



BHILWARA SPINNERS LIMITED

CIN :- L17115 RJ 1980 PLC008217

Annual Report 2019 - 2020

CORPORATE INFORMATION

BOARD OF DIRECTOR

Ashok Kothari	DIN 00132801	Managing Director
Anshul Kothari	DIN 02624500	Director
Hanuman Pokharna	DIN 03155927	Director
Smt. Sushila Kothari	DIN 00132802	Director
Arvind Tater	DIN 07167125	Director

KEY EXECUTIVE

Ashok Kothari	Managing Dircetor & CEO
Bhopal Singh Choudhary	Chief Financial Officer

COMPANY SECRETARY

Neelu Mehta

BANKERS

Central Bank of India
State Bank of India
ICICI Bank Ltd.

AUDITORS

M/s CLB & ASSOCIATES MUMBAI

REGISTERED OFFICE

26, Industrial Area
Bhilwara - 311 001, Rajasthan

FINANCIAL HIGHLIGHTS

(Rs. in lac)

Particulars	2017-2018	2018-2019	2019-2020
Turnover	535	211	687
Exports	-	-	-
PBIDT	96.00	624	480
Interest	0.00	-	-
PBDT	96.00	624	480
Depreciation	0.00	-	-
Taxation	22.00	128	95
PAT	74.00	496	385
Net Worth	1304.57	1800	2185
Capital Expenditure	102.74	19	-
Book Value Per Share Rs.	19.29	26.62	32.31

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DIRECTOR'S REPORT

To The Members,

The Directors of your Company have pleasure in presenting their 39th Annual Report along with audited annual statements of Accounts for the financial year ended on 31st March, 2020

FINANCIAL RESULTS

(Rs. in Lacs)

	Financial Year ended 31-3-2020	Previous Year ended 31-3-2019
Turnover	687	211
Profit/(Loss) before Depreciation	480	624
Depreciation	0	0
Profit/(Loss) before Tax	480	624
Provision for Income Tax		
- Current Tax	95	128
- Deferred Tax	0	0
Profit/(Loss) after Tax	385	495
Balance brought forward	699	204
Balance carried forward	1084	699

OPERATIONS

the manufacturing operations of the Company have come to a stand still. But trading in yarn and Cotton and other continue in the year.

DIVIDEND

Your Directors are unable to recommend any Dividend on the Equity Shares in view of the financial position of the Company.

DIRECTORS

One of your Director namely Sushila Kothari shall retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Board recommends their re-appointment in the ensuing Annual General Meeting.

AUDITORS

M/s. CLB & ASSOCIATES. Firm Regn.no 124305w Chartered Accountant, The Statutory Auditors of the Company, will hold office till the conclusion of the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

Pursant to the notification dated May,7 2018 issued by Ministry of Corporate Affairs, the requirement for ratification of appointment of Auditors by the shareholders at every Annual General Meeting has been done away with. Further the Auditors have Confirmed their eligibility under Section 141 of the Companies Act, 2013 and the rules made thereunder.

The observations in the Auditors' Report are dealt within the notes to the accounts at appropriate places and are self-explanatory. The Auditors Report does not contain any qualification, reservation or adverse remark.

No fraud has been reported by the Statutory Auditors under Section 143(12) of the Companies Act 2013 and the rules made thereunder.

STATUTORY AUDITORS

The Statutory Auditors of the Company M/s CLB & Associates Chartered Accountants, (Firm Registration No.124305W) Mumbai retire at the conclusion of the ensuing Annual General Meeting.

There are no. reservations, qualifications or adverse remarks contained in the Auditors' Report attached to Balance Sheet as at 31st March, 2020 Information referred in Auditors' Report are Self-explanatory and don't call for any further comments.

The Audit committee and the board of Directors recommend the appointment of M/s ABN & CO Chartered Accountants, (Firm Registration Number 004447C) as Statutory Auditors of the Company to hold office from the conclusion of 39th Annual General Meeting (AGM) until the conclusion Of the 44th AGM, subject to required under the provisions of Section 139 of the Companies Act, 2013 the Company has obtained written confirmation from M/s ABN & CO Chartered Accountants that their appointment, if made would be in conformity with the Limits specified in the said Section.

