have been denied access to the Chairman or members of the Audit Committee. The mechanism of Whistle Blower Policy is in place.
- e) To the extent possible, the Company has complied with the mandatory requirement of this clause.
- f) The Company has complied with all applicable Accounting Standards in preparation of its financial statements pursuant to the amended Schedule III of Companies Act, 2013.

### 9. MEANS OF COMMUNICATION

- a) The financial results of all four quarters were published in Millennium Post/ Financial Express (English) and Dainik Haribhoomi (Hindi). These were not sent individually to the shareholders.
- b) The Company's results or official news are displayed on a web site [www.bhilwaratexfin.com](http://www.bhilwaratexfin.com).
- c) There were no presentations made to the institutional investors or to the analysts.
- d) The Management, Discussion and Analysis Report form a part of this Annual Report.

## BHILWARA TEX-FIN LIMITED

### 10. GENERAL SHAREHOLDER INFORMATION

#### Annual General Meeting

**AGM Date Time and Venue** **Thursday, 28th day of September, 2017 at 11.00 a.m.** at the Farm House of M/s Kapil Constructions Private Limited, Anandgram (Near Rajokari), Church Road Extension, Mata Amritanandmayi Math, Abdul Gaffar Khan Marg, New Delhi -110 070.

#### Financial Calendar

1st April, 2017 to 31st March, 2018  
 Quarterly Results- For Quarter ending tentative)  
 1st Quarter - 10th August, 2017  
 2nd Quarter - First/Second week of November, 2017  
 3rd Quarter - First/Second week of February, 2018  
 4th Quarter -Third/Last week of May, 2018

#### Date of Book closure

Friday, 22nd September, 2017 to Thursday, 28th September, 2017, (both days inclusive)

#### Listing on Stock Exchanges

- a) BSE Limited, 25th Floor, P.J. Towers, Dalal Street, Mumbai - 400 001.
- b) The Listing fees have been paid to the Stock Exchange for the financial year 2016-17.

**Market Price Data as traded at BSE Limited during the year under the report:** The Company's shares are listed at BSE Limited. Stock Exchange Code of the Company is 530879.

**The market data as traded at BSE Limited during the year 2016-17 are as under:**

Month	High (Rs.)	Low (Rs.)	Month	High (Rs.)	Low (Rs.)
April, 2016	-	-	October, 2016	18.90	18.60
May, 2016	-	-	November, 2016	19.80	18.90
June, 2016	19.20	17.40	December, 2016	20.50	20.50
July, 2016	-	-	January, 2017	20.05	20.05
August, 2016	16.95	16.95	February, 2017	20.00	18.05
September, 2016	19.50	17.75	March, 2017	17.15	15.50

#### Share Transfer system

The Company's Shares are traded on BSE Limited compulsorily in the dematerialized form. However, all requests received for transfer of shares for off market transaction in physical form furnishing with a copy of PAN card of the transferee(s) in compliance with the SEBI circular in that behalf are processed by the Registrar and Transfer Agent and are approved by Stakeholder Relationship Committee. The Company registers the transfers in the name of transferee within a period of fifteen days from date of receipt of such request for transfer of shares, if documents are complete in all respect and the Company proceeds all requests for transmission of shares held in dematerialized mode and physical mode within seven days and twenty one days respectively, after receipt of the specified documents.

Outstanding GDR/Warrants/Convertible Instruments: The Company has no outstanding GDR / Warrants / Convertible Instruments.

#### Share Registrar and Transfer Agents:

**Indus Portfolio Private Limited,**

G - 65, Bali Nagar, New Delhi-110 015.

**Telephone Nos.:** 91-11-47671200 **Fax no:** 91-11- 25449863.

**Email:** [bharat.b@indusinvest.com](mailto:bharat.b@indusinvest.com)

**Website:** [www.indusinvest.com](http://www.indusinvest.com)

**Business Hours:** 10:00 a.m. to 6:00 p.m. ((Monday through Saturday - except second and fourth Saturday)

## BHILWARA TEX-FIN LIMITED

### 11. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2017:

Category wise Shareholding (in shares)	No. of Shareholders	% to Total Shareholders	Number of Share held	% to total share capital
UPTO- 500	319	39.33	1,18,786	3.39
501-1000	223	27.50	2,02,340	5.78
1001-5000	220	27.13	5,09,874	14.56
5001-10000	10	1.23	99,000	2.83
10001-20000	8	0.99	1,27,800	3.65
20001-30000	10	1.23	2,77,600	7.93
30001-40000	20	2.47	6,99,500	19.97
40001-50000	0	0.00	0	0.00
50001-100000	0	0.00	0	0.00
Above 100000	1	0.12	14,67,800	41.90
<b>Total</b>	<b>811</b>	<b>100.00</b>	<b>35,02,700</b>	<b>100.00</b>

### 12. SHAREHOLDING DETAILS AS ON 31ST MARCH, 2017:

Category	No. of shares held	Percentage of shareholding
Promoters	14,67,800	41.90
Institutional Investors	NIL	NIL
Mutual Funds and UTI	NIL	NIL
Banks, Financial institutions, Insurance Companies (Central/State Govt. Institutions/ Non-Govt. Institutions)	NIL	NIL
FII's	NIL	NIL
Private Corporate Bodies	50,443	1.44
Indian Public	19,84,057	56.65
NRIs	400	0.01
Clearing House	NIL	NIL
Clearing Member	NIL	NIL
<b>TOTAL</b>	<b>35,02,700</b>	<b>100.00</b>

### 13. TOP 10 SHAREHOLDERS AS ON 31ST MARCH, 2017:

Sr. No.	Name	Shares	Percentage
1.	Sainik Mining And Allied Services Limited	1467800	41.9
2.	Sunita Ahlawat	36300	1.04
3.	Deepa Malik	36000	1.03
4.	Preeti Chauhan	35500	1.01
5.	Madhulika Thakur	35500	1.01
6.	Jyoti Narwal	35100	1.00
7.	Ashok Kadian	35100	1.00
8.	Amar Singh Saharan	35100	1.00
9.	Narender Singh Redu	35000	1.00
10.	Karam Pal Saharan	35000	1.00

## BHILWARA TEX-FIN LIMITED

### 14. DEMATERIALIZATION OF SECURITIES AND DETAILS THEREOF:

The shareholders desirous of getting the shares dematerialised should approach a depository participant (DP) -For example, Indus Portfolio Private Limited) and get a depository account opened. The share certificates should be deposited with the same Depository Participant who shall approach the Company and get the shares dematerialised. 1507900 Equity Shares of the Company i.e. 43.05% of total paid up share capital are held in dematerialized form as on 31st March, 2017.

The International Securities Identification Number (ISIN) allotted for the Company by NSDL and CDSL is INE345H01016. In case a member wants his shares to be dematerialized, he may send the shares along with the request through his depository participant (DP) to the Registrars, M/s Indus Portfolio Private Limited.

The Company's Registrar and Transfer Agent promptly intimate the DPs in the event of any deficiency and the shareholders are also kept informed. Pending demat requests in the records of the Depositories, if any are continually reviewed and appropriate action initiated.

### 15. ADDRESS FOR CORRESPONDENCE:

For any query related to Annual Report, Transfer of Shares and other query related to shares, please contact at the following addresses.

***Registered Office of the Company :***

129, Transport Centre, Rohtak Road,  
Punjabi Bagh, New Delhi-110035

**Tel.No** : 011-28315036

**Fax. No** : 011-28315044

**E-mail** : [info@sainik.org](mailto:info@sainik.org)

**CIN** : L26912DL1991PLC045449

**Business Hours**: 10:00 a.m. to 6:00 p.m. (Monday through Saturday- 'except second and fourth Saturdays')

***Corporate Office Address of the Company:***

7th Floor, Office Tower, Ambience Mall,  
NH-8, Gurgaon-122002, Haryana

**Tel.No** : 0124-2719000

**E-mail** : [legal.secreterial@sainikmining.com](mailto:legal.secreterial@sainikmining.com)

**Business Hours**: 10:00 a.m. to 6:00 p.m. (Monday through Saturday- 'except second and fourth Saturdays')

***Registrar and Transfer Agents:***

**Indus Portfolio Private Limited,**

G-65, Bali Nagar, New Delhi-110 015.

