



**Bharat Textiles & Proofing
Industries Limited**

**ANNUAL REPORT
2002 - 2003**

BOARD OF DIRECTORS : - UGAMCHAND BHANDARI
(MANAGING DIRECTOR)
AJEET KUMAR BHANDARI
ANIL KUMAR BHANDARI

BANKERS : INDIAN OVERSEAS BANK
143, N.S.C BOSE ROAD,
CHENNAI - 600 079.

AUDITORS : SAKARIA & ASSOCIATES
321/156, MINT STREET,
CHENNAI - 600 079.

ADM.OFFICE : 21, THOLASINGAM STREET,
CHENNAI - 600 079.

**REGD. OFFICE &
PLANT LOCATION** : 994, SATHYAVEDU ROAD,
SURAVARIKANDIGAI,
SIRUPULLAI PET,
GUMMIDIPOONDI TALUK.

**NOTICE**

Notice is hereby given that the **Twelfth Annual General Meeting of the Company** will be held on Thursday, 26th September 2003 at 10.00 A.M at **994, Sathyavedu Road, Suravarikandigal, Sirupullaipet, Gummidipoondi Taluk** to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March 2003 and the Profit & Loss Account for the year ended as on that date together with the notes thereto and Schedules thereto and the Reports of the Directors and Auditors.
2. To Appoint a Director in place of **Shri Ajeet Kumar Bhandari** who retires by rotation and being eligible, offers himself for reappointment.
3. To Appoint a Director in place of **Shri Anil Kumar Bhandari** who retires by rotation and being eligible, offers himself for reappointment.
4. To Appoint Auditors and to fix their remuneration.

BY ORDER OF THE BOARD

Gummidipoondi.
DATE : 30.06.2003

UGAMCHAND BHANDARI
Managing Director

NOTES

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead himself and proxy need not be a member of the company.
2. The Register of Members and Share transfer books shall remain closed from 20th September 2003 to 26th September 2003 (both days inclusive)
3. Members/Proxies should bring the Attendance Slip filled in for attending the meeting.
4. The Company's Equity shares are listed at Chennai and Mumbai Stock Exchanges and annual listing fees have been paid to the said Exchanges in time.

BY ORDER OF THE BOARD

Gummidipoondi.
DATE : 30.06.2003

UGAMCHAND BHANDARI
Managing Director

**Bharat Textiles & Proofing Industries Limited**



**BHARAT TEXTILES & PROOFING INDUSTRIES LIMITED
DIRECTORS REPORT**

Your Directors present herewith the Twelfth Annual report together with the Audited Statement of Accounts for the year ended 31st March 2003

**FINANCIAL RESULTS
PARTICULARS**

	YEAR ENDED 31 ST MAR 2003	YEAR ENDED 31 ST MAR 2002 (Rs. In lacs)
SALES & OTHER INCOME	809.04	738.30
PROFIT BEFORE INTEREST & DEPRECIATION	35.23	(58.92)
INTEREST	92.20	174.11
PROFIT/LOSS BEFORE DEPRECIATION	(56.97)	(233.03)
DEPRECIATION	(42.55)	(44.36)
LOSS FOR THE YEAR	(99.52)	(277.39)
ADD :EARLIER YEAR BALANCE B/F	(774.90)	(497.10)
BALANCE CARRIED TO B/S	(874.42)	(774.49)

OPERATIONS & FUTURE PROSPECTS:

Your company was able to reduce the losses mainly due to the increased export content seen. The company is taking steps to increase the capacity utilisation of the plant and improve the production levels. The focus is on recoveries and towards substantial reduction in operation cost.

DIRECTORS

Shri Ajeet Bhandari & Anli Bhandari retires by rotation and being eligible offer themselves for re-appointment. During the year Shri A. Subramaniam resigned as director of the company. The Board acknowledges the services of Shri A. Subramaniam during his long association with the company.

CORPORATE GOVERNANCE

The separate report on corporate governance is enclosed as the part of the annual report along with auditor's statement on its complies as stipulated under the clause 49 of the listing agreement.

AUDITORS

M/s Sakaria & Associates, Chartered Accountants, Chennai, Auditors of the company retire at this Annual General Meeting offer, themselves for re-appointment.

AUDITORS' REPORT

As regards Auditor's observations, regarding non-provision of Rs.141.76 lacs towards interest on term loans, your directors wish to state that a restructuring plan of one time settlement (OTS) from Industrial Development Bank of India has been received which would result in concessions both in terms of principal and interest. The delay in remittances of Providend Fund and ESI is due to shortage of working capital funds.

PARTICULARS OF EMPLOYEES

The provisions under Section 217(2A) of the Companies Act, 1956 and the rules framed there under are not applicable since none of the employees were in receipt of remuneration in excess of the limits prescribed therein.

COMPANIES (DISCLOSURES OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS RULES)

Conservation of energy, foreign exchange earning and outgo as required under Section 217 (1)(e) of the Act readwith Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988, is annexed and forms part of this report.