SECRETARIAL AUDITOR

Pursuant to Section 204 of the Companies Act 2013 read with the Companies (Appointment and Remuneration of Managerial Personal) Rule, 2014, the Company had appointed M/S Abhik Jain Associates Company Secretaries a practicing secretaries firm as the Secretarial Auditor of the Company for the year ending 31st march 2020, The Report of Secretarial Audit as Annexure-1.

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

INTERNAL AUDITORS

Pursuant to Section 138 of the Companies Act, 2013 read with The Companies (Accounts) Rules 2014, the Company has appointed M/s A.L. Chechani & Co, Chartered Accountants as the internal auditors of the Company. The role of internal auditors includes but not limited to review of internal audit observations and monitoring of implementation of corrective actions required, reviewing of various policies and ensure its proper implementation, reviewing of SOPs and there amendments, if any

CORPORATE SOCIAL RESPONSIBILITY

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

NUMBER OF MEETINGS OF THE BOARD

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

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

ANNUAL RETURN

Pursuant to Section 92 of the companies Act, 2013 read with Rule 12 of The Companies (Management and administration) Rules 2014, the Extract of Annual Return is attached as Annexure-II.

DIRECTORS' APPOINTMENT AND REMUNERATION POLICY

Pursuant to the provision of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement the Board of Directors on the recommendation of Nomination and Remuneration Committee has framed a policy for the appointment of Directors and Senior Management and their remuneration. The policy forms part of the Board Report as Annexure-III.

ANNUAL EVALUATION BY THE BOARD

Pursant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing agreement the annual evaluation has been made by the Board of its own performance, its committees and the individual directors. The manner of evaluation is mentioned in the Nomination and Remuneration policy which forms part of Board Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans Guarantees or Investments made in accordance

DIRECTOR'S REPORT

with the requirements covered under the provision of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements at appropriate Places.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the Financial Year there was no material contracts or arrangements entered into by the company with any of the related party. Yours Directors draw attention to the member to note no 27.2 to the financial statements which contain particulars of transactions with related parties as per applicable provision of Companies Act 2013.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There was no Significant And material orders passed by the Regulators or courts during the year

RISK MANAGEMENT

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

CORPORATE GOVERNANCE

Your company has complied with all the requirements of Corporate Governance as required under Clause 49 of the Listing Agreement entered into with the Stock Exchange, where the Company's shares are listed.

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

WHISTLE BLOWER POLICY

With the objective of pursuing the business in a fair and transparent manner by adopting the highest standards of professionalism honesty, integrity, and ethical behavior and to encourage and protect the employees who wish to raise and report their genuine concerns about any unethical behaviour, actual or suspected fraud or violation of Company's Code Of Conduct, the Company has adopted a Whistle Blower Policy. The Company has adopted a framework whereby the identity of the complainant is not disclosed.

INTERNAL CONTROL SYSTEMS

The Company has an internal control system commensurate with its size and nature of business. These systems provide a robust structure which in turn helps in the complying of various laws and statutes which automatically translates into Financial and Operational Development of the Company.

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

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

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

PARTICULARS OF EMPLOYEES

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

Further your directors inform the members that pursuant to Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, no employee is drawing remuneration in

excess of the limits prescribed under the said provision.

PUBLIC DEPOSIT

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

Director's Responsibility statement

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

- In the preparation of the Annual Accounts the applicable Accounting Standards have been followed and no material departures have been made from the same
- Appropriate Accounting Policies have been selected and applied consistently and they have made Judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company on 31st March, 2020 and of the Profit and Loss of Company for the year ended on that date.
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the annual accounts have been prepared on a going concern basis;
- Proper internal financial controls were in place and that financial controls were adequate and were operating effectively.
- systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

INDIAN ACCOUNTING STANDARDS (IND AS) :

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

GENERAL

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

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

ACKNOWLEDGEMENTS

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

for and on behalf of the Board

Place : Bhilwara
Date : 26th May 2020

Ashok Kothari
Managing Director & CEO
DIN-00132801

ANNEXURE 1 TO DIRECTOR'S REPORT

FORM No. MR-3

Secretarial Audit Report

(Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014) and Regulation 24 A of SEBI (Listing obligations and disclosures Requirements) Regulation, 2015 as amended)

To,
The Members,
Bhilwara Spinners Limited
26, Industrial Area
Gandhi Nagar
Bhilwara-311001 (Raj.)