**Tel. Nos**: 91-11-47671200 **Fax no**: 91-11- 25449863.

**Email**: [cs.anamika@indusinvest.com](mailto:cs.anamika@indusinvest.com)

**Website**: [www.indusinvest.com](http://www.indusinvest.com)

**Business Hours**: 10:00 a.m. to 6:00 p.m.(Monday through Saturday- 'except second and fourth Saturdays')

By order and on behalf of the Board  
**Bhilwara Tex-Fin Limited**

Place: New Delhi  
Date: 10th August, 2017

**Satish Kumar Sharma**  
Director  
(DIN: 00536970)

**Rahul Rameshkumar Jain**  
Director  
(DIN: 07541089)

# BHILWARA TEX-FIN LIMITED

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## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### **MACRO-ECONOMIC REVIEW**

Financial year 2016-17 (FY2017) began on a positive note. India had closed FY2016 with growth in real GDP of 7.9% and a growth in gross value added (GVA) of 7.8%. Despite two disconcerting facts - namely, the high level and proportion of the banking sector's non-performing assets coupled with a muted growth in bank credit- there were expectations of India achieving a GDP growth rate somewhere between 7.5% and 8% in FY2017.

Unfortunately, that has not occurred. The second advance estimates of national income forecast by the Central Statistics Office (CSO) released on 28 February 2017 suggest a real GDP growth of 7.1% for FY2017; and a real gross value added (GVA) growth of 6.7%. Both estimates are significantly lower than what the economy achieved in the previous year.

On 8 November 2016, the Government announced demonetisation of Rs.500 and Rs. 1,000 banknotes, which represented 86% of the currency in circulation. Contemporary evidence suggested significant disruption arising out of unprecedented cash constraints throughout the economy. For lending institutions in particular, the impact of lower collection efficiencies was quite severe, and resulted in poorer credit growth.

However, the national income data published by the CSO does not suggest any significant reduction in GDP or GVA growth in the third quarter of FY2017 which could have been correlated with the demonetisation drive. The third quarter traditionally tends to be muted. In FY2016, the growth rate of real GVA in Q2 was 8.4%; and in Q3 it was 7%, or a sequential drop of 1.4 percentage points. In FY2017, GVA growth in Q2 was 6.7%, and in Q3 it was 6.6%. In other words, despite the effects of demonetisation for over 60% of Q3 FY2017, the negative effect as reported by the CSO has been only 10 basis points. We need harder evidence to clearly quantify the impact of demonetisation on real GDP or GVA growth. What the data so far suggests is that it was more moderate than the naysayers claimed it would be. And that the effects would be transitory. If demonetisation was not the prime cause for the lower estimate of GDP and GVA growth in FY2017, then what were the other determinants? There are two.

The first is insufficient investments, especially over the last five years. Gross fixed capital formation (GFCF) for FY2017 is estimated to be only 0.6% higher than what it was in FY2016. The share of GFCF to GDP has steadily fallen from 31.7% in FY2015 to 31.1% in FY2016 to a low of 29.2% in FY2017. Unless investments rapidly pick up in FY2018 and the following year, it is difficult to envisage how India can achieve a sustained real GDP growth of 7.5%, leave aside an aspirational target of 8%.

The second is also related to investments and linked to the state of our banks, especially many of those under Government ownership. Data for the quarter ended 31 December 2016 shows that for the 27 public sector banks which account for the vast majority of the nation's loans and advances, gross NPAs were estimated at H 647,759 crore, a 140% increase over what it was two years earlier. Today, such NPAs constituted 12% of total loans and advances. The proportion may indeed be higher still. In any event, with these banks being so badly stressed, there is no appetite for advancing term loans without which, it is impossible to envisage the investment spends required to transit to a higher growth path. Consequently, it is not surprising that several sectors of the economy have seen a reduction in growth. Real GVA in mining and quarrying is estimated to grow by only 1.3% in FY2017 versus 12.3% in the previous year. Manufacturing growth for FY2017 is pegged at 7.7%, which will be 290 basis points lower than what it was a year ago. GVA from trade, hotels, transport, communications and broadcasting services are expected to grow by 7.3% compared to 10.7% in FY2016. And GVA from financial, real estate and professional services is estimated to grow at 6.5% in FY2017 versus 10.8% a year before. Having said this, it needs to be emphasised that 7.1% real GDP (or 6.7% real GVA) growth happens to be among the highest in the developed world and across all major emerging markets, including China. From a cross-country perspective, therefore, we seem to be doing well enough. The issue is internal to India: Is such growth sufficient to significantly increase incomes and employment and reduce poverty in the country? And the answer is straightforward: we need to do much more. What about inflation? The Consumer Price Index (CPI) inflation varied month-to-month between 3.2% and 6.1% during FY2017. Excluding food and fuel, however, core CPI inflation has remained at around 4.9% since September 2016, which is somewhat higher than what the Reserve Bank of India (RBI) is



## BHILWARA TEX-FIN LIMITED

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comfortable with. Thus, in February 2017, the RBI changed its monetary policy stance from accommodative to neutral. With core inflation remaining firm in the neighbourhood of 5%, the RBI in its first monetary policy statement for 2017-18 (FY2018) has justified maintaining a hawkish stance. Growth in bank credit continued to be subdued. Thanks to the overhang of NPAs, it grew only by 5.2% in FY2017 versus 10.2% in the previous year. On the liability side, demonetisation led to an unnatural growth in bank deposits, which increased by 11.9% in FY2017 compared to 9.1% in FY2016. Awash with post-demonetisation liquidity, the banks significantly reduced their incremental marginal cost based lending rates in January 2017.

This, we believe, has created a potentially alarming situation in the banking sector, especially for the public sector banks. On the one hand, these institutions remain saddled with high levels of NPAs from which they earn little or no returns and need quarterly provisioning to the detriment of their profits. On the other hand, extra liquidity has forced a reduction in lending rates which, in turn, reduced the net income margin from new lending. Without exaggeration, it is fair to say that the state of most banks continue to be alarming.

How FY2018 plays out depends upon two factors: the investment appetite of the country and a perennial annual variable called the monsoons. Regarding the former, there is still no sign of even a modest upsurge in private investments as firms continue to leverage efficiency improvements and squeeze the best out of existing capacities. As far as the latter is concerned, the India Meteorological Department has come out with an initial forecast of a normal monsoon. That remains to be seen. It will only be after August 2017 that we know how ample the south west monsoon was.

On the other side, the roll out of the nation-wide Goods and Service Tax (GST) in FY2018 ought to aid growth. To be sure, a task as monumental as the GST will have teething troubles in the first two quarters. We believe that it is only in FY2019 that the country will begin to see the overall benefits of this key economic reform. Equally, the Insolvency and Bankruptcy code ought to finally create a market for stressed assets; and, all other things being equal, reduced bank lending rates should make borrowing more attractive than before. Despite these positives, it is difficult to see a quantum jump in GDP growth in FY2018. From our perspective, if we see India's real GDP growing at around 7.4% to 7.5% in the coming year, it will be a creditable achievement. Anything higher will be a bonus.

Non-Banking Finance Companies (NBFCs) continued to grow their share in the financial services industry. As per data published by RBI in its Financial Stability Report of December 2016, NBFCs have outperformed Scheduled Commercial Banks (SCBs) on growth in advances and in asset quality.

### **POSSIBLE THREATS**

As we get into an environment which is likely to be largely positive over medium to long term, there may be significant roadblocks in the shorter term. The implementation of GST is likely to cause certain short term disturbances. RERA too will cause some turbulence and consolidation in the real estate sector. Despite recent push by the RBI, the resolution of stressed assets in the system is likely to take more time. Also the effect of various loan waivers on credit culture in the rural areas is still to be seen.

Your Company acknowledges these possible negative factors and has a plan to mitigate them through its deep domain knowledge, strong risk framework and an efficient collection mechanism.

### **OUTLOOK**

The markets will continue to grow and mature leading to differentiation of products and services. Each financial intermediary will have to find its niche in order to add value to consumers. The Company is cautiously optimistic in its outlook for the year 2017-18.

### **Fixed Deposits**

The company is a non-deposit accepting company- NBFC. The Company has not accepted any fixed deposit during the period under review.

### **Internal Control Systems and their adequacy**

The Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. The internal control system is supported by an internal audit process for reviewing the design, adequacy and efficacy

## **BHILWARA TEX-FIN LIMITED**

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of the Company's internal controls, including its systems and processes and compliance with regulations and procedures. Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board which also reviews the adequacy and effectiveness of the internal controls in the Company. The Company's internal control system is commensurate with the size, nature and operations of the Company.

### **Risk Management**

The Company recognizes the importance of risk management and has accordingly invested in appropriate processes, people and a management structure. The Board of Directors of the Company reviews the asset quality at frequent intervals. The asset quality of the company continues to remain healthy. The nature of business the company is engaged in exposes it to a slew of complex and variable risks. The rapid and continuous changes in the business environment have ensured that the organization becomes increasingly risk focused to achieve its strategic objectives. BTFL's policies ensure timely identification, management and mitigation of relevant risks, such as credit risk, liquidity risk, interest rate risk, operational risk, reputational and regulatory risks, which help the company move forward with vigour.