ACKNOWLEDGEMENTS

The Board wishes to express its deep appreciation of the Co-operation and assistance received from Industrial Development Bank of India, Indian Overseas Bank and the employees of the company.

BY ORDER OF THE BOARD OF DIRECTORS
FOR BHARAT TEXTILES & PROOFING INDUSTRIES LIMITED

(UGAMCHAND BHANDARI)
MANAGING DIRECTOR

(AJEET KUMAR BHANDARI)
DIRECTOR

(ANIL KUMAR BHANDARI)
DIRECTOR

PLACE : CHENNAI
DATE : 30.06.2003

Bharat Textiles & Proofing Industries Limited

**ANNEXURE TO DIRECTORS REPORT :**

STATEMENT OF PARTICULARS UNDER COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES 1988.

1. CONSERVATION OF ENERGY:

The company is taking steps to optimise the use of energy through improved operational methods

2. POWER & FUEL CONSUMPTION:

	2002 - 2003	FORM A	2001 - 2002
Electricity			
<u>Purchased</u>			
Units	564495		511510
Amount	3073298		2480149
Rate/unit Rs	5.44		4.85

3. The company has no activity relating to Research and Development activities.

4. FOREIGN EXCHANGE EARNING OUTGO:

The information of foreign exchange earning and outgo is contained in schedule 14, items 17 in Notes on Accounts.

BY ORDER OF THE BOARD OF DIRECTORS
FOR BHARAT TEXTILES & PROOFING INDUSTRIES LIMITED

(UGAMCHAND BHANDARI)
MANAGING DIRECTOR

(AJEET KUMAR BHANDARI)
DIRECTOR

(ANIL KUMAR BHANDARI)
DIRECTOR

PLACE : CHENNAI
DATE : 30.06.2003

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Bharat Textiles & Proofing Industries Limited

ANNEXURE TO DIRECTORS' REPORT

CORPORATE GOVERNANCE

1. PHILOSOPHY ON CODE GOVERNANCE

The company's philosophy of Governance adopted by your Board has at all times been based on integrity, transparency and fairness in all its dealings. The company will continue to maintain goodwill with its shareholders.

2. BOARD OF DIRECTORS

The Board comprises of three Directors, Managing Director, & Wholetime Directors.

3. Details of Attendance at Board meeting and last AGM and details of memberships in other Boards and Board committees are stated below.

The Board met 4 times during the financial year on 30 June 2002, 31 July 2002, 31 October 2002 and 31 January 2003.

Name of the Director	No. of board meetings attended	Whether attended last AGM	Membership in other Boards	Committee	
				Membership	Chairmanship
MR. UGAM CHAND BHANDARI	4	YES	1	2	2
MR. AJEET KUMAR BHANDARI	4	YES	1	2	-
MR. A. SUBRAMANIAM	1	YES	NIL	1	-
MR. ANIL KUMAR BHANDARI	4	-	NIL	-	-

4. AUDIT COMMITTEE

The Audit committee comprises of Mr. Ugam Chand Bhandari, Mr Ajeet Kumar Bhandari. Majority of the members have financial and accounting knowledge. The Statutory Auditors were invitee to the meetings.

The Committee met on 6 July 2002, 31 October 2002 and 28 March 2003. All the Members attended these meetings.

The scope of reference ensures covering matters specified for Audit committee under the Listing agreement.

5. REMUNERATION COMMITTEE

The Company has two Wholtime Director on the Board whose appointment and remuneration has been Fixed by the Board in term of resolution passed by members.

6. SHARE TRANSFER / INVESTORS SERVICE COMMITTEE:

The share transfer committee consisting of Mr. Ugam Chand Bhandari, Mr. Ajeet Kumar Bhandari. This committee is authorised to approve the transfers/transmissions once in a fortnight and to look into grievances of shareholders.

During the year there was no complaint received from Stock Exchange / SEBI / Department of Company Affairs.

7. GENERAL BODY MEETINGS

The last three Annual General Meetings were held as under :

DATE OF AGM	TIME	VENUE
SEPTEMBER 28, 2002	10.00 A.M.	No. 994, Sathyavedu Road, Suravankandigai, Sirupullaipet, Gummidipoondi Taluk
SEPTEMBER 28, 2001	10.00 A.M.	
SEPTEMBER 29, 2000	10.00 A.M.	

The Company does not have any proposal for postal ballot.

8. INSIDER TRADING :

The Company has adopted a code of conduct for prevention of Insider Trading and required disclosure producer.

9. DISCLOSURES

During the year the company had not entered into any transaction of material nature with any of the promoters, directors, management or relative etc., which were in conflict with the interest of the company.

There were no instance of non compliance by the company on any matters relating to the capital markets; nor was there any penalty / stricures imposed by the stock exchanges or SEBI or any other statutory authority on such matters.

10. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting

September 26, 2003 at 10.00 A.M.

No.994, Sathyavedu Road,

Suravanikandigai, Sirupullaipet, Gummidipoondi Taluk...

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