I have Conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bhilwara Spinners Limited ('the Company') for the Financial year ended 31st March 2020. The secretarial audit was conducted in a manner, that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020 ("Audit Period") complied with the statutory provision Listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent and in the manner reported herein after.

(A). I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 according to the provision of-

1. The Companies Act, 2013 (the Act) (to the extent sections and schedules notified) and the Rules made there under including Amendments, Circulars, Notifications and Removal of Difficulties Orders passed by the Ministry of Corporate Affairs from time to time
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under to the extent applicable.
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed under that Act;
4. Foreign Exchange Management Act, 1999 and the Rules & Regulation made there under to the extent of Foreign Direct Investment
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act') as amended:
 - 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 and Listing of Debt Securities) Regulation 2008
 - d) The Securities and Exchange Board of India (Issue of capital and disclosures requirement) Regulation 2018
 - e) The Securities and Exchange Board of India (Registrar to an issue and share transfer agent) Regulation 1993 regarding the Companies Act. :
 - f) The Securities and Exchange Board of India (Share based employee benefits) Regulation 2014
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulation 2009 (Not applicable to the company during the Audit Period)
 - h) The Securities and Exchange Board of India (Buy Back of Securities) Regulation 1998 (Not applicable to the company during the Audit period)

(B) I further report that during the period under review and as per the information received explanation given, process explained, records maintained, statutory compliance reports submitted to the Board on quarterly basis, 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, Regulation, Guidelines etc.

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

- (1) Secretarial Standards with respect to meetings of Board of Directors (SS-1) and General Meeting (SS-2) issued by The Institute of Company Secretaries of India.
- (2) The listing Agreements entered by the Company with Stock Exchanges read with Securities and Ex-change Board of India (Listing Obligations and Disclosures Requirements) Regulation 2015

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

I further report that the compliance by the company of applicable financial laws. Like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by the statutory financial audit and other designated professional.

I further report that the

That the Board of Directors of the company is duly constituted with proper balance of executive director, Non- Executive Director and Independent Director. and a women Director However as per Section 203 of the Companies Act,2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rule 201, the Company has not appointed or designated some of the key Managerial personnel during the year under review. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate Notice is given to all directors to schedule the Board Meetings, Agenda and detailed Notes on Agenda were sent at least 7 days in advance and system exist for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

That all the decisions are carried unanimously the members of the Board have not expressed dissenting views on any of the Agenda items.

I further report that based on the information provided and the representation made by the company and also on the review of the compliance certificates/reports taken on record by the Board of Directors of the company, in my opinion there are adequate systems and processes in the Company Commensurate with the size and operations of the company to monitor and ensure compliances with applicable laws, rules, regulations, guidelines etc.

I further report that during the year under report the company has not undertaken event/action having a major bearing on the company's affairs in pursuance of the above referred rules, regulations, guidelines, standards etc.

Place - Bhilwara
Dated-25 June 2020

FOR :- **ABHIK JAIN & ASSOCIATES**
Company Secretaries

(ABHIK JAIN)
Proprietor
ACS-37412
COP No. : 20056

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

UDIN : A037412B000380251

ANNEXURE "A"

To,
The Members, of
Bhilwara Spinners Ltd.- BHILWARA
26, Industrial Area Gandhi Nagar, BHILWARA-311001 (Raj.)
CIN L17115 RJ 1980 PLC 00 8217

Our report of even date is to be read along with this Letter.

- 1 Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2 We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in The secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
- 3 We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4 Where ever required we have obtained the Management Representation about the Compliance of laws, rules and regulation and happening of events etc.
- 5 The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards etc is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- 6 The Secretarial Audit Report is neither as assurance as to the future viability of the company nor of the efficiency of effectiveness with which the management has conducted the affairs of the Company.