### **Share Capital**

The paid up equity share capital of the Company as on 31st March, 2017 stands at Rs. 3,50,27,000 divided into 35,02,700 equity shares of Rs.10/- each fully paid up.

### **Total Income**

During the year under review, the total income was Rs.8,78,21,461/- as compared to Rs.7,54,31,149/- in the previous year.

### **Profit before tax**

During the year under review, the profit before tax was Rs. 44,54,122/- as compared to Rs.14,54,193/- in the previous year.

### **Interest and Finance Charges**

During the year under review, total interest and finance charges were Rs.7,97,84,754/- as compared Rs. 7,06,02,979/- in the previous year.

### **Tax Expense**

During the year under review, the tax expenses (net) were Rs.21,02,197/- as compared to Rs.6,31,865/- in the previous year.

### **RBI Guidelines**

The Company has complied with all the applicable regulations of the Reserve Bank of India.

### **Human Resources/ Industrial Relations**

The Company has a dedicated team who has been contributing to the progress and growth of the Company. The manpower requirement at the offices of the Company is assessed continuously and recruitment is conducted accordingly.

### **Performance During the year**

During the year under review, the Company earned a profit before tax of Rs. 44,54,122/- as compared to Rs.14,54,193/- in the previous year.

By order and on behalf of the Board  
**Bhilwara Tex-Fin Limited**

Place: New Delhi  
Date: 10th August, 2017

**Satish Kumar Sharma**  
Director  
(DIN: 00536970)

**Rahul Rameshkumar Jain**  
Director  
(DIN: 07541089)

## **BHILWARA TEX-FIN LIMITED**

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### **CERTIFICATE ON CORPORATE GOVERNANCE:**

To  
The Members  
**Bhilwara Tex-Fin Limited**

We have examined the compliance of conditions of Corporate Governance by Bhilwara Tex-Fin Limited for the year ended on March 31, 2017 as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the listing agreement of the said Company with the Stock Exchange.

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 explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the listing agreement of the said Company with the Stock Exchange.

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 Nagar Goel & Chawla.**  
**Chartered Accountants**  
**FR No. 009933N**

**(Dharmender Singhal)**

Place : New Delhi  
Dated : 10th August, 2017

Partner  
M. No. 515984

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### **DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

This is to confirm that the Company has adopted a Code of Conduct for its employees. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website.

I confirm that the Company has in respect of the year ended March 31, 2017, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

Place: New Delhi  
Date : 10th August, 2017

**(Himmat Singh Bedla)**  
Chief Executive Officer

# BHILWARA TEX-FIN LIMITED

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## CEO/CFO Certification

The Board of Directors

### **Bhilwara Tex-Fin Limited**

- A. We have reviewed financial statements and the cash flow statement for the financial year 2016-2017 and certify that these statements to the best of our knowledge and belief :
- 1) do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - 2) 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 the company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and 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:
- 1) significant changes in internal control over financial reporting during the year;
  - 2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements.
- E. To the best of our knowledge and belief, there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

By Order of the Board of Directors  
**Bhilwara Tex-Fin Limited**

Place : New Delhi  
Dated : 10th August, 2017

**Himmat Singh Bedla**  
Chief Executive Officer

**Sukomal Bhunya**  
Chief Financial Officer

# **BHILWARA TEX-FIN LIMITED**

## **INDEPENDENT AUDITOR'S REPORT**

### **To the Members of Bhilwara Tex-Fin Limited**

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of **Bhilwara Tex-Fin Limited**, which comprise the Balance Sheet as at March 31, 2017, the statement of Profit and Loss and Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

#### **MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

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

#### **AUDITORS' RESPONSIBILITY**

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

#### **OPINION**

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit and its cash flows for the year ended on that date.

#### **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by the "Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions 2008", issued by Reserve Bank of India (RBI) and based on our audit, we give here under a statement on the matters specified in paragraphs 3 & 4 of the said directions:

1. The company is engaged in the business of Non-banking financial institution and has obtained certificate of registration from RBI, as a Non-banking financial company, without accepting public deposit, vide Certificate of Registration (COR) no. B-014.03278.

## BHILWARA TEX-FIN LIMITED

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2. Company meeting the 50% income/assets criteria is eligible to hold certificate of registration but on verification of accounts and on basis of our judgement, we report that the company under reporting has maintained more than 50% of assets as financial assets and fulfill the income criteria as on 31st March, 2017.
3. Company is not an Asset Finance Company (AFC) as defined in Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998 with reference to the business carried on by it during the applicable financial year.
4. A resolution for non-acceptance of any public deposit was passed in the meeting of the board of directors.
5. The company has not accepted any public deposit during the year ended 31st March, 2017.
6. In our opinion and to the best of our information and according to the explanation given to us, the company has complied with the prudential norms related to income recognition, accounting standards, assets classification and provisioning for bad and doubtful debts, as applicable to it, in terms of non-financial (Non deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
7. The company is not required to compute capital adequacy ratio in form NBS-7.
8. The company is not required to furnish to reserve bank of India the annual statement of capital funds, risk assets/ exposures and risk assets ratio (NBS-7).

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Companies Act, 2013;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) There is no pending litigation which would have its impact on financial statement of the company.
  - (ii) The Company has made provision, where ever required as required under the applicable law or accounting standards, for material foreseeable losses, if any, on the long term contract and company has not entered in any derivative contracts under audit.
  - (iii) There are no amounts required to be transfer to the Investor Education and Protection Fund by the company.
  - (iv) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 08th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management.

**For Nagar Goel & Chawla**  
Chartered Accountants  
**Firm Regn No.:- 009933N**

**(Dharmender Singhal)**  
Partner  
Membership No.: 515984

Place : New Delhi  
Dated: 29th May 2017

## BHILWARA TEX-FIN LIMITED

### ANNEXURE TO THE AUDITORS' REPORT

The annexure referred to in our report to the members of **Bhilwara Tex-Fin Limited**, for the year Ended 31st March, 2017. We report that:

Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report of even date,

S.No.	Particulars	Auditors Remark
(i)	(a) whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;	NA
	(b) whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	NA
	(c) whether the title deeds of immovable properties are held in the name of the company. If not, provide the details thereof;	NA
(ii)	whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, whether they have been properly dealt with in the books of account.	NA
(iii)	whether the company has 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. If so,	Yes
	(a) whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest;	No
	(b) whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;	Yes
	(c) if the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest;	NA
(iv)	in respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide the details thereof.	NA
(v)	in case, the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed thereunder, where applicable, have been complied with? If not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	NA
(vi)	where maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained.	NA
(vii)	(a) whether the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated;	Yes, company is regular in depositing statutory dues and no outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable.
	(b) where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or cess have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute).	NA

## BHILWARA TEX-FIN LIMITED

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|--------|--|---|
| (viii) | whether the company has defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders? If yes, the period and amount of default to be reported (in case of defaults to banks, financial institutions, and Government, lender wise details to be provided).  | NA, as the company does not have any loan or borrowing from financial institution, bank, Government or debenture holders. |
| (ix)   | whether moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised. If not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported;  | NA, as no money raised by company by way of initial public offer or further public offer or term loan.                    |
| (x)    | whether any fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated.   | No fraud has been noticed during the year.  |
| (xi)   | whether managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act? If not, state the amount involved and steps taken by the company for securing refund of the same;  | NA, as no managerial remuneration has been paid during the year.  |
| (xii)  | whether the Nidhi Company has complied with the Net Owned Funds to Deposit in the ratio of 1:20 to meet out the liability and whether the Nidhi Company is maintaining ten percent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability;   | NA  |
| (xiii) | whether all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;  | Yes   |
| (xiv)  | whether the company has made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised. If not, provide the details in respect of the amount involved and nature of non-compliance; | NA, as the company does not issue shares during the year under review.  |
| (xv)   | whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act, 2013 have been complied with;   | No, the company has not entered into any non-cash transactions with directors or persons connected with him.              |
| (xvi)  | whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained.   | Yes, the company has registered under section 45-IA of RBI Act, 1934.   |

**For Nagar Goel & Chawla**  
Chartered Accountants  
**Firm Regn No.:- 009933N**

**(Dharmender Singhal)**  
Partner  
Membership No.: 515984

Place : New Delhi  
Dated: 29th May 2017



## BHILWARA TEX-FIN LIMITED

### BALANCE SHEET AS AT 31ST MARCH, 2017

PARTICULARS	NOTE NO.	AS AT 31ST, MARCH 2017 (₹)	AS AT 31ST, MARCH 2016 (₹)
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholder's funds</b>			
Share capital	3	<b>35,027,000</b>	35,027,000
Reserves and surplus	4	<b>4,505,278</b>	2,153,353
		<b>39,532,278</b>	37,180,353
<b>Non-current liabilities</b>			
Long term Borrowings	5	<b>1,376,800,000</b>	-
Other long term liabilities	6	-	-
Long term provisions	7	<b>4,943,141</b>	2,553,373
		<b>1,381,743,141</b>	2,553,373
<b>Current liabilities</b>			
Short term Borrowings	5	-	483,327,537
Other current liabilities	6	<b>16,374,541</b>	70,042,389
Short term provisions	7	-	-
		<b>16,374,541</b>	553,369,926
<b>Total</b>		<b>1,437,649,960</b>	<b>593,103,652</b>
<b><u>ASSETS</u></b>			
<b>Non-current assets</b>			
Non-Current Investment	8	-	28,712,970
Long-term loans and advances	9	<b>793,768,419</b>	11,092,338
		<b>793,768,419</b>	39,805,308
<b>Current assets</b>			
Current investment	8	-	-
Trade receivables	10	<b>4,032,000</b>	-
Cash and bank balances	11	<b>534,378,198</b>	266,693
Short-term loans and advances	9	<b>105,471,343</b>	553,031,651
		<b>643,881,541</b>	553,298,344
<b>Total</b>		<b>1,437,649,960</b>	<b>593,103,652</b>
<b>Background &amp; Significant accounting policies</b>	<b>1 &amp; 2</b>		

The notes referred to above form an integral part of the financial statements.

As per our Report of even date attached  
For **NAGAR GOEL & CHAWLA**  
Chartered Accountants  
FR No. 009933N

For and on behalf of the Board  
**BHILWARA TEX-FIN LIMITED**

**Dharmender Singhal**  
Partner  
Membership No. 515984

**Satish Kumar Sharma**  
Director  
DIN : 00536970

**Rahul Rameshkumar Jain**  
Director  
DIN: 07541089

Place : New Delhi  
Dated : May 29, 2017

**Archana Aggarwal**  
Company Secretary  
(PAN:AYXPA4515B)

**Sukomal Bhunya**  
C.F.O.  
(PAN:AIFPB3411M)

## BHILWARA TEX-FIN LIMITED

### PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

PARTICULARS	NOTE NO.	YEAR ENDED 31ST, MARCH, 2017(₹)	YEAR ENDED 31ST MARCH, 2016(₹)
<b>Revenue</b>			
Revenue from operations (gross)	12	<b>87,315,903</b>	75,370,993
Other Income	13	<b>505,558</b>	60,156
<b>Total revenue</b>		<b>87,821,461</b>	75,431,149
<b>Expenses</b>			
Employee benefit expenses	14	<b>1,364,059</b>	1,142,341
Finance costs	15	<b>79,784,754</b>	70,602,979
Other expenses	16	<b>2,218,526</b>	2,231,636
<b>Total expenses</b>		<b>83,367,339</b>	73,976,956
<b>Profit before tax</b>		<b>4,454,122</b>	1,454,193
Tax expense			
Less : Income Tax for earlier year		<b>275,666</b>	(7,173)
Less : Current tax		<b>1,826,531</b>	639,038
<b>Profit for the year</b>		<b>2,351,925</b>	822,328
<b>Earnings per equity share:</b>	18		
Basic and diluted earning per equity share (in Rs.) [face value Rs. 10 each]		0.67	0.23

The notes referred to above form an integral part of the financial statements.

As per our Report of even date attached  
For **NAGAR GOEL & CHAWLA**  
*Chartered Accountants*  
FR No. 009933N

For and on behalf of the Board  
**BHILWARA TEX-FIN LIMITED**

**Dharmender Singhal**  
Partner  
Membership No. 515984

**Satish Kumar Sharma**  
Director  
DIN : 00536970

**Rahul Rameshkumar Jain**  
Director  
DIN: 07541089

Place : New Delhi  
Dated : May 29, 2017

**Archana Aggarwal**  
Company Secretary  
(PAN:AYXPA4515B)

**Sukomal Bhunya**  
C.F.O.  
(PAN:AIFPB3411M)

## BHILWARA TEX-FIN LIMITED

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

(All figures are in rupees, except otherwise stated)

PARTICULARS	YEAR ENDED 31ST, MARCH, 2017(₹)	YEAR ENDED 31ST MARCH, 2016(₹)
<b>A) CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>Net profit before tax and extraordinary items</b>	<b>4,454,122</b>	1,454,193
<b>Adjustments for :</b>		
Interest on income tax refund	(505,024)	(53,442)
Provision for Standard Assets/ Adjustment/Balances written off	<b>1,457,515</b>	1,659,095
<b>Operating profit before working capital changes</b>	<b>5,406,613</b>	3,059,846
Adjustments for changes in Working capital :		
(Increase)/ Decrease in loans and advances	<b>(337,439,692)</b>	5,828,425
(Increase)/ Decrease in Trade receivables	<b>(4,032,000)</b>	-
Increase/(Decrease) in Current Liab. & Provisions	<b>(53,667,848)</b>	40,407,705
<b>Cash generated from operations</b>	<b>(389,732,927)</b>	49,295,976
Income tax paid	<b>(8,768,419)</b>	(7,537,102)
Income tax refund received	<b>10,427,418</b>	735,330
<b>Net Cash generated from /(used in) operating activities (A)</b>	<b>(388,073,928)</b>	42,494,204
<b>B) CASH FROM INVESTING ACTIVITIES:</b>		
Proceeds from Sale of Investment	<b>28,712,970</b>	-
<b>Net Cash generated from investing activities (B)</b>	<b>28,712,970</b>	-
<b>C) CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Loans Received during the year	<b>893,472,463</b>	(42,959,791)
Intercompany Deposit Given	-	-
<b>Net cash generated from /(used in) financing activities (C)</b>	<b>893,472,463</b>	(42,959,791)
<b>D) Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>534,111,505</b>	(465,587)
<b>E) Cash and cash equivalents as at the beginning of the year</b>	<b>266,693</b>	732,280
<b>F) Cash and cash equivalents as at the end of the year</b>	<b>534,378,198</b>	266,693

As per our Report of even date attached  
For **NAGAR GOEL & CHAWLA**  
Chartered Accountants  
FR No. 009933N

For and on behalf of the Board  
**BHILWARA TEX-FIN LIMITED**

**Dharmender Singhal**  
Partner  
Membership No. 515984

**Satish Kumar Sharma**  
Director  
DIN : 00536970

**Rahul Rameshkumar Jain**  
Director  
DIN: 07541089

Place : New Delhi  
Dated : May 29, 2017

**Archana Aggarwal**  
Company Secretary  
(PAN:AYXPA4515B)

**Sukomal Bhunya**  
C.F.O.  
(PAN:AIFPB3411M)

# BHILWARA TEX-FIN LIMITED

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## NOTES FORMING PART OF THE FINANCIAL STATEMENTS For Year Ended March 31, 2017

### 1. Corporate Information :-

Bhilwara Tex-Fin Limited ("the Company") was incorporated on November 16, 1994 and obtained the certificate for Commencement of Business on November 22, 1994 from Registrar of Companies under the provision of the Companies Act, 1956. The main objects of the company are to provide the fund based financial services etc. During the year under review, the Company continued in business of investment & financing.

### 2. Significant Accounting Policies and Notes to accounts

#### 2.1 BASIS OF ACCOUNTING

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. The financial statements are prepared in accordance with the accounting standards notified by the Central Government, in terms of section 133 of the Companies Act, 2013 read with Rule 7 and guidelines issued by the Securities and Exchange Board of India (SEBI) and the guidelines issued by the Reserve Bank of India ('RBI') as applicable to a Non Banking Finance Company ('NBFC'). The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

#### 2.2 USE OF ESTIMATES

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

#### 2.3 REVENUE RECOGNITION

- a) Interest income is recognized on accrual basis except in case of non-performing assets where it is recognized upon realization as per RBI Guidelines.
- b) Penal interest is recognized as income on realization.
- c) Dividend income is accounted on an accrual basis when the company's right to receive the dividend is established.

#### 2.4 INVESTMENTS

The company does not possess any Investment as on year ended 31st March, 2017.

#### 2.5 FIXED ASSETS

The company does not possess any fixed assets.