Date : 25-June-2020

Place: Bhilwara

For ABHIK JAIN & ASSOCIATES
Company Secretaries

ABHIK JAIN
Proprietor
ACS -37412
C.P No. 20056

UDIN : A037412B000380251

Abhik jain
ACS MBA, BBM, LLB
Company Secretary

Contact : 8107673333

Abhik Jain & ASSOCIATES

Practicing Company Secretaries
A-31 Kashipuri, Bhilwara , Rajasthan -311001
E-mail-abhikjain100@gmail.com

CERTIFICATE OF NON -DISQUALIFICATION OF DIRECTORS

(As per clause C of Schedule V of Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 read with regulation 34 (3) of the said Listing Regulations)

To,

The Membrs,

Bhilwara Spinners Limited

26,Industrial Area

Gandhi Nagar

Bhilwara -311001 (Raj.)

As required by item 10 (i) Part C of schedule V of Schedule V of Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) RegulationS, 2015 we certify that none of the directors on the board of Bhilwara Spinners Limited have been debarred or disqualified from appointed or continuing as directors of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority.

FOR ABHIK JAIN & ASSOCIATES

Company Secretaries

Place Bhilwara

Dated 25th June 2020

(ABHIK Jain)
Proprietor
ACS -37412
C.P. No. -20056

ANNEXURE -II TO DIRECTORS' REPORT**Form No MGT-9****EXTRACT OF ANNUAL RETURN****as on the financial year ended on 31 March, 2020**

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

I. REGISTRATION AND OTHER DETAILS :

- i) CIN : CIN L 17115 RJ 1980 PL C00 8217
- ii) Registration Date : 7th June 1980
- iii) Name of the Company : BHILWARA SPINNERS LIMITED
- iv) Category/ Sub-Category of the Company : Public Company / Company limited by shares
- v) Address of the Registered office and contact detail : 26, Industrial Area gandhi Nagar-BHILWARA
Tel No. 91-1482-246601, 91-1482-246461
Email - bhilspinbs@gmail.com
- vi) Whether listed company : Yes
- vii) Name Address and Contact details of Registrar and Transfer Agent, if any : MCS share Transfure Agent Ltd.
f-65 1st floor okhia Industrial Area, Phase- 1 New Delhi - 20
Phone 011 - 414061148, Fax-011 41709881
E mail :-admin@mcsregistrars.com

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
NOT APPLICABLE			

III. SHARE HOLDING PATTERN (equity share capital breakup as percentage of total equity)**i) Category -wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2019				No. of Shares held at the end of the year 31.03.2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoters									
1 Indian									
(a) Individual / HUF	800	-	800	01	800	-	800	01	-
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt (s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corporate	3531670	-	3531670	52.23	3346740	-	3346740	49.49	-2.74
(e) Bank /FI		-	-	-	-	-	-	-	-
(f) Any Other		-	-	-	-	-	-	-	-
SUBtotal (A) (1)	3532470	-	3532470	52.24	3347540	-	3347540	49.50	-2.74

Category of Shareholders		No. of Shares held at the beginning of the year 1.04.2019				No. of Shares held at the end of the year 31.03.2020				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2	Foreign									
(a)	NRIs - Individual	-	-	-	-	-	-	-	-	-
(b)	Other - Individuals	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(d)	Banks/ FI	-	-	-	-	-	-	-	-	-
(e)	Any Other	-	-	-	-	-	-	-	-	-
	SUBtotal (A) (2)	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoters (A) = (A) (1) + (A) (2)	3532470	-	3532470	52.24	3347540	-	3347540	49.50	-2.74
(B)	Public Shareholding									
1	Institutions									
(a)	Mutual Funds	-	2200	2200	.03	-	2200	2200	.03	-
(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)	Other	-	-	-	-	-	-	-	-	-
	Sub- total (B) (1)	-	2200	2200	.03	-	2200	2200	.03	-
B-2	Non - institutions									
(a)	Bodies Corporate									
	i) Indial	1073611	10800	1084411	16.04	1037463	7800	1045263	15.46	-58
	ii) Overseas	-	-	-	-	-	-	-	-	-
(b)	Individuals									
	i) Individual Shareholders holding nominal share capital up to Rs.1 lakh	1150515	876000	2026515	29.98	1001643	862700	1864343	27.58	-2.40
	i) Individual Shareholders holding nominal share capital in excess of Rs.1 lakh.	115534	-	115534	1.71	501784	-	501784	7.43	5.71
	Total Public	2339660	889000	3228660	47.76	2540890	872700	3413590	50.50	
	G. Total	5872130	889000	6761130	100	5888430	872700	6761130	100	