#### 2.6 Earning Per Share

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

# BHILWARA TEX-FIN LIMITED

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## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

For Year Ended March 31, 2017

### 2.7 TAXATION

- i) Current Tax: Provision for current tax is made on the estimated taxable income at the rate applicable to the relevant assessment year.
- ii) Minimum Alternative Tax : The income tax liability as per normal provisions of the Income Tax Act, 1961 is higher than the tax payable as per section 115JB ( Minimum Alternative Tax ), therefore, tax is provided as per normal provisions of the Income Tax Act, 1961.
- iii) Deferred Tax: In accordance with the Accounting Standard, the deferred tax for the timing difference is measured using the tax rates and tax laws that have been enacted or substantially enacted by the Balance Sheet date.

Deferred tax assets arising from timing difference are recognized only on the consideration of prudence.

**2.8** Accounting policies not specifically referred to otherwise are consistent and in accordance with generally accepted accounting principles.

### 2.9 EMPLOYEE BENEFITS

Short Term Employee Benefits: (i.e. benefits payable within one year) are recognized in the period in which employee services are rendered.

Contributions towards Provident Fund are recognized as expense. Provident Fund contributions in respect of all employees are made to Provident Fund Authorities, as applicable.

Liability towards Gratuity covering eligible employees is provided for in the books.

## BHILWARA TEX-FIN LIMITED

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS For Year Ended March 31, 2017

**NOTES:**

**2.10** Contingent Liability is Nil. (Previous Year Nil).

**2.11** Company does not have any employee eligible for gratuity.

**2.12** Disclosure on Specified Bank Notes (SBN) held and transacted during the period from 08th November 2016 to 30th December, 2016

During the year, the company had specified bank notes or other denomination notes as defined in the MCA notification G.S.R. 308(E) dated March 30, 2017 on details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

			<b>Amount in Rs.</b>
	<b>SBN</b>	<b>Other Denomination notes</b>	<b>Total</b>
Closing cash in hand as on 08.11.2016	40,000	1,035	41,035
(+) Permitted receipts	-	20,000	20,000
(-) Permitted payments	-	7,516	7,516
(-) Amount desposited in Banks	40,000	-	40,000
<b>Closing cash in hand as on 30.12.2016</b>			<b>13,519</b>

\*For the purpose of this clause the term "Specified Bank Notes" shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs S.O. 3407(E), dated the 08th November, 2016.

**2.13** Debit balances of debtors are subjected to confirmation and reconciliation from respective parties. The final adjustment, if any, in the account of parties shall be known only after confirmation / reconciliation, the amount of which could not be ascertained.

**2.14** Remuneration and perquisites to the directors is Rs. Nil.

**2.15** Particulars in respect to Earning per share is calculated as follows:

<b>Particulars</b>	<b>2016-2017</b>	<b>2015-2016</b>
Profit /(Loss) After Taxation as per Profit & Loss Account	23,51,925	8,22,328
Number of Equity shares outstanding	35,02,700	35,02,700
Basic and Diluted Earnings per shares in rupees (Face value Rs. 10 per shares)	0.67	0.23

**2.16** There are certain parties to whom advances in the nature of loans have been given by the company. As per management, principal and interest thereon is recoverable at a later date as per stipulations made with respective parties. As such, interest income is accounted for on yearly basis, but their recovery is deferred to a later date.

## BHILWARA TEX-FIN LIMITED

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS For Year Ended March 31, 2017

**2.17 As per the Accounting Standard, disclosure regarding related party as defined are given below :**

- a. Enterprises where control Exist :
- |   |   |     |
|---|---|-----|
| Subsidiaries                            | : | Nil |
| Other Entities under control of company | : | Nil |
- b. Other related party with whom the company had transactions, etc.
- i) Associates and Others :
- |  |   |  |
|--|---|--|
| a) Sainik Mining and Allied Services Limited | : | Having significant influence over reporting enterprise |
| ii) Joint Venture :                          | : | Nil  |
| iii) Key Management :                        |   |  |
| a) Sukomal Bhunya                            | : | C.F.O.   |
| b) Mansi Prakash                             | : | Company Secretary                                      |
| c) Archana Aggarwal                          | : | Company Secretary                                      |

**c) Related party transactions**

<u>Transaction</u>	<u>Associates &amp; Others</u>	<u>Key Management</u>	<u>Total</u>
<b>Salary Paid</b>			
Sukomal Bhunya	-	9,22,984	9,22,984
Mansi Prakash	-	72,000	72,000
Archana Aggarwal	-	72,000	72,000
		<b>10,66,984</b>	<b>10,66,984</b>
<b>Finance Provided</b>			
Sainik Mining And Allied Service Limited	2,40,00,000	-	2,40,00,000
	<b>2,40,00,000</b>	-	<b>2,40,00,000</b>
<b>Refund of Finance Provided</b>			
Sainik Mining And Allied Service Limited	62,42,57,903	-	62,42,57,903
	<b>62,42,57,903</b>	-	<b>62,42,57,903</b>
<b>Interest Received</b>			
Sainik Mining And Allied Service Limited	6,61,95,160	-	6,61,95,160
	<b>6,61,95,160</b>	-	<b>6,61,95,160</b>

**d) Particulars of balances as on 31st March, 2017 in respect of related party transactions :**

<u>Transaction</u>	<u>Associates &amp; Others</u>	<u>Key Management</u>	<u>Total</u>
<b>Finance Provided</b>			
Sainik Mining and Allied Services Limited	-	-	-
	-	-	-

## BHILWARA TEX-FIN LIMITED

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS

**For Year Ended March 31, 2017**

#### 2.18 Segment Reporting

The Company operates in one segment only namely Finance, Investment and related consultancy. Therefore, information about segment reporting in line with AS-17 of ICAI has not been given.

#### 2.19 Particulars in respect of the opening Stock, Purchases, Sales & Closing Stock

Particulars	2016-2017	2015-2016
Opening Stock of Shares	Nil	Nil
Purchases	Nil	Nil
Sales	Nil	Nil
Closing Stock	Nil	Nil

#### 2.20 CIF Value of Import of Raw Materials Components, Spare parts & Capital goods: Nil

- a) Expenditure in Foreign Currency : Nil
- b) Remittance in Foreign Currency : Nil
- c) Earning in Foreign currency : Nil  
(CIF Value in Exports)

#### 2.21 Prudential Norms of the Reserve bank of India (RBI)

The Prudential Norms of the RBI require the company to derecognize certain income and make provisions for non-performing assets.

In compliance with Guidelines prescribed by Reserve Bank of India for NBFCs, the Company has

- a) Provided 0.35% (Previous year 0.30%) of Standard Assets Amounting to Rs 31,16,610/- (Previous year Rs.16,59,095/-).
- b) Appropriated 20% of the Net Profit Rs. 4,70,385/- (Previous year Rs.1,64,466/- ) to Special Reserve fund.
- c) Break up of other "Provisions and Contingencies" have shown under the head expenditure in Profit & Loss Account (in Rs.)

Sl	Particulars	2016-17	2015-16
1	Provision for depreciation on Investment	Nil	Nil
2	Provision towards Non-performing Assets	Nil	Nil
3	Provision made towards Income Tax	18,26,531	6,39,038
4	Other Provisions and Contingencies	Nil	Nil
5	Provision for Standard Assets 0.35% (Previous Year 0.30%)	14,57,515	16,59,095

**2.22** Short Term Loans and Advance include Rs NIL due from a Director.

**2.23** The company has no amounts due to suppliers under The Micro Small and Medium Enterprises Development Act, 2006, [MSMED Act] as at 31st March, 2017.

**2.24** There are no amounts due and outstanding to be credited to Investor Education & Protection Fund as at 31st March, 2017.



## BHILWARA TEX-FIN LIMITED

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS For Year Ended March 31, 2017

#### 2.25 Balance Sheet of a non deposit taking non-banking financial company :

(as required in term of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 as amended from time to time)

(Amount in Rs.)

Particulars	(Rs.)
<b>Liabilities side:</b>	
<b>1 Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid :</b>	<b>Amount outstanding</b>
(a) Debentures : Secured	Nil
: Unsecured	Nil
(other than falling within the meaning of public deposits*)	
(b) Deferred Credits	Nil
(c) Term Loans	Nil
(d) Inter-corporate loans and borrowing	1,39,09,05,394
(e) Commercial Paper	Nil
(f) Other Loans	Nil
* Please see Note 1 below	
<b>Assets side:</b>	
<b>2 Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :</b>	<b>Amount Outstanding</b>
(a) Secured	Nil
(b) Unsecured	89,04,59,903
<b>3 Break up of Leased Assets and stock on hire and other assets counting towards AFC activities</b>	
<b>(i) Lease assets including lease rentals under sundry debtors :</b>	
(a) Financial lease	Nil
(b) Operating lease	Nil
<b>(ii) Stock on hire including hire charges under sundry debtors:</b>	
(a) Assets on hire	Nil
(b) Repossessed Assets	Nil
<b>(iii) Other Loans towards AFC activities</b>	
(a) Loans where assets have been repossessed	Nil
(b) Loans other than (a) above	Nil
<b>4 Break-up of Investments :</b>	
<b>Current Investments :</b>	
1. <u>Quoted</u>	
(i) Shares : (a) Equity	Nil
(b) Preference	Nil
(ii) Debentures and Bonds	Nil
(iii) Units of mutual funds	Nil
(iv) Government Securities	Nil
(v) Others (please specify)	Nil

## BHILWARA TEX-FIN LIMITED

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS For Year Ended March 31, 2017

2.	<u>Unquoted</u> :		
	(i) Shares : (a) Equity		Nil
	(b) Preference		Nil
	(ii) Debentures and Bonds		Nil
	(iii) Units of mutual funds		Nil
	(iv) Government Securities		Nil
	(v) Others (Please specify)		Nil

**Long Term investments :**

1.	<u>Quoted</u> :		
	(i) Share : (a) Equity		Nil
	(b) Preference		Nil
	(ii) Debentures and Bonds		Nil
	(iii) Units of mutual funds		Nil
	(iv) Government Securities		Nil
	(v) Others (Please specify)		Nil
2.	<u>Unquoted</u> :		
	(i) Shares : (a) Equity		Nil
	(b) Preference		Nil
	(ii) Debentures and Bonds		Nil
	(iii) Units of mutual funds		Nil
	(iv) Government Securities		Nil
	(v) Others (Please specify)		Nil

**5 Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances :**  
(Please see Note 2 below)

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties **			
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil
(c) Other related parties	Nil	Nil	Nil
2. Other than related parties	Nil	89,04,59,903	89,04,59,903
<b>Total</b>	<b>Nil</b>	<b>89,04,59,903</b>	<b>89,04,59,903</b>

**6 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):**

Please see note 3 below

Category	Market Value/Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties **		
(a) Subsidiaries	Nil	Nil
(b) Companies in the same group	Nil	Nil
(c) Other related parties	Nil	Nil
2. Other than related parties	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

**\*\* As per Accounting Standard of ICAI (Please see Note 3)**

## BHILWARA TEX-FIN LIMITED

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS For Year Ended March 31, 2017

#### 7 Other information

Particulars	Amount
(i) Gross Non-Performing Assets	
(a) Related parties	Nil
(b) Other than related parties	Nil
(ii) Net Non-Performing Assets	
(a) Related parties	Nil
(b) Other than related parties	Nil
(iii) Assets acquired in satisfaction of debt	Nil

- Notes :**
- 1) As defined in Paragraph 2(1) (xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998 as amended from time to time.
  - 2) Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007 as amended from time to time.
  - 3) All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (4) above.

**2.26** Previous year's figures have been regrouped and rearranged wherever necessary.

As per our Report of even date attached  
For **NAGAR GOEL & CHAWLA**  
Chartered Accountants  
FR No. 009933N

For and on behalf of the Board  
**BHILWARA TEX-FIN LIMITED**

**Dharmender Singhal**  
Partner  
Membership No. 515984

Place : New Delhi  
Dated : May 29, 2017

**Satish Kumar Sharma**  
Director  
DIN : 00536970

**Archana Aggarwal**  
Company Secretary  
(PAN:AYXPA4515B)

**Rahul Rameshkumar Jain**  
Director  
DIN: 07541089

**Sukomal Bhunya**  
C.F.O.  
(PAN:AIFPB3411M)

## BHILWARA TEX-FIN LIMITED

### NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(All figures are in rupees, except otherwise stated)

	As at 31st March 2017		As at 31st March 2016	
	Number	Amount	Number	Amount
<b>3. SHARE CAPITAL</b>				
<b>Authorized share capital</b>				
Equity shares of Rs. 10 each with voting rights	4,000,000	40,000,000	4,000,000	40,000,000
<b>Issued, subscribed and fully paid up</b>				
Equity shares of Rs. 10 each with voting rights	3,502,700	35,027,000	3,502,700	35,027,000
<b>Total issued, subscribed and fully paid up share capital</b>	<b>3,502,700</b>	<b>35,027,000</b>	<b>3,502,700</b>	<b>35,027,000</b>

**a. Reconciliation of the shares and amount outstanding at the beginning and at the end of the reporting period:**

	As at 31st March 2017		As at 31st March 2016	
	Number	Amount	Number	Amount
At the beginning of the year	3,502,700	35,027,000	3,502,700	35,027,000
Add : Allotment during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>3,502,700</b>	<b>35,027,000</b>	<b>3,502,700</b>	<b>35,027,000</b>

**b. Terms and rights attached to fully paid up equity shares:**

The Company has only one type of equity shares having par value of Rs. 10 each. All shares rank pari passu with respect to dividend, voting rights and other terms. Each shareholder is entitled to one vote per share. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their holdings.

**c. Shares held by holding company**

	As at 31st March 2017		As at 31st March 2016	
	Number	Amount	Number	Amount
Equity shares of Rs. 10 each	-	-	-	-
	-	-	-	-

**d. Shares in the Company held by each shareholder holding more than 5% shares**

	As at 31st March 2017		As at 31st March 2016	
	Number	%	Number	%
Equity shares of Rs. 10 each				
Sainik Mining and Allied Services Limited	1,467,800	41.90%	1,467,800	41.90%
<b>Total</b>	<b>1,467,800</b>	<b>41.90%</b>	<b>1,467,800</b>	<b>41.90%</b>

**e. Aggregate no. of shares issued for consideration other than cash during the 5 years immediately preceding the balance sheet date:**

	31st March, 2017	31 March, 2016	31 March, 2015	31 March, 2014	31 March, 2013
Equity shares of Rs. 10 each	-	-	-	-	-

## BHILWARA TEX-FIN LIMITED

### NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(All figures are in rupees, except otherwise stated)

#### 4. RESERVES & SURPLUS

	As at	
	31st March 2017	31st March 2016
<b>a) General Reserve</b>		
Balance as per last financial statements	176,099	176,099
Add : Transfer during the year	-	-
<b>Total General Reserve</b>	<b>176,099</b>	<b>176,099</b>
<b>b) Special Reserve Fund (RBI Norms)</b>		
Balance as per last financial statements	1,212,306	1,047,840
Add : Transfer during the year	470,385	164,466
<b>Total General Reserve</b>	<b>1,682,691</b>	<b>1,212,306</b>
<b>c) Surplus in the statement of profit and loss</b>		
Balance as per last financial statements	764,948	(1,233,386)
Add : Profit for the year	2,351,925	822,328
Add : Provision for Standard Assets w/back	-	1,397,150
Add : Mat Credit Entitlement	-	(56,678)
	3,116,873	929,414
Less : Transfer to Special Reserve Fund (RBI Norms)	470,385	164,466
<b>Net Surplus in the statement of profit and loss</b>	<b>2,646,488</b>	<b>764,948</b>
 <b>Total Reserves and surplus</b>	 <b>4,505,278</b>	 <b>2,153,353</b>

#### 5. BORROWINGS

	As at 31st March 2017		As at 31st March 2016	
	Long term	Short term	Long term	Short term
<b>Unsecured</b>				
From Corporates (ICD)	1,200,000,000	-	-	483,327,537
From Others	176,800,000	-	-	-
	<b>1,376,800,000</b>	<b>-</b>	<b>-</b>	<b>483,327,537</b>

#### Footnotes:

##### Unsecured borrowing from corporate represents:

- a) Rs. 1,13,00,00,000 loan facility availed from "Sainik Finance & Industries Limited" carries an interest rate of 11% p.a. or "SBI base rate + 200bps" whichever is lower repayable on or within a period of 5 years from the date of last disbursement of the said ICD, extendable if mutually agreed to by both the parties in writing. Further, interest calculated on total amount of ICDs advanced for a period of 5 years, shall be payable at the end of 5 years.
- b) Rs. 17,68,00,000 loan facility availed from "M/s CEC-ITD Cem-TPL Joint Ventures" carries an interest rate of 6.50% p.a. repayable on or within a period of 5 years from the date of last disbursement of the said ICD, extendable if mutually agreed to by both the parties in writing.
- c) Rs. 7,00,00,000 loan facility availed from "SN Nirman Infra Projects Private Limited" carries an interest rate of 8.00% p.a. repayable after one year.

## BHILWARA TEX-FIN LIMITED

### NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(All figures are in rupees, except otherwise stated)

#### 6 OTHER CURRENT LIABILITIES

	As at 31st March 2017		As at 31st March 2016	
	Long Term	Short Term	Long Term	Short Term
Statutory Dues Payable	-	2,150,287	-	5,988,189
Salary Payable	-	-	-	14,800
Audit Fees Payable	-	118,860	-	104,855
Interest Payable	-	14,105,394	-	63,934,545
	<u>-</u>	<u>16,374,541</u>	<u>-</u>	<u>70,042,389</u>

#### 7 PROVISIONS

	As at 31st March 2017		As at 31st March 2016	
	Long Term	Short Term	Long Term	Short Term
<b>For Income tax</b>				
Assessment Year 2015-16	-	-	255,240	-
Assessment Year 2016-17	-	-	639,038	-
Assessment Year 2017-18	1,826,531	-	-	-
<b>For Reserve Bank of India (Pursuant to RBI Norms)</b>				
Standard Assets (0.35%)	3,116,610	-	1,659,095	-
	<u>4,943,141</u>	<u>-</u>	<u>2,553,373</u>	<u>-</u>

#### 8 INVESTMENT

	As at 31st March 2017		As at 31st March 2016	
	Long Term	Short Term	Long Term	Short Term
<b>Other Investment</b>				
1067 @ Rs.26,910/- per share of Sainik Mining and Allied Services Limited	-	-	28,712,970	-
	<u>-</u>	<u>-</u>	<u>28,712,970</u>	<u>-</u>

#### 9 LOANS AND ADVANCES

	As at 31st March 2017		As at 31st March 2016	
	Long Term	Short Term	Long Term	Short Term
Inter Corporate Deposits	785,000,000	90,000,000	-	513,784,211
Interest Receivable	-	15,459,903	-	39,247,440
Advance to Staff	-	11,440	-	-
<b>TDS &amp; Advance Tax</b>				
AY 2015-16	-	-	3,555,236	-
AY 2016-17	-	-	7,537,102	-
AY 2017-18	8,768,419	-	-	-
	<u>793,768,419</u>	<u>105,471,343</u>	<u>11,092,338</u>	<u>553,031,651</u>

- a. Management believes that, the loans and advances have a value on realization in the ordinary course of business at least equal to the amount stated in the Balance Sheet and provisions for all the known liabilities have been made.

## BHILWARA TEX-FIN LIMITED

### NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(All figures are in rupees, except otherwise stated)

#### 10 TRADE RECEIVABLES

	As at 31st March 2017	As at 31st March 2016
Receivables outstanding for a period exceeding six months from the date they became due for payment	-	-
Other receivables	4,032,000	-
	<b>4,032,000</b>	<b>-</b>

#### 11 CASH AND BANK BALANCES

	As at 31st March 2017	As at 31st March 2016
<b>Cash and cash equivalents</b>		
Cash on hand	67,530	8,155
Balances with banks		
- in current accounts		
-ICICI Bank Ltd	501,801,821	240,197
-Yes Bank Ltd	32,508,847	18,341
	<b>534,378,198</b>	<b>266,693</b>

#### 12 REVENUE FROM OPERATIONS

	Year Ended 31st March 2017	Year Ended 31st March 2016
Interest income	83,315,903	75,370,993
Transaction structuring fees	800,000	-
Processing fees	3,200,000	-
	<b>87,315,903</b>	<b>75,370,993</b>

#### 13 OTHER INCOME

	Year Ended 31st March 2017	Year Ended 31st March 2016
Interest on Income Tax Refund	505,024	53,442
Dividend Income	534	534
Credit balance written off	-	6,180
	<b>505,558</b>	<b>60,156</b>

#### 14 EMPLOYEE BENEFIT EXPENSE

	Year Ended 31st March 2017	Year Ended 31st March 2016
Salaries, wages and bonus	1,363,050	1,142,341
Staff Welfare	1,009	-
	<b>1,364,059</b>	<b>1,142,341</b>

## BHILWARA TEX-FIN LIMITED

### NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(All figures are in rupees, except otherwise stated)

#### 15 FINANCE COSTS

	Year Ended 31st March 2017	Year Ended 31st March 2016
Interest expenses	79,782,772	70,602,382
Bank charges	1,982	597
	<b>79,784,754</b>	<b>70,602,979</b>

#### 16 OTHER EXPENSES

	As at 31st March 2017	As at 31st March 2016
Auditor Fees (refer note 17)	66,976	63,979
Conveyance	44,452	6,200
Printing & Stationery	47,822	1,150
Advertisement	103,673	78,594
Listing Fee	256,480	245,330
Professional Charges	63,348	65,354
Postage & Courier Charges	19,894	5,980
General Expenses	54,739	13,550
Telephone Expense	7,627	5,095
Rates Fee & Taxes	24,644	34,809
Internal Audit Fees	71,356	52,500
Provisions for Standard Assets (RBI Norms)	1,457,515	1,659,095
	<b>2,218,526</b>	<b>2,231,636</b>

#### 17 PAYMENT OF AUDITORS INCLUDES:

	As at 31st March 2017	As at 31st March 2016
Statutory & Tax Audit Fee	58,000	55,125
Service Tax	8,700	7,993
Other	276	861
	<b>66,976</b>	<b>63,979</b>

#### 18 EARNINGS PER SHARE

	Year Ended 31st March 2017	Year Ended 31st March 2016
Net Profit as per Statement of Profit and Loss	2,351,925	822,328
Number of equity shares of Rs. 10 each at the beginning of the year	3,502,700	3,502,700
Number of equity shares of Rs. 10 each at the end of the year	3,502,700	3,502,700
Weighted average number of equity shares of Rs. 10 each	3,502,700	3,502,700
<b>Basic and diluted earnings per share (in Rs.) per share of Rs. 10 each</b>	<b>0.67</b>	<b>0.23</b>



# BHILWARA TEX-FIN LIMITED

**Regd. Office:** 129, Transport Centre, Rohtak Road, Punjabi Bagh, New Delhi - 110035

**CIN:** L74899DL1994PLC128577

## MGT-11

### PROXY FORM

{(Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)}

CIN : **L74899DL1994PLC128577**  
Name of the Company : **Bhilwara Tex-Fin Limited**  
Registered Office : **129, Transport Centre, Rohtak Road, Punjabi Bagh, Delhi-110035**

<b>Name of the Member</b>	
<b>Registered Address</b>	
<b>E-mail ID</b>	
<b>Folio No/ Client ID</b>	
<b>DP ID</b>	

I / we being a member /members of \_\_\_\_\_ shares of the above named company, hereby appoint

<b>Name</b>	
<b>Address</b>	
<b>E-mail ID</b>	
<b>Signature</b>	

Or failing him/her

<b>Name</b>	
<b>Address</b>	
<b>E-mail ID</b>	
<b>Signature</b>	

Or failing him/her

<b>Name</b>	
<b>Address</b>	
<b>E-mail ID</b>	
<b>Signature</b>	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual General Meeting of the Company, to be held on Thursday, 28th day of September 2017 at 11.00 a.m. at Farm House of M/s Kapil Constructions Private Limited, Anandgram (Near Rajokari), Church Road Extension, Mata Amritanandmayi Math, Abdul Gaffar Khan Marg, New Delhi -110 070 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Vote (Please mention number of shares)		
		For	Against	Abstain
	<b>Ordinary Business:</b>			
1.	Adoption of the Annual Financial Statements of the Company for the Financial year ended 31st March, 2017, including the audited Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss for the Financial year ended on that date and the reports of the Board of the Directors and Auditors thereon.			
2.	Approval for appointment a Director in place of Mr. Satish Kumar Sharma, who retires by rotation and, being eligible, offers himself for re-appointment			
3.	Approval for appointment of M/s Divyank Khullar & Associates, Chartered Accountants as statutory auditor of the Company and to fix their remuneration.			
4.	Approval for re-appointment of Mr. Samai Singh as Independent Director of the Company			
5.	Approval for ratifying related party transaction entered between the Company and Sainik Mining and Allied Services Limited during the financial year 2016-17			
6.	Approval for charging fees from the member / shareholders to make delivery of the documents/ papers etc. through requested mode of delivery to the members / shareholders.			

Signed this ..... day of .....of 2017.

-----  
**Signature of shareholder**

-----  
**Signature of Proxy holder(s)**

Affix a Re. 1/- Revenue Stamp
--

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

## BHILWARA TEX-FIN LIMITED

**Regd. Office:** 129, Transport Centre, Rohtak Road, Punjabi Bagh, New Delhi - 110035

**CIN:** L74899DL1994PLC128577

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### ATTENDANCE SLIP

**(For 23rd Annual General Meeting on Thursday, 28th September, 2017 at 11.00 A.M.)**

(To be handed over at the entrance of the Company Hall)

Name of Members (in BLOCK LETTERS):	
Address of Members	
Members folio/CL. ID	
No. of Shares held	
Name of Proxy (In case of proxies only) (in BLOCK LETTERS )	

I hereby record my presence at the 23rd Annual General Meeting of the Company on Thursday, 28th day of September, 2017.

-----  
**(\*Member/ Proxy Signature)**

**\* To be signed at the time of handing over the slip.**



# BHILWARA TEX-FIN LIMITED

**Regd. Office:** 129, Transport Centre, Rohtak Road, Punjabi Bagh, New Delhi - 110035

**CIN:** L74899DL1994PLC128577

## **FORM NO. MGT-12**

### **Polling Paper**

*[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]*

Name of the Company : **M/s Bhilwara Tex-Fin Limited**

Registered office : **129, Transport Centre, Rohtak Road, Punjabi Bagh, New Delhi -110035**

### **BALLOT PAPER**

<b>S. No.</b>	<b>Particulars</b>	<b>Details</b>
1	Name of the first named shareholder (in block letters)	
2	Postal Address	
3	Registered folio no./ *Client ID no. (Applicable to investors holding shares in dematerialized form)	
4	Class of shares	

I hereby exercise my vote in respect of ordinary/special resolution enumerated below by recording my assent / dissent to the said resolution in the following manner:

No.	Item No.	No. of shares held by me	I assent to the resolution	I dissent from the resolution
1.	Adoption of the Annual Financial Statements of the Company for the Financial year ended 31st March, 2017, including the audited Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss for the Financial year ended on that date and the reports of the Board of the Directors and Auditors thereon.			
2.	Approval for appointment a Director in place of Mr. Satish Kumar Sharma, who retires by rotation and, being eligible, offers himself for re-appointment.			
3.	Approval for appointment of <b>Divyank Khullar &amp; Associates, Chartered Accountants</b> as Statutory Auditor of the Company and to fix their remuneration.			
4.	Approval for re-appointment of Mr. Samai Singh as Independent Director of the Company			
5.	Approval for ratifying related party transaction entered between the Company and Sainik Mining and Allied Services Limited during the financial year 2016-17			
6.	Approval for charging fees from the member / shareholders to make delivery of the documents/ papers etc. through requested mode of delivery to the members / shareholders.			

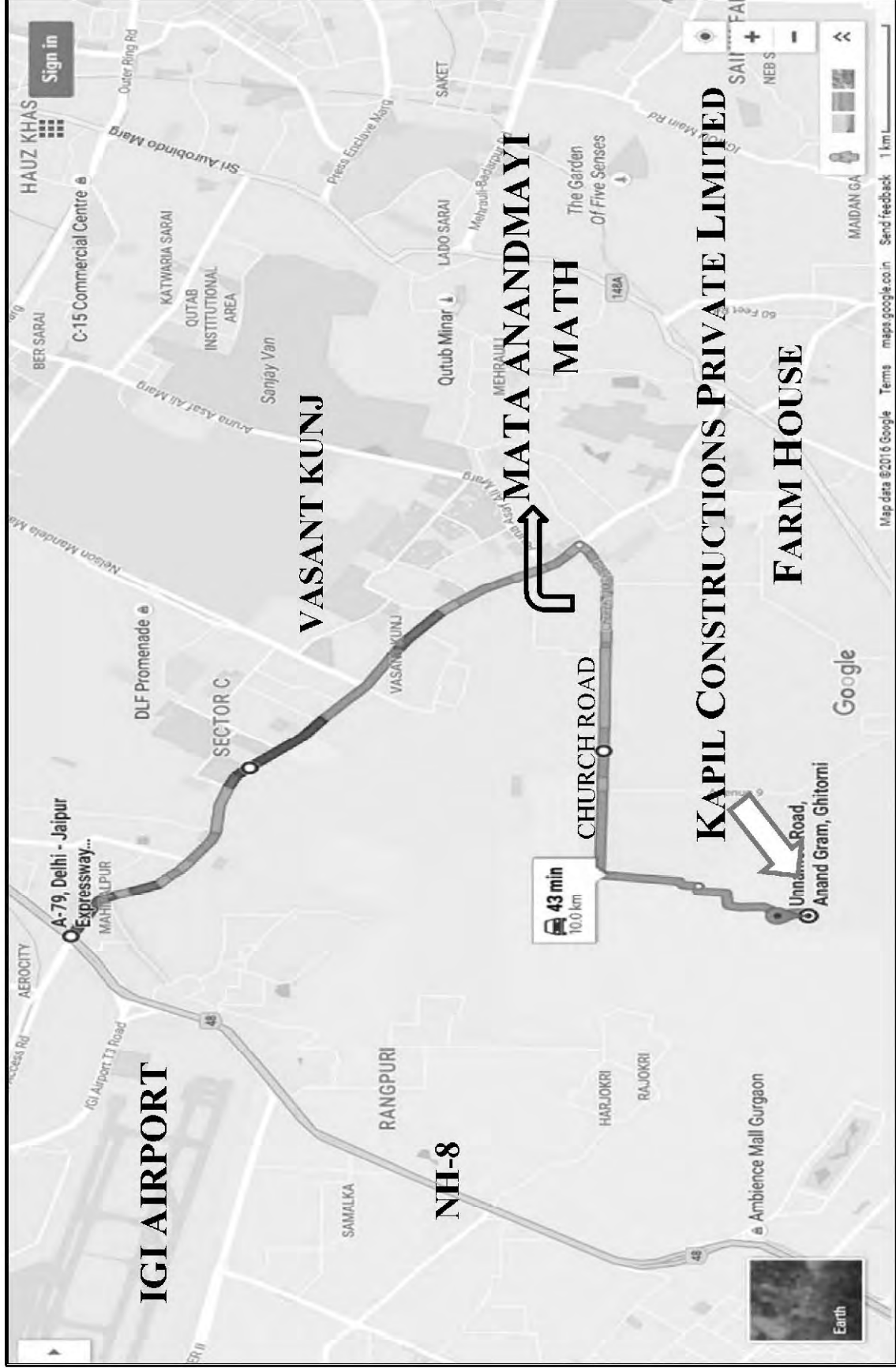
Place:

Date:

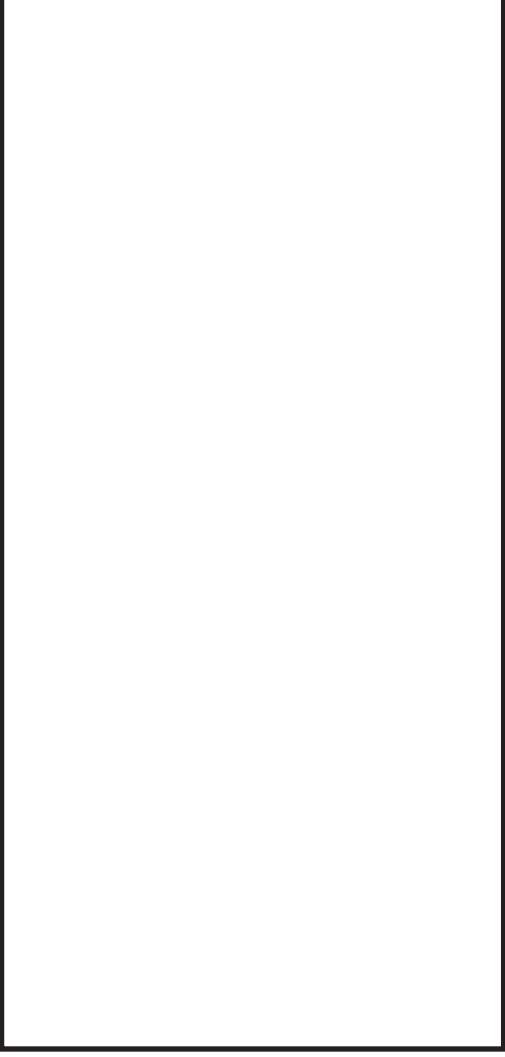
(Signature of shareholder/Proxy)



# ROUTE MAP TO VENUE FOR ANNUAL GENERAL MEETING



# BOOK-POST



*If undelivered, please return to :-*  
**BHILWARA TEX-FIN LIMITED**  
129, Transport Centre, New Rohtak Road,  
Punjabi Bagh, New Delhi-110035